LOTUS RESOURCES

Sustainability Report 2025

Focused on our Future

Forward Looking Statement

This Report contains 'forward-looking statements' (**Statements**) based on the Company's expectations, estimates and projections as at the date of this Report. Statements can be identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect" and "intend" and statements that an event or result "may", "will", "should", "could" or "might" (and other similar expressions).

Statements and the information herein are subject to known and unknown risks and uncertainties that could cause outcomes different to those currently anticipated. This includes factors such as economic, competitive, political and social uncertainties; valuations and regulatory changes and approval delays; the cost to procure and build plant and equipment (including delays etc); the ability of the Company to secure financing and the terms of the same; uranium market pricing and the ability of the Company to secure offtake.

Statements are based on estimates and opinions of management as at the date of this Report and this Report will not be updated even if circumstances, estimates or opinions change.

Sustainability Snapshot

ENVIRONMENT

WATER

Zero uncontrolled release of water

WASTE

Zero non-compliance with waste or water licences

ENERGY

221% increase in total diesel consumption associated with the ramp up of construction activities at the Kayelekera Uranium Mine

(FY25: 1,462 KL; FY24: 444 KL)

225% increase in Scope 1 emissions

(FY25: 4,307 tCO_2-e; FY24: 1,214 tCO_2-e)

REHABILITATION

Donated 4,100 seedlings to schools and local communities to support reforestation programs near Kayelekera Uranium Mine

360 seedlings planted for rehabilitation at Kayelekera Uranium Mine (FY24: 1,200)

SOCIAL

SAFETY

Zero fatalities

Zero lost time injuries (LTIs)

Decrease in Group TRIFR

(FY25: 1.33; FY24: 2.05)

DIVERSITY

25% women on Lotus Board

10% female employment across the Group

(FY24: 20%)

94% of all our employees are local nationals

(Botswana, Malawi and Australia)

COMMUNITY DEVELOPMENT

371% increase in community development spend

(FY25: USD 80,000; FY24: USD 17,000)

GOVERNANCE

ANTI-BRIBERY AND CORRUPTION

Zero incidents of corruption

(FY25: 0; FY24: 0)

ECONOMIC PERFORMANCE

169% increase spend on local suppliers in Malawi and Botswana

195 local suppliers engaged in Malawi and Botswana

CYBERSECURITY

Zero incidents of data breaches

(FY25: 0; FY24: 1)

CORPORATE GOVERNANCE

100% of security staff at Kayelekera Uranium Mine trained in human rights

Zero fines or infringements

Zero non-compliance with laws or regulations

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About This Report

Report and Scope

This Sustainability Report (the **Report**) presents activities of Lotus Resources Limited's corporate office in Perth, Western Australia, and exploration and operational activities carried out by its subsidiaries in Botswana and Malawi. Lotus holds an 85% interest in the Kayelekera Uranium Project (**Kayelekera**) in Malawi via a subsidiary, Lotus (Africa) Limited, with the remaining 15% held by the Malawi government. Lotus owns 100% of the Letlhakane Uranium Project (**Letlhakane**) in Botswana via a subsidiary, Lotus Marula Pty Ltd. For the purposes of this report, "**Lotus**" is used to refer to Lotus Resources Limited and its subsidiaries.

This Report, approved for release by the Board of Directors on 18 November 2025, covers the financial year from 1 July 2024 to 30 June 2025 (**FY25** or **reporting period**). This Report outlines our approach to creating sustainable value for our stakeholders, and provides a summary of our environmental, social and governance (**ESG**) management and performance. This Report forms part of our annual reporting suite and should be read in conjunction with our FY25 Annual Report and Corporate Governance Statement, including periodic and continuous disclosure announcements lodged with the Australian Securities Exchange (ASX) (Code: LOT) available on www.lotusresources.com.au

The currency used throughout this report is US Dollars (**USD**) unless otherwise stated.

Publication date: November 2025

ESG Disclosures

This Report has been prepared with reference to the Global Reporting Initiative Sustainability Reporting Standards (**GRI Standards**), the United Nations Sustainable Development Goals (**UN SDGs**) and the Task Force on Climate-related Financial Disclosures (**TCFD**) framework. We review and update our sustainability targets annually, adjusting them as needed to drive ongoing improvements in our performance.

Lotus is continuing to develop its climate mitigation strategy for the recommencement of mining at Kayelekera in Malawi. While we prepare to report under the Australian Sustainability Reporting Standards (**ASRS**), we continue to support the TCFD recommendations and align our reporting process accordingly. We actively participate in external benchmarking initiatives to assess and enhance our ESG performance including S&P Global Corporate Sustainability Assessment (**CSA**). We are pleased to report positive trends on our S&P Global CSA ESG rating throughout FY25.

Our data collection methods are continually evolving, which may lead to revisions of previously published figures when they are considered significant or relevant. Any such updates or restatements are documented in the footnotes of the performance metrics or related disclosures. The figures presented in this Report represent the most current information available. No external assurance has been sought specifically for the FY25 Sustainability Report. This report has been reviewed by the Board and the executive team.

We welcome all feedback from our stakeholders. Please visit the Contact page of our website to provide feedback on the Report and our sustainability performance.

Our Voluntary Sustainability Reporting Initiatives

GRI

SUSTAINABLE DEVELOPMENT GOALS

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

Message from our ESG Chair

As Chair of the ESG Committee, I am pleased to present our FY25 Sustainability Report, marking another step in our journey to becoming a responsible uranium producer and a catalyst for a low-carbon future.

I would like to acknowledge my predecessor, Dixie Marshall, for her dedicated leadership in embedding sustainability across our business. Her contributions shaped our ESG strategy and advanced progress on climate resilience, community engagement, governance and transparency. I look forward to building on this strong foundation as we continue to strengthen our approach to responsible resource development.

Our sustainability strategy is guided by stakeholder input and aligned with the UN Sustainable Development Goals, with a focus on long-term value creation through responsible environmental practices, inclusive social initiatives and sound governance. This includes investing in local employment, education, training and community health, particularly in the regions where we operate.

FY25 was a year of both progress and challenge. Against the backdrop of growing climate urgency and evolving stakeholder expectations, we advanced our Kayelekera Project in Malawi and the Letlhakane Project in Botswana.

A substantial portion of our efforts in FY25 has revolved around the refurbishment and redevelopment of the Kayelekera Uranium Mine in Malawi. We updated our environmental and social impact assessment (ESIA) to reflect operational changes and align with current social and environmental context, leading to the renewal of the Project's ESIA Certificate in July 2025. We also signed a Community Development Agreement in January 2025, allocating 0.45% of revenue to locally determined development initiatives, and concluded a Mine Development Agreement with the Government of Malawi in July 2024, which includes fiscal stability provisions for ten years.

During the reporting period, we maintained a strong safety record across the Group and continued to prioritise workforce wellbeing, inclusive development and local hiring. A significant share of our workforce is now drawn from host countries, supported by training and professional development programs that expand long-term economic opportunities.

This year, we also undertook an Australian Sustainability Reporting Standards (**ASRS**) readiness assessment and established a formal roadmap to ensure alignment with future disclosure requirements.

During the reporting period, we saw a significant increase in diesel consumption from FY24 due to the restart and refurbishment activities at Kayelekera Uranium Mine. As part of our Hybrid Power Strategy, connection of the Kayelekera Uranium Mine to Malawi's national electricity grid towards the end of 2026, powered predominantly by hydroelectric energy, will reduce our reliance on diesel, lower emissions and extend access to electricity for nearby communities.

As we look ahead, our focus will be on operational efficiency, emissions reduction and building long-term value as we bring the Kayelekera Uranium Mine online and progress toward full-scale commercial production. We are investing in energy efficiency, water stewardship and governance systems that will support our transition from developer to producer in a manner that is responsible and transparent.

I would like to thank our team, partners and stakeholders for their trust and collaboration. Together, we are demonstrating that uranium can play a vital role in the energy transition, mined with integrity, responsibility and care.

On behalf of the ESG Committee and the Board, I invite you to explore this Report and engage with us on our journey into operations.

Simon Hay
Chair of the ESG Committee

About Lotus Resources

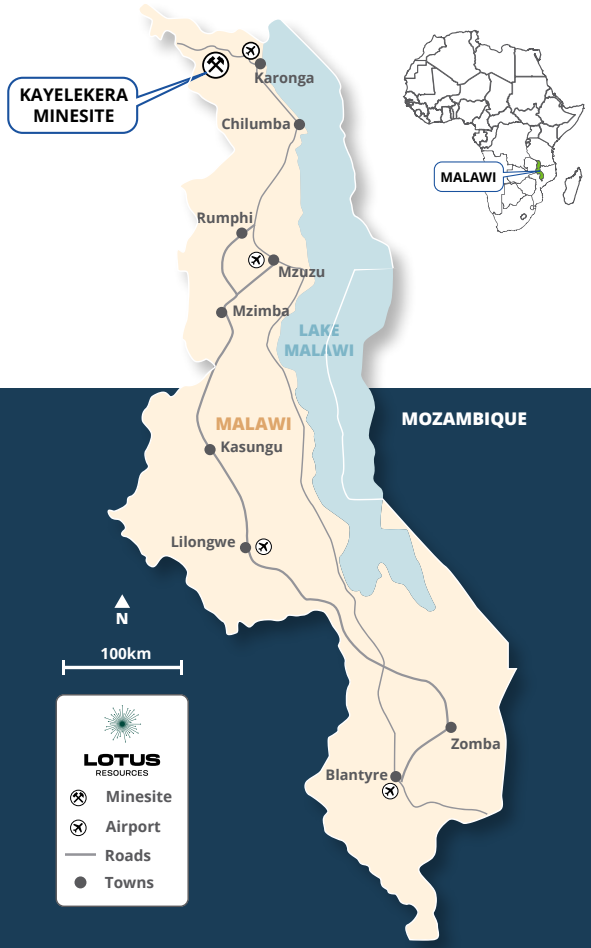
Lotus Resources Limited is a leading ASX listed uranium developer headquartered in Perth, Western Australia, with significant scale and resources.

Lotus holds an 85% interest in the Kayelekera Uranium Project in Malawi, and 100% of the Letlhakane Uranium Project in Botswana. At Lotus, our vision is to be a responsible uranium producer by building strong local communities, a safe and healthy work environment and making a positive contribution to a carbon free future. We are actively participating in the rapid growth of the nuclear energy industry, whose essential role in achieving net-zero emissions is now widely recognised[1].

We are dedicated to delivering value to our stakeholders, including our shareholders, customers, and local communities. Our commitment includes collaborating with communities to ensure we provide a meaningful and enduring impact.

Our Vision

To be a responsible uranium producer, building strong local communities, a safe and healthy work environment and making a positive contribution to a carbon free future.



KAYELEKERA URANIUM MINE

Kayelekera is located in the Karonga District of northern Malawi, 650 km north of the national capital of Lilongwe and 24 km west town of Karonga.

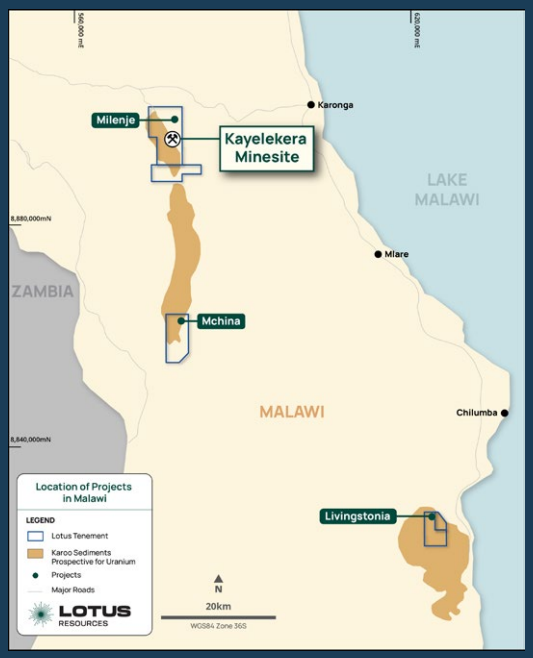
Lotus holds one mining licence for the Kayelekera mine and four exploration tenements, one adjacent to the mine and three that are to the south, two of which host the Livingstonia Uranium Prospect. These tenements are being investigated for their potential to supply additional uranium as future satellite operations.

Kayelekera has been in care and maintenance since 2014 due to a sustained period of low uranium price and unfavourable market conditions. The uranium market has recently taken a positive turn and has seen a significant increase in spot prices through the end of 2023 and into 2024 as a result of increasing demand.

During FY25, Lotus was focused on recommencing operations at Kayelekera and achieved a major milestone for the project by finalising the Mine Development Agreement (MDA) with the Government of Malawi in July 2024. In October 2024, Lotus completed an accelerated restart plan with first uranium production occurring in Q3 2025. A Community Development Agreement (CDA) was signed with the qualified communities in January 2025; the Environmental and Social Impact Assessment (ESIA) was approved in May 2025 with the associated ESIA Certificate issued in July 2025.

Following the recommencement of mining, the production rate is anticipated to be 2.4 Mlb U_3O_8 per annum over 10 years.

Lotus' Milenje Rare Earth Project is hosted within the Kayelekera mining licence. Exploration activities have identified that the rare earth grades offer promising potential for a future deposit to be defined.



1 Six More Countries Endorse the Declaration to Triple Nuclear Energy by 2050 at COP29 - World Nuclear Association

About Lotus Resources

LETLHAKANE URANIUM PROJECT

The Letlhakane Project is located approximately 90 km south of Francistown, the second largest town in Botswana.

Botswana is recognised as a world-class mining jurisdiction having dominated the economy since the 1970s and has been consistently in the top ranked jurisdictions in the Fraser Institute Perceptions Index.

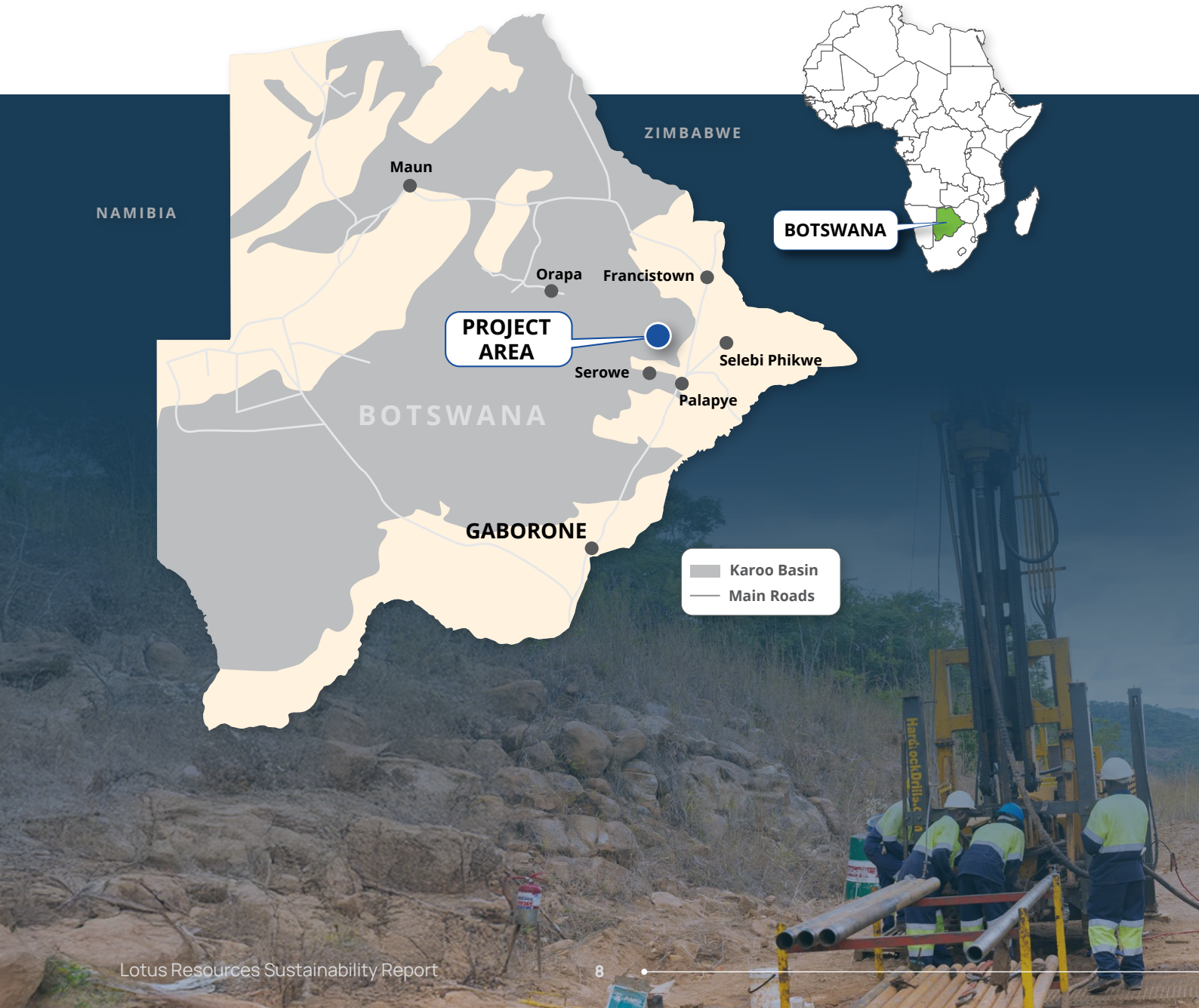
Letlhakane is one of the world's largest undeveloped uranium deposits.

Letlhakane's mining licence (ML2016/16L) has been in place since 2016. The Project also has provisional surface rights, water abstraction rights and rights to install a borefield. Lotus holds a Prospecting Licence (PL2482/2023) located adjacent to the eastern edge of the ML, covering 11,966 ha.

The Project is located close to high quality infrastructure with the A1 sealed highway, railway and powerline running past the mining licence boundary. All of which make significant contributions to keeping the capital cost of future developments low.

In December 2024, Lotus revised the Mineral Resource Estimate for the project increasing the Indicated Mineral Resources by 65%[2].

2 ASX Announcement - 6 December 2024



Powering a clean energy future

Climate change has emerged as one of the global community's most critical issues, with the impact of climate change being increasingly felt worldwide. In recent years, we've seen more frequent extreme weather events, rising global temperatures and increasing spending on disaster recovery.

The United Nations (**UN**) Environment Programme's Emission Gap Report (2024) confirmed that global greenhouse gas (**GHG**) emissions reached a record high, growing by 1.3% from the previous year. The report highlights how climate change is reshaping global energy dynamics, with rising temperatures and extreme weather events intensifying both energy supply challenges and demand pressures. It warns that continued warming will drive up energy demand, especially for cooling/air conditioning, while simultaneously threatening energy infrastructure through heatwaves, droughts and storms. Shifting weather patterns also create substantial fluctuations in energy demand for heating and cooling, introducing greater variability in both energy demand and supply. These disruptions can reduce the reliability of fossil fuel-based systems and hydropower, particularly in regions vulnerable to water scarcity or grid instability, and highlight the importance of adaptive and resilient energy systems with broader climate strategies.[3]

"The energy sector is the source of around three quarters of carbon emissions today and is the key to avoiding the worst effects of climate change".[4] Clean-energy goals have been the focus of many global meetings, with policies like the Paris Agreement and the United Nations 24/7 Carbon Free Energy Compact aiming to accelerate the decarbonisation of the world's energy system.

Nuclear energy is one of the largest and most reliable sources of low-carbon electricity available and has the potential to provide an essential foundation for transitioning to net zero. As global demand for clean and dependable electricity continues to rise, there has been a surge in nuclear energy initiatives, policy developments and investments, in advanced technologies like small modular reactors (**SMRs**). Following the milestone of surpassing the threshold of 1.5°C above pre-industrial levels for the entire calendar year in 2024, technology companies seeking stable, low-carbon power for artificial intelligence (**AI**) and data infrastructure are increasingly turning to nuclear solutions, including both traditional reactors and SMRs.[5]

NET ZERO 2050

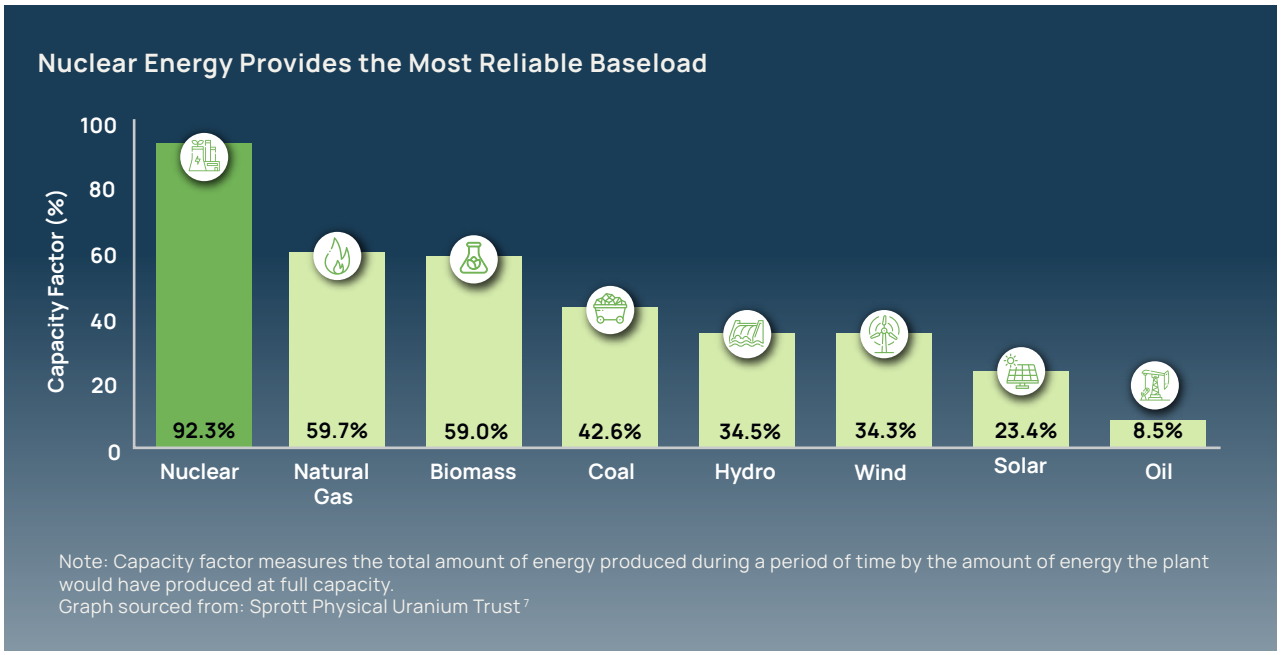
Transitioning to net-zero carbon emissions is one of the greatest challenges our world will face. It calls for a complete transformation of how the world operates.

"A few years ago, discussions might have been about phasing out nuclear energy. Today, at the World Economic Forum, we're on the road to tripling nuclear capacity. This shows a shift in how nuclear energy is increasingly seen as essential for net-zero and energy transition"

- Director General Rafael Mariano Grossi (International Atomic Energy Agency)[6]

3 https://www.unep.org/emissions-gap-report-2024
4 Net Zero Coalition | United Nations
5 Nuclear Energy in the Clean Energy Transition | IAEA
6 IAEA Work Central at World Economic Forum in Davos | IAEA

Powering a clean energy future



The surge in electricity use, driven by industrial activity, air conditioning, electric mobility and vehicles, and the expansion of AI-powered data centres is accelerating power demand at a pace projected to outstrip overall energy consumption by a factor of six in the coming decades under current policy trajectories[8]. Meeting this demand will require significant investment in diverse generation technologies, particularly those capable of delivering reliable and flexible baseload power, such as nuclear energy. It is a clean, low emission, high intensity energy source, and has the greatest resilience as it is the only form of clean energy that can supply baseload power around-the-clock.

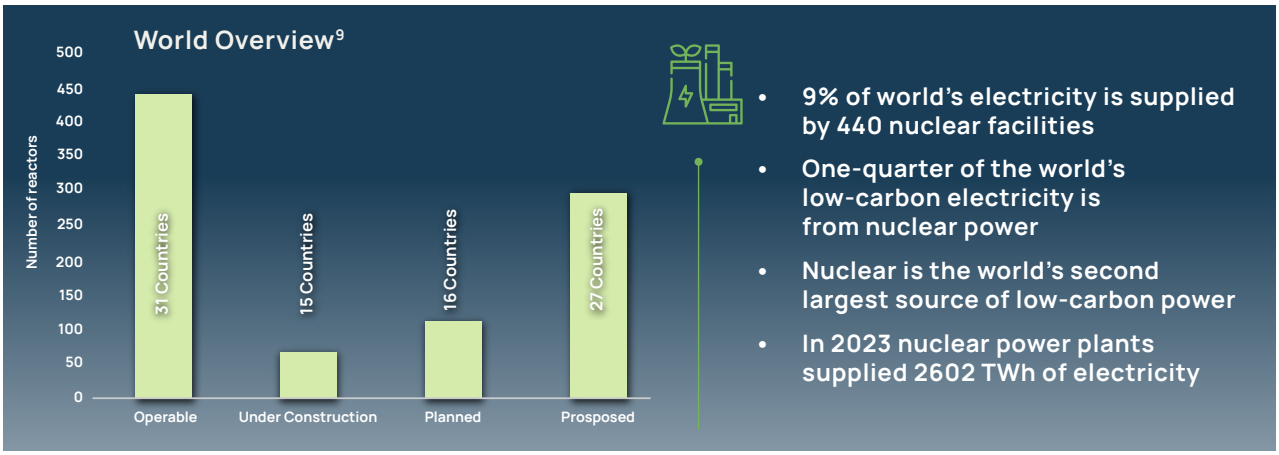
Governments are also increasingly backing nuclear to achieve decarbonisation. At the UN's COP28 climate change conference in December 2023, 22 countries signed up to the goal of tripling global nuclear energy by 2050 to achieve emission targets. By COP29 in November 2024, 31 countries had signed up.

> **"We are investing significantly in the critical infrastructure to support the long-term optimisation of Kayelekera to ensure we are on the pathway to lowering costs and operating Kayelekera in the most ESG friendly manner for the maximum benefit of the local communities, Malawi and the overall environment."**
>
> – Greg Bittar, Managing Director and CEO

> **Nuclear power has avoided over 70 Gt of carbon dioxide (CO_2) emissions over the past 50 years, nearly equal to 2 years of global energy-related CO_2 emissions.**
>
> - International Energy Agency

7 Sprott Physical Uranium Trust June Q2 2025 Fact Sheet
8 A new era for nuclear energy beckons as projects, policies and investments increase - News - IEA

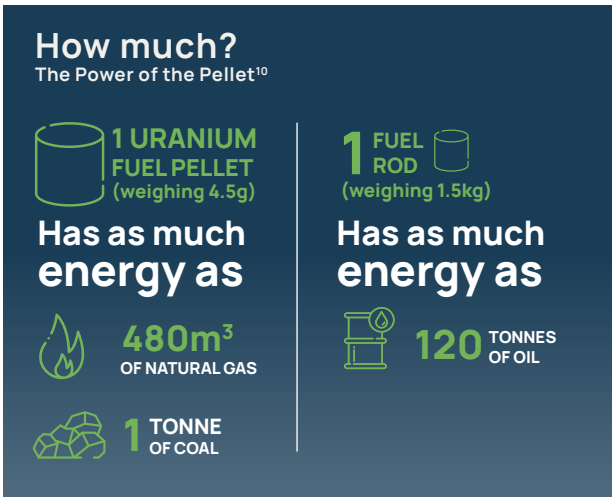
The Potential of Uranium

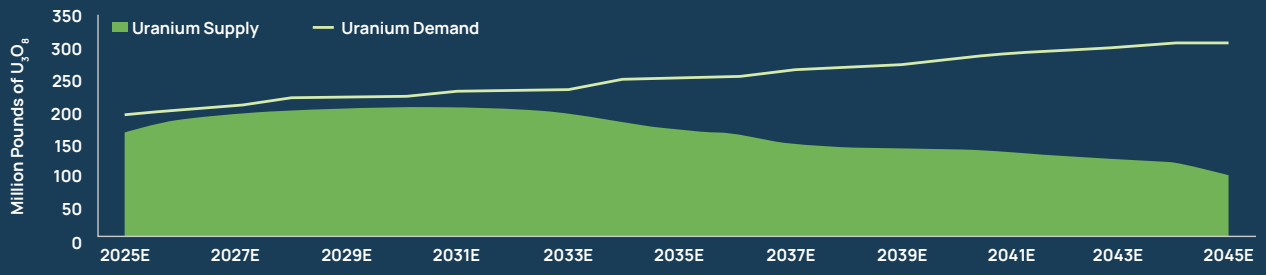


Uranium is the main fuel used by nuclear power plants. It is a heavy metal which has been used as an abundant source of concentrated energy for over 60 years. Uranium (U) is a common metal found in soils and rocks around the world and occurs in nature as two types of isotopes: U-235 and U-238. The isotope U-235 is important because in the right conditions it can be split, yielding large amounts of energy.

Fission is the process of splitting the U-235 atoms, and this process releases heat, radiation, and more neutrons, prompting further fission and creating a chain reaction. The heat (not the radiation), generated from this reaction is used to generate power, as it heats steam that operates turbines to generate electricity.

Uranium is a key energy contributor in the world's transition towards a net zero future. A significant increase in uranium production is needed to support the transition to net zero by increasing feedstock for nuclear energy generation.





Lotus plans to produce up to 2.4 Mlb U_3O_8 per annum at Kayelekera once production has ramped-up to steady state rate[12] Using this production rate, the Kayelekera Mine can supply enough uranium to feed roughly five 1,400MW reactors each year, equating to approximately 60 million MWh per year. This is enough to power 6 million homes.

9 Nuclear Power in the World Today - World Nuclear Association. Accessed 17 July 2025.
10 Source: Uvarov, A. (2020) Viewpoint: Nuclear's stand-out resilience in an energy crises, in World Nuclear News. https://world-nuclear-news.org/Articles/Viewpoint-Nuclears-stand-out-resilience-in-an-ener
11 Sprott Physical Uranium Trust June Q2 2025 Fact Sheet
12 The life-of-mine production contains approximately 4% from Inferred Mineral Resources contained in existing stockpiles. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the production target itself will be realised. The Ore Reserve and Mineral Resources underpinning the production target have been prepared by a competent person in accordance with the requirements in Appendix 5A (JORC Code). Refer to ASX Announcement dated 8 October 2024.

Sustainability at Lotus

At Lotus, sustainability is deeply embedded in our vision and core values, which shape our culture and guide expectations throughout the organisation. Our four core values define how we work and reflect who we are.

Lotus acknowledges the complex challenges and responsibilities of operating in the uranium sector. We aim to manage our environmental and social impacts thoughtfully, while maintaining operational performance and long-term business resilience. Our approach includes practical innovations to improve efficiency, reduce risk and respond to stakeholder concerns.

We incorporate sustainability considerations into our broader strategy to support workforce wellbeing, respectful engagement with communities and safeguarding the environmental resources that underpin our operations. We understand that earning trust requires ongoing transparency, cultural respect and accountability.

Our sustainable development program is focused on achieving a workable balance between economic viability, environmental stewardship and social responsibility. We recognise that there is always more to learn and are committed to continuous improvement and meaningful engagement across every stage of our business.

We act like an owner

To be successful over the long term, it takes an entire work force who feels responsible, acts with empowerment and accountability, and is fully invested and aligned with our Purpose. If Lotus Resources succeeds, we all succeed.

We care

Lotus Resources has a vision of a safe and incident free workplace built on the success of a system governing our health, safety, training and management, created by us, for our people. We strive to cause no unnecessary harm to the environment. We aim to make a difference in the communities where we work and live. We care about integrity, always acting lawfully and ethically.

We continuously improve

We believe there is always room for improvement. We encourage people to speak up to identify and suggest improvements, fostering a sense of ownership and involvement of people. We encourage collaboration across teams and departments, sharing ideas and insights. Mistakes are viewed as opportunities for learning and improvement. We use data and analysis to track progress – if we don't measure, we can't track improvement.

We deliver

We do what we say we will do – we're always accountable and dependable. We are adaptable, knowing the best laid plans are never fool proof. We are willing to go the extra mile to ensure the job gets done.

Sustainability governance

The Board holds ultimate accountability for shaping our sustainability strategy and overseeing performance. The ESG Committee reviews and advises the Board and the executive team on ESG matters, ensuring our actions and disclosures reflect leading mining sector standards. The Committee's responsibilities include setting policy direction, ensuring robust compliance frameworks, supervising sustainability monitoring activities, managing sustainability-related risks and opportunities, and evaluating progress against defined targets and performance metrics. Our ESG strategy is reviewed annually and approved by the ESG Committee and the Board. At least three meetings are held each year. In FY25, the ESG Committee convened three times with management to assess evolving sustainability and environmental approvals around our projects, review environmental and social performance, climate risk management and refine relevant policies and procedures.

Sustainability at Lotus is overseen by our Managing Director/Chief Executive Officer (**CEO**), who holds overall responsibility for performance in this area. Guided by their leadership, the executive team implements our sustainability strategy in alignment with our core values, Code of Conduct and company policies:

- Our Chief Commercial Officer (**CCO**) oversees the overall direction of key sustainability matters, concentrating on identifying and implementing expectations, standards, strategies and reporting mechanisms with the assistance of a dedicated ESG Manager reporting to the CCO. The CCO reports regularly to the executive team and the ESG Committee, and leads the Company's sustainability reporting efforts, ensuring comprehensive coverage of all material topics.
- Our Chief Financial Officer (**CFO**) oversees our risk management framework and enterprise risk register which includes ESG-related risks such as climate change.
- Our Chief Operating Officer (**COO**) is responsible for managing ESG-related performance at a site level including health and safety practices, environmental initiatives and energy use.
- Our General Manager (Kayelekera) and Country Manager (Letlhakane) oversee the on-the-ground implementation of ESG strategies including diversity and inclusion, talent management, environmental and social performance.

Our policies define our commitments on specific sustainability-related topics. Both the ESG Committee Charter and our governance policies can be found at Lotus Resources I Corporate Governance

Lotus supports the global mission to achieve the UN's 17 SDGs as part of the 2030 Agenda for Sustainable Development. We recognise the need for collective action to address poverty, inequality and climate change, especially in remote and developing regions where mining operations are often based.

We've identified eight priority SDGs that align closely with our business and have set measurable targets. Through responsible practices and ongoing reporting, we aim to contribute meaningfully to a more sustainable future.

Our Stakeholders

Strong, transparent relationships with our stakeholders are crucial to delivering sustainable social, environmental and economic outcomes. This Report provides a summary of our engagement activities, which are tailored to suit the specific interests and concerns of each stakeholder group. Constructive and ongoing dialogue with stakeholders plays a vital role in resolving concerns and ensuring effective grievance processes. We promote meaningful dialogue which fosters our relationships and enhances our social licence to operate.

We regularly engage with our stakeholders through various channels, including ASX and media releases, corporate publications, our Annual General Meeting (**AGM**), website updates, social media posts and targeted stakeholder outreach.

Overview of our approach to engaging with our stakeholders:

Stakeholders	Priority interests and concerns	How we engage
Employees and Contractors Lotus employees, and key contractors	• Health and safety • Implementing sustainable practices • Remuneration and employee welfare • Prioritising local procurement • Community development programs for health and education • Diversity and equal opportunity • Water stewardship • Ground stability • Corporate governance	• Regular meetings • Personal communication • Daily pre-start meetings • Training • Performance reviews • Management briefings
Local Communities Schools, health centers, police, local community, local businesses, landowners and former employees.	• Community development programs for health and education • Employment opportunities • Diversity and equal opportunities for women • Electrification of communities • Water stewardship • Reforestation programs • Tailings management	• Community meetings • Face-to-face meetings • Site visits • Radio • Social media
Traditional Leaders Village chiefs	• Corporate Social Responsibility • Community development programs for health, education and infrastructure • Mine re-opening and local employment • Prioritising local procurement • Community consultation • Electrification of communities • Water stewardship • Diversity and equal opportunities for women • Reforestation programs • Tailings management	• Face-to-face meetings • Village development committee meetings • Calls • Stakeholder survey • Site visits
Shareholders and Investors	• Risk management • Health and safety • Climate change risk and reporting • Corporate Social Responsibility • Community engagement • Diversity and equal opportunity • Reforestation programs	• Presentations/webinars • ASX announcements • Social media • Meetings • Personal communications • Annual reports • AGM • Sustainability Report
Government and Regulators All levels of government, and various departments and regulatory authorities, in multiple countries.	• Tailings and waste management • Mine re-opening and local employment • Mine Development Agreement • Diversity and equal opportunity • Health, safety and radiation • Community engagement • Water stewardship • Environmental management • Electrification of communities • Prioritising local procurement	• Site visits • Personal communications • Letters • Face-to-face meetings

Stakeholders	Priority interests and concerns	How we engage
Suppliers Local and international businesses	• Corporate Social Responsibility • Waste and hazardous materials • Health, safety and radiation • Prioritising local procurement • Environmental management • Climate change • Reforestation programs • Diversity and equal opportunity	• Meetings • ASX announcements • Personal communications
Customers	• Risk management • Diversity • Health, safety and wellbeing • Corporate Social Responsibility • Modern Slavery • Environmental management • Climate change risk and reporting • Diversity and equal opportunity • Reforestation programs	• Conferences, meetings • ASX announcements • Personal communications • Annual reports

Memberships of associations

Engagement with industry associations is a key mechanism through which Lotus contributes to and influences sector-wide issues that are material to our operations. Being part of the right associations allows us to contribute to shaping industry perspectives and facilitates the exchange of valuable insights. Lotus continues to support the Malawi Extractive Industries Transparency Initiative (MEITI) and has reported its contributions to Malawi's extractive sector since FY21. Lotus is also a member of the Malawi Chamber of Mines and Energy.

Materiality

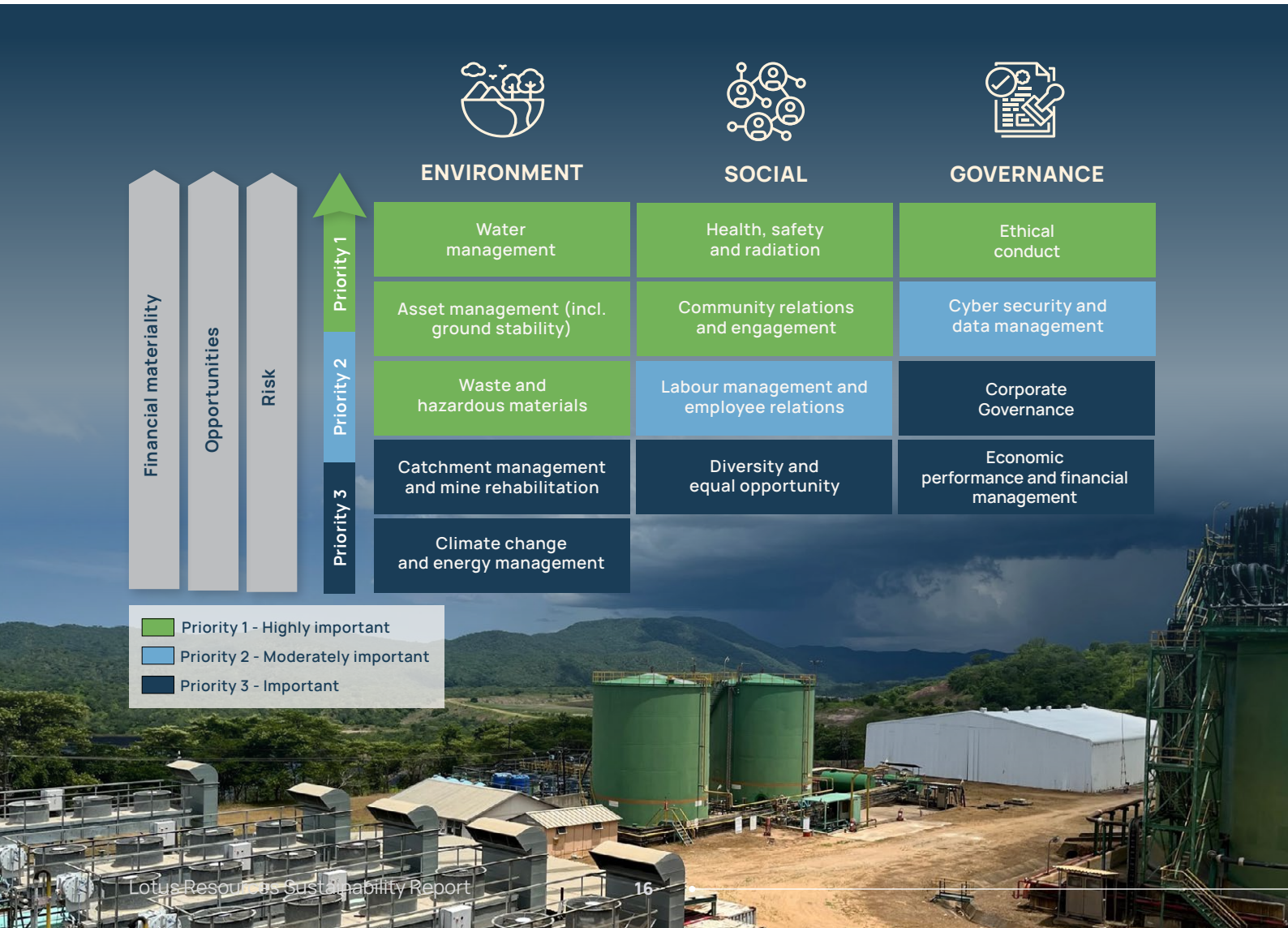
Each year, our Sustainability Report provides a detailed overview of the key issues influencing our business and associated social, environmental and economic impacts.

In FY24, we held comprehensive workshops following internal and external stakeholder surveys to assess the actual and potential positive and negative impacts of Lotus' activities. This process helped us identify and prioritise material topics based on their financial significance, associated risks and benefits and overall impact.

Given the progress toward restarting the Kayelekera Uranium Mine in Malawi, our FY25 materiality assessment focused on reviewing existing material topics. We considered the current phase of mine development, evolving ESG trends and stakeholder feedback, particularly those around concerns and expectations related to the Kayelekera Mine restart.

The outcomes of the review resulted in no significant changes apart from refining and reprioritising our material topics to better reflect operational relevance. *Ethical Conduct* now encompasses human rights, security, anti-bribery and compliance matters. *Corporate Governance* and *Economic Performance* were downgraded in priority due to integration with other reporting and 'business-as-usual' treatment. Conversely, *Waste and Hazardous Materials* was elevated to Priority 1 given its heightened significance to current operations. This process provided a view of Lotus' material topics which were endorsed by the ESG Committee and the Board.

We continuously monitor material topics and conduct an annual materiality assessment to identify those most relevant to our stakeholders and operations. In FY26, we plan to undertake a full materiality assessment to reflect the operational restart of the Kayelekera Mine. To ensure meaningful insights, a stakeholder survey will be conducted after one full year of production, capturing perspectives shaped by our operating environment and evolving stakeholder expectations.



Our Performance

Each year we review our UN SDG aligned sustainability targets and strive to embed responsible practices into our operations, management and governance frameworks. It reflects our commitment to transparency, support effective risk management and provides a clear view of our performance. Since 2021, we have consistently reported against these goals. Further details on our performance can be found in the relevant sections of this Report with our performance data presented in Annex 1.

LEGEND

Met | Ongoing | Missed

Material Topic	Objective	Target definition	FY25 Performance
ENVIRONMENT			
Water Management	To ensure that Kayelekera water resources are managed efficiently, safely and sustainably	Zero uncontrolled discharges resulting in contamination of ecosystems	Met: Zero discharges
Asset Management	To maintain integrity of structures containing our waste products, specifically TSF embankments and stabilisation of WRD to minimise risk of failure	Zero incidents that cause contamination to the environment or impact our local communities	Met: Zero incidents that cause contamination
Waste and Hazardous Materials	To ensure that the disposal and management of waste and hazardous materials do not harm the environment or workforce, or the communities adjacent to our mine site	• Compliance with waste licencing and regulations • Zero incidents that cause contamination to land or water	Met: Zero incidents and non-compliances
Climate Change and Energy Management	To identify opportunities to reduce energy consumption and associated carbon emissions	• Improve energy efficiencies and reduce energy consumption and carbon emissions where possible • To develop an energy strategy that reduces GHG emissions at Kayelekera when mining recommences	Ongoing: Malawi Environment Protection Authority (MEPA) approved 66kV grid connection to Kayelekera. Grid power by end 2026 expected to reduce diesel reliance Ongoing
Catchment Management and Rehabilitation	• To minimise impacts of the mine's activities on the surrounding ecology • To undertake progressive rehabilitation in areas no longer in active use	• Undertake quarterly bio-monitoring programs to monitor the health of the natural environment surrounding the mine • Propagate local species to undertake ongoing revegetation around the mine	Ongoing: Ongoing environmental monitoring Ongoing: 360 seedlings planted in rehabilitation at Kayelekera

Our Performance

Material Topic	Objective	Target definition	FY25 Performance
SOCIAL			
Health, Safety and Radiation Management	To provide a healthy and safe work environment for all employees, contractors, and visitors	• Zero fatalities • Continuous reduction in the total recordable frequency injury rate (TRIFR)	Zero fatalities TRIFR 1.33 (FY24: 2.05)
Community Relations and Engagement	To support our communities and continue to communicate proactively with our local stakeholders	Continue to engage regularly with the local stakeholders	Ongoing. CDA signed with local communities at Kayelekera
Labour Management and Employee Relations	To ensure that all staff are adequately remunerated in accordance with national legislation	All employees are paid significantly above the minimum wage along with other benefits	Ongoing
Diversity and Equal Opportunity	To continue to build a diversified company and ensure equal employment opportunities are provided for all new roles within the business	We are committed to increasing employment of women across the business	10% female employment (FY24: 20%)
GOVERNANCE			
Corporate Governance	To ensure the company complies with applicable laws and regulations	Zero regulatory non-compliances or fines related to our sustainability performance	Zero regulatory non-compliances or fines
Ethical Conduct	• To detect and prevent fraud and corrupt practices across our operations • To ensure that every employee, contractor, and supplier is aware of their responsibility to respect human rights and to demonstrate safe and respectful behaviour	• Zero anti-bribery and corruption non-compliance. • 100% of security staff trained in the Voluntary Principles Initiative on security and human rights	Zero anti-bribery and corruption non-compliance Not achieved across all sites. Commitment for training to occur at Letlhakane in FY26
Economic Performance and Financial Management	To ensure efficient use of shareholder's funds while prioritising expenditure with local businesses	Continue to identify opportunities to increase local procurement in Malawi and Botswana	Ongoing 170% total increase in local supplier spend in FY25
Cybersecurity and Data Management	To prevent breaches of cybersecurity resulting in the loss of confidentiality, availability, or integrity of the Company's data	Zero data losses and business interruption	Zero incidents of cybersecurity breaches

Environment

Lotus is committed to environmental stewardship through responsible water and waste management, carbon emission reduction and the protection of surrounding ecosystems.

Because mining inherently carries environmental risks, our environmental management approach is built on a guiding framework that emphasises the identification, assessment and mitigation of these risks, throughout the life of mine.

Aligned with our commitment, Lotus prioritises the following environmental aspects: water, waste and hazardous materials, climate change and energy, catchment (biodiversity) management and mine rehabilitation. Our Environmental Management System (**EMS**) is aligned with ISO14001:2015 – Environmental Management Systems and provides a structured framework for identifying, managing and continuously improving environmental performance across all operations. We implement robust compliance and monitoring programs, conduct regular inspections and audits and integrate environmental priorities into daily operations along with our Environmental and Sustainability Policies. These policies mandate compliance with all applicable in-country legislation as a baseline, while incorporating international best practice where feasible. Monitoring results are reviewed by designated site personnel, with key findings reported to senior management and the ESG Committee to support informed, strategic decision-making.

Water Management

We are dedicated to responsible water stewardship across the full mining life cycle, ensuring sustainable use, protection and management of water resources in alignment with environmental and community expectations. We aim to use no more water than needed and regularly engage with our local communities to understand their water needs.

Our projects are situated in areas with unique water availability, quality and seasonal variability, requiring site-specific approaches to water management and impact mitigation. Key water-related considerations for each location are outlined below.

Project/ Operations	Water source	Climate conditions	Water stress[12]
Kayelekera	Surface water	Temperate with humid wet summers and cool dry winters	Low
Letlhakane	Groundwater	Arid with hot temperatures and low annual rainfall	Extremely High

Kayelekera

Water resources at Kayelekera are a shared resource and need to be managed to ensure there is a sustainable supply for our operations, for the surroundings catchments and our communities. The Kayelekera Mine is located in a tropical wet and dry (or savannah) climate (Köppen-Geiger climate classification: Aw) and bounded by watercourses. Each year the wet season brings large quantities of monsoonal rainfall between November and April. The Kayelekera area receives an average of over 650 mm of rainfall annually, with rainfall concentrated between December and April (wet season).

Water at Kayelekera is managed in accordance with our Water Management Plan and is supported by standard operating procedures that guide consistent and responsible practices. A reliable supply of clean raw water is required for the process plant and potable water. In accordance with our regulatory licence, the Kayelekera operations is allowed to abstract 10,000 m^3/day from the Muswanga River which is also pumped to the freshwater pond for storage and use.

Water management at the mine site is designed to maintain the separation of clean and potentially contaminated water systems. A network of drains and water ponds has been established with most drains lined with HDPE or stabilised with rock pitching to minimise erosion. This system supports efforts to reduce river water abstraction by harvesting rainfall and maximising the recycling of treated process water. Excess clean water is only discharged into the downstream environment, the Sere River, when it meets agreed water quality standards, ensuring no adverse impact on ambient surface and groundwater quality or downstream users, including the surrounding ecosystems.

The Sere River water quality is monitored fortnightly at several locations when water is discharged in accordance with the Kayelekera's Water Discharge Permit. Water management at Kayelekera is the responsibility of the General Manager and Environment and Social Superintendent.

12 Baseline water stress measures the ratio of total water demand to available renewable surface and groundwater supplies. Aqueduct Water Risk Atlas.

Letlhakane

Water is considered a scarce and valuable resource in Botswana, and Serule is in an arid and high-water risk area. The annual rainfall is approximately 406 mm.

Water at Letlhakane is required for both the core shed and for exploration drilling activities. Supply to the core shed is provided via a pipeline originating from the Letsibogo dam, located approximately 40km east of Phikwe. Water required for exploration drilling is sourced from rainwater collected in a former borrow pit originally excavated by the shire council and the Department of Roads with permission from the Village Development Committee (**VDC**).

With the scarcity of surface water resources, the future Letlhakane Project will rely on groundwater resources to meet the operational demand. In preparation for mining, Lotus currently maintains the water rights over an approved borefield with no abstraction occurring to date. Groundwater quality sampling occurs quarterly with results reported annually to the regulatory authority, the Water Apportionment Board (**WAB**). Water management at Letlhakane is the responsibility of the Site Manager and SHE Officer.

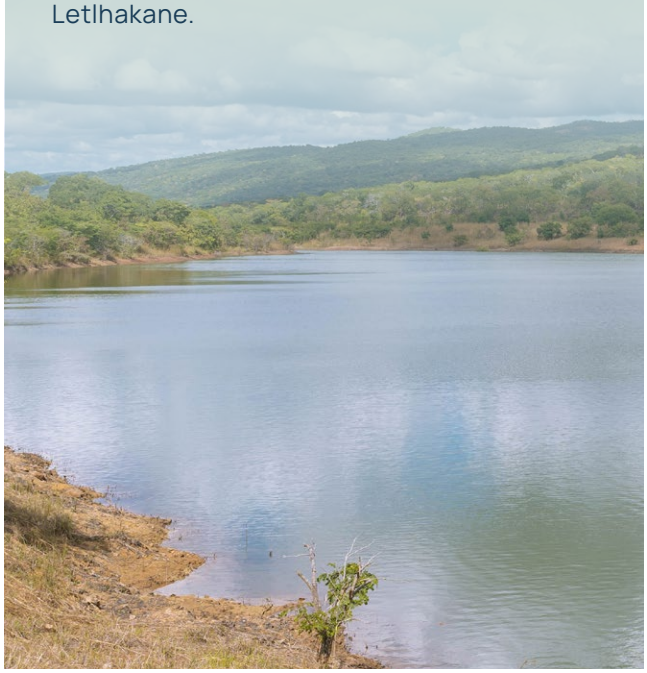
Our Performance

Water consumption at Kayelekera rose significantly during the reporting period due to the mine's transition from care and maintenance to refurbishment, restart and production (FY25: 118 ML; FY24: 0). In FY24, rainfall collected in the freshwater pond, tailings storage facility (**TSF**) and runoff water pond 2 (**RWP2**) was pumped for use onsite. Discharge into the Sere River also increased in FY25 with no uncontrolled or untreated discharges occurring. With the Kayelekera Mine ramping up production, it is expected that our water consumption will increase in FY26. No water was abstracted from the Muswanga River during the reporting period.

For the reporting period, water consumption at Letlhakane is estimated to be 13.7 ML of freshwater used at the core shed. Water use during drilling is not currently being monitored but water is reused as much as possible during drilling activities to limit the quantity required. When the water can no longer be used, drill water is buried in a sump on the last drill pad where it was used, in accordance with the Radiation Management Plan.

Lotus has not been subject to any water-related incidents that have impacted operations since the acquisition of the Kayelekera Mine in March 2020.

For FY25, there were zero environmental fines or penalties at Kayelekera or Letlhakane.



Asset Management

Mining activities including extraction, processing and refining at Kayelekera generates waste as by-products in the form of tailings and waste rock. Our assets include the processing plant, TSF, pit, storage ponds, a clean waste rock dump (**WRD**) and various low and high-grade ore stockpiles comprising mineralised waste, marginal ore, mudstone ore, and high-grade ore. We place strong emphasis on maintaining the safety of the TSF and WRDs across every phase of our assets' life cycle, from initial design through to construction and operations and eventual rehabilitation and closure.

Ground stability

Ground movement on and around the processing plant terrace at the Kayelekera Mine occurs due to slow creep movement taking place on a plane of weakness located approximately 30m to 50m below the surface of the hillside to the west of the processing plant. Movement has been observed to increase after the wet season as water ingress into the zone of weakness serves to lubricate the failure plane. Placement of mineralised waste stockpiles on the hillside is also thought to contribute to the movement due to the additional weight of the stockpiles on the hillside.

To mitigate the impacts of the movement on the processing plant infrastructure, a plan of action has been developed to reduce movement as well as to monitor and address the effects of the movement on the infrastructure. To reduce movement, the mineralised waste stockpiles will be removed from the hillside in the near term. Boreholes will be drilled into the hillside to a depth where the end of hole elevation is below that of the zone of weakness. Pumps will be installed to pump water to keep the ground water levels below that of the zone of weakness so as to prevent the lubrication of the failure plane.

Drone targets will be installed on all major infrastructure and regular flyovers will be conducted to measure movement of the infrastructure components. Appropriate action can then be planned and taken to address the effects of the movement on the infrastructure as part of the planned maintenance system for the processing plant.

Tailings storage

Effective tailings management is critical to safeguarding environmental and human health. In light of recent high-profile tailings dam incidents, the mining sector has intensified efforts to advance research, innovate waste management practices and implement practical tools that enhance the safety and integrity of tailings storage facilities.

Facility	Location	Status in FY25	Construction method	Current total capacity of TSF	Current amount of tailings stored	Consequence Classification
Kayelekera Uranium Mine	Northern Malawi	Care and Maintenance. Undergoing remedial and expansion works in preparation for mine restart.	Above ground	±7.5 Mm^3	±6.3 Mt	ANCOLD: High B GISTM: Very High

At Kayelekera, Lotus manages a single above-ground TSF, which operated from 2009 to 2014 before it was placed in care and maintenance. Since this time, the TSF has been subject to ongoing monitoring using drone technology to assess ground movement and vegetation growth, complemented by regular inspections and prism surveys to evaluate embankment and decant pond integrity. No tailings-related incidents have occurred since Lotus assumed ownership in March 2020.

A TSF Emergency Preparedness and Response Plan (**EPRP**) is in place to guide site-level response in the event of TSF-related emergencies involving embankment failure or tailings release under credible flow failure scenarios. The EPRP outlines potential inundation zones, clear roles and responsibilities, communication protocols and coordination mechanisms with local authorities and emergency services. Regular drills and simulations will be conducted to test response capability with the EPRP reviewed periodically. The EPRP supplements the broader Kayelekera Emergency Management Plan.

The TSF is operated under a formal Operations, Maintenance and Surveillance (**OMS**) Manual, with oversight from the General Manager and Processing Manager.

Our Performance

There were no incidents that caused contamination to the environment or impacted the local communities during the reporting period.

No tailings were produced at Kayelekera during the reporting period.

In FY25, the TSF underwent detailed investigations and remedial works to prepare for tailings deposition in early FY26. Key mitigation measures include ensuring adequate freeboard, constructing a new decant pond and reinforcing embankment stability. Over the life of mine, embankment raises will be implemented in accordance with the Australian National Committee on Large Dams (ANCOLD 2019) guidelines and, where practicable, the GISTM. SLR Consulting serves as the Engineer of Record for the TSF. Lotus is committed to achieving Global Industry Standard on Tailings Management (**GISTM**) conformance by FY27 including the appointment of an Independent Tailings Review Board (**ITRB**).

Waste and Hazardous Materials

Uranium mining operations generate diverse waste streams as an inherent part of the extraction and processing cycle. These include significant volumes of mineral waste such as tailings and overburden rock, alongside smaller quantities of non-mineral, hazardous and non-hazardous materials. The safe handling, storage and transportation of these materials is critical to reducing potential risks to the environment, our workforce and adjacent communities.

We implement rigorous waste management practices to minimise our impact and ensure full compliance with relevant legislation. We follow the waste hierarchy of reduce, reuse and recycle materials where possible and promote the responsible use of natural resources.

Kayelekera

Processing activities at Kayelekera generate various types of waste, including clean non-mineralised waste, mineralised material and tailings. These materials are stockpiled separately in designated WRDs and the TSF to ensure safe containment and effective tracking. Mineralised waste, classified as Naturally Occurring Radioactive Material (**NORM**), is produced during the extraction process and segregated from clean waste.

Geochemical analysis of processing waste indicates a negligible long-term risk of acid generation due to minimal presence of sulfide minerals and sulfur-bearing compounds. WRDs are engineered with attention to structural integrity and environmental safety, with surface runoff systematically captured and managed according to the site's Water Management Plan.

As part of progressive rehabilitation, opportunities are being assessed to backfill mined-out pit areas with suitable waste rock, reducing haulage distances and the overall footprint of the WRD. This practice will also support future mine closure and landscape restoration.

Non-mineral waste management remains constrained by limited recycling and treatment infrastructure in Malawi. At present, Lotus manages this waste through several onsite methods:

- Landfilling for non-hazardous materials.
- Bioremediation of hydrocarbon-contaminated soils.
- Incineration and burial for hazardous materials.

To ensure waste is correctly disposed in accordance with waste policies and procedures, employees and contractors at Kayelekera are trained in waste management as part of the induction process. Efforts continue to seek environmentally responsible disposal pathways where feasible and support broader waste minimisation.

Types of waste	Construction
	Sewage
	Domestic (including packaging, paper, plastics, food, paints, fluorescent lights, batteries)
	Biomedical
	Radioactive scrap
	Hazardous reagent containers
Disposal methods	Onsite landfill, incineration and/or burial
	Offsite by licenced contractor
Landfill avoidance	Spent hydrocarbons recycled / reused by offsite contractor
	Paper collected for manufacturing of brickettes

Lotus manages all waste in accordance with its established handling and disposal procedures in line with the Waste Management Plan, and the Radiation and Radioactive Waste Management Plan. These frameworks set clear responsibilities, timelines and actions to address operational waste challenges and regulatory requirements.

Key measures include:

- Training for staff and contractors to strengthen understanding of waste classification and recycling.
- Licensing for on-site waste and hazardous materials in compliance with legal standards.
- Monitoring and recording hazardous material types and volumes.
- Clear signage for storage zones of hazardous and general waste.
- Regular audits of operational practices to verify compliance with relevant legislation and permits.
- Spill response and reporting mechanisms for environmental incidents.
- Scheduled inspections in line with the Environmental Inspection Schedule.

Malawi is a signatory to the Basel Convention and Lotus does not transport hazardous waste across borders unless in full compliance with the prescribed legal process. All hazardous substances (e.g. diesel, lime, caustic soda, sulphuric acid and flocculant) are transported under valid licences and with robust safety protocols.

Letlhakane

At Letlhakane, hazardous waste includes radioactive sources used as check sources and density logging, radioactive drill cuttings and pulps from exploring for uranium. Non-hazardous waste includes waste from drilling activities, maintenance activities, camp kitchens and offices.

The Project implements waste management practices focused on reducing waste generation and ensuring appropriate disposal. The existing waste tracking tool enables employees and contractors to log waste data, promoting transparency, accountability and ongoing improvement and accuracy in waste reporting. Initiatives to recover and recycle materials, such as the reuse of bulk sample bags, support enhanced resource efficiency and environmental stewardship. Most of the waste produced at Letlhakane is non-hazardous, however, hazardous waste is generated during drilling operations (due to exposure to mineralised material) and is managed under the site's Radiation Management Plan. This plan incorporates radiation monitoring, personal protective equipment (**PPE**) protocols, restricted access and compliant disposal processes.

The Letlhakane team has engaged a licenced waste contractor to collect and recycle/repurpose their waste oil.

Our Performance

There was no mineral waste (waste rock or tailings) generated during the reporting period or the previous 5 years as Kayelekera was in care and maintenance and mining has yet to recommence as part of Kayelekera's restart.

There were zero hazardous material spills recorded at Kayelekera and Letlhakane during the reporting period.

Climate Change and Energy Management

Uranium is a highly efficient low-carbon energy source, and Lotus recognises its strategic role in supporting global efforts to reduce GHG emissions and combat climate change. As part of this commitment, Lotus is working to minimise emissions across its operations and aspires to be among the lowest carbon-emitting uranium producers in the industry.

Recognising the financial risks associated with climate change, Lotus began preparing in 2022 to voluntarily report against the TCFD framework. This global framework helps companies provide transparent, consistent and comparable reporting on climate-related risks and opportunities enabling better-informed decisions for stakeholders and investors.

In support of evolving climate disclosure standards, the Australian Accounting Standards Board (**AASB**) introduced the Australian Sustainability Reporting Standards (**ASRS**) in September 2024. These standards mirror the International Financial Reporting Standards (**IFRS**) developed by the International Sustainability Standards Board (**ISSB**), integrating key elements of the TCFD framework.

The ASRS includes two standards, one of which, the AASB S2: Climate-related Disclosures, became mandatory in 2025. AASB S2 has a phased rollout based on company size, revenue, workforce and emissions profile. Based on current thresholds, indications are Lotus will be required to adopt ASRS-aligned reporting by FY27[13]. In FY25 we undertook a review of the ASRS S2 requirements and a formal roadmap is now underway to ensure readiness and alignment with future disclosure obligations including assessing the financial implications of specific climate risks. This will allow us a better understanding of the financial materiality and potential implications of the risks.

Governance

Lotus integrates climate-related risks and opportunities into strategic and operational planning, with Board oversight embedded within its broader sustainability framework. The ESG Committee sets climate and ESG objectives, tracks performance and advises on site-level actions, while the Audit and Risk Committee reviews associated risk controls. Climate change is classified as a material risk in the Lotus enterprise risk register[14] and is evaluated annually through the enterprise risk review, with findings reported to the Board. Primary responsibility for climate matters is delegated to the ESG Committee to ensure focused oversight and cross-functional alignment.

Climate-related monitoring, reporting and compliance activities are overseen by the ESG Manager working closely with managers across operational areas. This integrated approach ensures accountability and consistent implementation of climate initiatives throughout the organisation.

In FY25, climate change and associated risks and opportunities were discussed by the Board three times and ESG Committee three times.

13 Lotus is expected to be in Group 2 or Group 3, and will be required to meet mandatory climate reporting requirements from 1 July 2026 for the FY27 reporting period (Group 2) or from 1 July 2027 for the FY28 reporting period (Group 3). Lotus will provide these disclosures in its Annual Report.
14 FY25 Annual Report

Risk Management

In 2023, Lotus conducted a comprehensive climate risk assessment involving representatives from the Kayelekera site team, corporate leadership and the Board. The review categorised climate-related risks into two distinct areas:

1. Transition risks associated with the shift toward a low-carbon economy.
2. Physical risks stemming from the direct impacts of climate change.

Participants also explored strategic opportunities for mitigation and adaptation in response to these risks. The review resulted in the identification of 10 transition risks, seven physical risks, and eight climate-related opportunities, all of which are detailed in our 2023 Sustainability Report[15].

Building on the 2023 risk and opportunities assessment, we completed our first qualitative climate scenario analysis in September 2024. Through this process, we considered the risks and opportunities that are most material to the business, examined where they are likely to arise across operations, and assessed the relevant time horizons and scenarios in which they may have the greatest impact. This resulted in a condensed the list of three physical climate-related risks, three transition risks, and two opportunities.

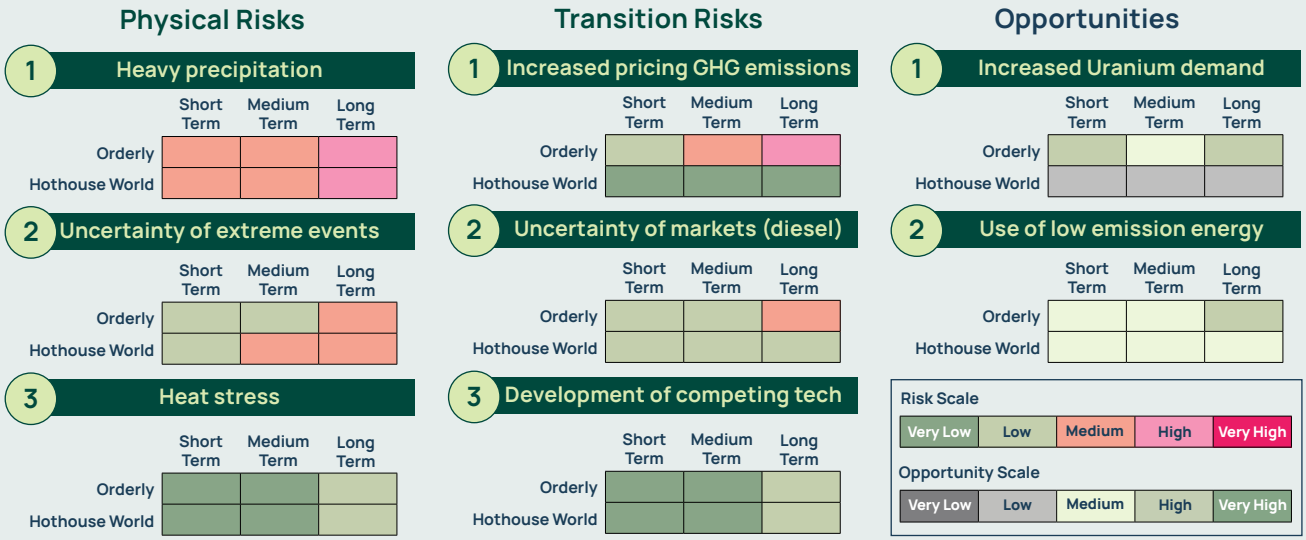
Lotus' climate change scenarios incorporated a range of scenarios[16] which have been grouped into two climate scenario sets, one consistent with the Paris Agreement ('orderly transition'), and one which exceeds 2°C warming above pre-industrial levels ('hothouse world'). Consequently, we conducted a comprehensive qualitative assessment of climate-related risks and opportunities across two climate scenarios and three-time horizons. Detailed results are presented in our 2024 Sustainability Report[17].

This comprehensive evaluation informs our strategic decision-making, supports long-term resilience planning and helps identify key transition and physical climate-related risks. We recognise that climate-related risks and opportunities evolve over different timeframes and climate scenarios and are assessed throughout the life cycle of each asset, accounting for emissions mitigation pathways and future climatic conditions. By mapping our risks and opportunities across short, medium-, and long-term horizons, Lotus can adapt its strategies to address emerging challenges and potential opportunities in a low-carbon future.

Lotus' Climate Scenarios

Network for Greening the Financial System (NGFS) (selected scenarios in **bold**)	Orderly Transition	Hothouse world
	Below 2 °C **Net Zero 2050**	**No Additional Action**
Bank of England	**Early Action**	**No Additional Action**
Approx. IPCC	**SSP1-2.6**	**SSP3-7.0**
Approx. temperature increase	**1.5 - 2.5°C**	**3.0 - 5.0°C**
Summary	Decisive global policy action is taken to limit global warming from early 2020s.	No new policies are introduced leading to increasing physical impacts.

Lotus climate risks and opportunities



15 Environmental, Social & Governance | Lotus Resources'
16 Network for Greening the Financial System (NGFS), Bank of England and Intergovernmental Panel on Climate Change (IPCC) 6th Assessment Report
17 Environmental, Social & Governance | Lotus Resources'

Climate Strategy

Lotus is committed to reducing GHG emissions and ensuring resilience across its operations. Power at Kayelekera is currently supplied by diesel generators, a legacy approach from the previous owner. In FY22, Lotus initiated a study to transition to a Hybrid Power Strategy combining grid electricity from Electricity Supply Corporation of Malawi (**ESCOM**) (primarily sourced from hydropower) with diesel generation as a backup.

In FY25, the Malawi Environment Protection Authority (**MEPA**) approved the construction and installation of a 66 kilovolt (kV) ESCOM transmission line to the Kayelekera Mine with construction commencing Q4 2025. It is expected the Kayelekera Mine would start drawing power from the grid by end 2026. Lotus is funding the transmission line which could enable nearby villages the opportunity to connect into the grid. Energy management at Kayelekera is the responsibility of the Chief Operations Officer, General Manager and the Processing Manager.

"Kayelekera's connection to Malawi's electricity grid, mainly supplied by carbon-free hydroelectric power, will deliver environmental and social benefits. Importantly, local communities along the powerline route will be able to work with the Malawi power utility, ESCOM, to connect to the powerline and have access to electricity for the first time. There will also be significantly reduced diesel consumption and associated logistics activity to and from Kayelekera."

– Greg Bittar, Managing Director and CEO

Energy and GHG Emissions

Our operations at Kayelekera and Letlhakane consume energy to support a variety of activities:

- Exploration programs.
- Construction and refurbishment of infrastructure for the restart of the Kayelekera Mine.
- Ore extraction and waste removal during mining.
- Crushing, grinding and processing of ore.
- Pumping of tailings, fresh and processing water.
- Supporting activities such as supplying power to site accommodation and amenities, office and administrative buildings, etc.

The bulk of the energy used at our operations at the Kayelekera Mine currently is diesel for vehicles and power generation.

At Letlhakane, we purchase electricity from the Botswana power grid which is predominantly powered by coal-fired energy sources. Diesel and petrol are primarily consumed by site vehicles and drilling contractors supporting exploration activities.

Both the Kayelekera and Letlhakane teams endeavour to reduce energy consumption and GHG emissions wherever possible and energy and fuel consumption are monitored to identify where reductions can be made in future.

Overall, stationary (generators) and mobile diesel (vehicles and machinery) are our largest emissions sources. Emissions are calculated internally, using the GHG Protocol Corporate Accounting and Reporting Standards:

- Scope 1 emissions are direct emissions from owned or controlled sources, with our principal source of Scope 1 emissions being the consumption of fuel for site power generation and by equipment and vehicle fleets.
- Scope 2 emissions are indirect emissions from the generation of purchased electricity with our activities at Letlhakane the only operation that generates Scope 2 emissions.
- Scope 3 emissions are other indirect emissions which are not included in Scope 2 emissions and occur in our value chain including both upstream and downstream emissions. We have not commenced calculating our Scope 3 emissions at this stage.

Our Performance

During the reporting period, we consumed 1,452 kilolitres (kL) of diesel at our Kayelekera operations. 1,118 kL was used in power generation and 263 kL was used by vehicles and machinery. Kayelekera produced 4,276 tCO_2-e of Scope 1 emissions. This is an increase of 237% in diesel consumption and 264% increase in Scope 1 emissions from FY24 due to the restart and refurbishment activities on site. No Scope 2 emissions were produced at Kayelekera.

Kayelekera acquired new equipment with low exhaust emissions as part of the refurbishment activities. It is expected that more low-emision equipment and vehicles will be procured in future.

In FY25, we adjusted our FY24 GHG emissions and energy reporting at Letlhakane to exclude contractors based on the definitions as per GHG Protocol Corporate Accounting and Reporting Standards. At Letlhakane, we consumed approximately 8kL of diesel, 3kL of petrol and 22,850 kWh of electricity from the local power grid during the reporting period. This resulted in 31 tCO_2-e Scope 1 emissions and 22 tCO_2-e Scope 2 emissions.

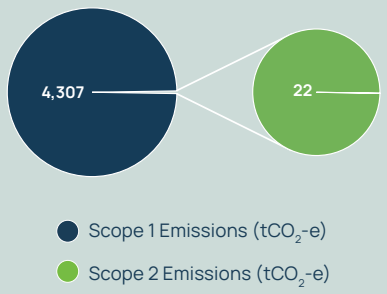
All energy consumption during FY25 was from non-renewable source. It is expected our Scope 1 emissions for the Kayelekera Mine will continue to increase for the next reporting year until the ESCOM transmission line is complete and the mine start is drawing power from the grid.

4,329 tCO_2-e total scope 1 and 2 emissions for FY25

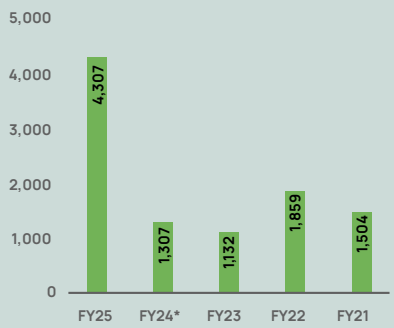
Representing a 227% increase from FY24

Due to increased diesel consumption at Kayelekera as part of the refurbishment and restart operations

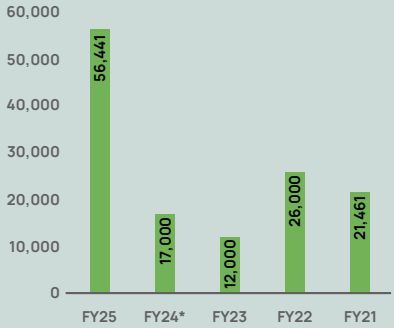
Total Scope 1 and 2 Emissions in FY 25



Scope 1 Emissions (tCO_2-e)



Total Energy Use (GJ)



*FY24 emissions adjustment to exclude contractors based on definitions in GHG Protocol

Catchment Management and Mine Rehabilitation

Catchment Management (Biodiversity)

Biodiversity is a material issue for mining companies, not just environmentally, but also operationally and socially. Biodiverse ecosystems play a direct role in stabilising soil, safeguarding water resources and supporting long-term community resilience, all of which underpin sustainable mining practices. In Africa, where mining activities often intersect with ecologically sensitive areas and local livelihoods, understanding and managing biodiversity impacts is critical to maintaining healthy ecosystems, regulatory compliance and stakeholder trust.

We are committed to protecting the ecosystems and catchments surrounding our operations, guided by our Environmental Policy and integrated management approach. In all stages of planning and operations, we apply the mitigation hierarchy of avoid, minimise, mitigate and offset to help reduce the impact of our activities on biodiversity. This structured approach ensures that potential ecological impacts are considered early in project design and continuously managed throughout the operational lifecycle, contributing to more informed land-use decisions and measurable environmental outcomes.

Guided by ecological, social and regulatory considerations, our goal is to return land to a condition that supports practical future uses once mining activities are complete.

Kayelekera

The Kayelekera Mine is surrounded by Miombo woodland, a vegetation type representative of much of northern Malawi and reflective of the broader ecological landscape of the region. The area supports a diverse range of plant species that hold ethnobotanical and economic value for surrounding communities. These woodlands provide resources such as timber, firewood, poles for construction, fibers for ropemaking, carving materials and traditional medicinal plants. In addition, several species contribute to local food security including fruit, vegetables and fodder for livestock.

Although the Kayelekera Mine is situated away from areas of active community use and not located within or directly adjacent to designated protected areas or zones of high biodiversity, we acknowledge that ecological impacts may extend beyond the immediate operational footprint. The nearest protected areas to the mine site are over 4km away, including Kayuni Hill, Musisi Forest Reserve and Nylka Forest Reserve. Notably, no flora or fauna species classified as threatened under the International Union for Conservation of Nature (**IUCN**) Red List are known to occur within the mining area.

In FY25, we revised the ESIA as part of the recommencement of mining activities. This assisted in gaining a better understanding of our potential impacts on the surrounding ecosystems and to define measurable actions aimed at reducing environmental disturbance. These findings continue to inform how we manage ecological risk, prioritise restoration areas and monitor the effectiveness of mitigation measures over time.

Our Kayelekera Environmental Management Plan (**EMP**) brings together site-wide mitigation and monitoring to manage biodiversity impacts and protect water quality in adjacent watercourses. Within this integrated framework, we apply disturbance-minimisation measures, habitat rehabilitation and targeted risk controls, alongside erosion management, invasive-species removal and ongoing water-quality monitoring. These measures ensure we detect potential habitat degradation early and implement effective actions to safeguard both terrestrial and aquatic ecosystems throughout the mine's lifecycle. Catchment management and rehabilitation at Kayelekera is the responsibility of General Manager and Environment and Social Superintendent.

Letlhakane

The Letlhakane Project area is mostly composed of Mopane and Acacia woodlands, with riparian vegetation following the Mosokobale River as it traverses the site. These riparian zones support species like Acacia karoo and contribute to the area's overall ecological value. Past fieldwork confirmed no plant species listed as threatened under national regulations or the IUCN Red List, with local communities known to use the woody plants for firewood and construction materials. The riparian woodland habitat demonstrated the highest level of fauna species diversity supporting nationally protected species such as the Aardwolf and Brown hyena, alongside the IUCN threatened species, the White-backed vulture. In recognition of its ecological value, this area has been excluded from exploration activities to avoid further disturbance. The Project is not located within or directly adjacent to any formally designated protected areas.

Biodiversity and rehabilitation measures associated with drilling activities are addressed through the Letlhakane EMP, which outlines key mitigation, monitoring and rehabilitation strategies. Catchment management and rehabilitation at Letlhakane is the responsibility of the Site Manager and SHE Officer.

Mine Rehabilitation

Rehabilitation and closure form a core part of our mining process. We carry out rehabilitation progressively, aiming to return disturbed areas to a safe and self-sustaining condition that reflects the surrounding environment. The goal is to recreate landforms with similar ecological values and land-use potential to what existed before operations began. Typical rehabilitation activities include reshaping terrain through earthworks, replacing topsoil, reseeding native grasses, planting trees and shrubs and ongoing monitoring to determine long-term recovery.

All our projects have mine closure plans (**MCP**) in place that reflect the phase of the operations and include provisional option for closure of the site as it is today, and at the of life-of-mine.

In the absence of national rehabilitation guidelines, the Kayelekera MCP was developed using established international and regional best practice frameworks. It sets out key goals for restoring the site, focusing on progressive rehabilitation, stabilising landforms, recovering ecosystems and long-term monitoring. Closure activities include safely dismantling infrastructure, managing waste responsibly and repurposing facilities where feasible to support future land use.

Rehabilitation steps involve reshaping disturbed areas, improving soil quality and replanting native vegetation to help natural habitats recover over time. At Letlhakane, exploration drilling sites are rehabilitated by backfilling excavations, ripping compacted areas along natural contours and respreading topsoil. Vegetation clearing is minimised by utilising existing tracks, firebreaks, powerlines and access roads within the mining lease.

As the mining operations at Kayelekera continues, the MCP will be reviewed periodically and updated to reflect operational changes, stakeholder input and new environmental data, ensuring closure is aligned with evolving standards and community expectations. A performance bond of USD 10 million was also provided to the Government of Malawi to support the rehabilitation obligations at Kayelekera. The liability for closure is included in the long-term liabilities of the Company (see FY25 Annual Report).

Growing Environmental Awareness

In March 2025, Lotus joined forces with the Karonga Press Club and the Church of Central Africa Presbyterian (CCAP) Primary School to mark Malawi's National Tree Planting Season with an energetic and educational planting exercise. The goal was simple but meaningful, to instill a love for the environment in the next generation and green the school for years to come.

Backed by Lotus' donation of 300 seedlings, students and guests planted trees around the school's maize garden, turning the event into both a learning moment and a step toward long-term sustainability. The initiative drew attention from The Nation, one of Malawi's leading newspapers, which noted:

"Karonga Old Mission CCAP Primary School is expected to be under a canopy of trees in the next decade…"

The event was more than just symbolic. It was hands-on, with students guided through planting techniques and talks about environmental care.

6 NATIONAL NEWS www.mwnation.com | THE NATION | THURSDAY, MARCH 20 2025

Learners plant trees on the edge of the school's maize garden

Karonga's green children

Karonga Old Mission CCAP Primary School is expected to be under a canopy of trees in the next decade, thanks to a tree planting exercise by the Karonga Press Club. The exercise, which was supported by Lotus Africa Limited, saw the learners and guests plant 300 seedlings. Here are some highlights of the event by our correspondent SEKILE KITALU

Learners listen to an environmental talk before the tree planting exercise

A boy takes his turn to plant a tree

A boy is assisted to plant a tree. | Sekile Kitalu

Our Performance

During the reporting period, progressive rehabilitation was performed at Kayelekera Mine on the areas cleared for exploration around the TSF. Rehabilitation included grass matting, soil conditioning of the planting stations, and the planting of trees.

A total of 4,460 seedlings were planted, with 4,100 seedlings issued to the surrounding communities and 360 seedlings planted at the Kayelekera Mine as part of rehabilitation activities. The rehabilitated areas are monitored to ensure adequate tree growth. If stunted growth is observed, remedial measures are implemented. During the reporting period, all areas demonstrated healthy vegetation growth, and this has contributed to a decrease in soil erosion and an increase in vegetation cover over the slopes.

During the FY25 drilling program at Letlhakane, Lotus cleared 21.5 ha for access roads and drill pads. Most of the drill sites will be rehabilitated following completion of the drilling program.

Social

Lotus is committed to creating a safe, respectful workplace and building trust with local communities.

At Lotus, we recognise that the health, safety and wellbeing of our people, strong community relationships and a diverse, inclusive workforce are vital to long-term success and sustainable development.

Our approach to social responsibility is embedded across our operations and guided by policies and procedures that reflect our commitment to ethical conduct, legal compliance and continuous improvement.

Health, Safety and Radiation Management

Operating in the mining sector, we acknowledge the inherent health and safety risks involved and apply a robust framework to identify, assess and reduce potential impacts, prioritising the safety and welfare of every individual on site. The precautionary principle is integral to this approach, ensuring proactive risk management throughout the full mining life cycle.

We recognise that achieving high standards in health and safety is vital to long-term operational success and continue to build a culture that prioritises prevention, accountability and continuous improvement. Our approach to health and safety is built on strong leadership, robust risk management and a proactive safety mindset. Safety practices are built into everyday operations, supported by a process of continuous improvement and clear internal standards.

Health and safety oversight sits with the Board, while the senior management ensures these systems are applied consistently across the business. Responsibility for health, safety and radiation management sits with Lotus' executive and senior leadership teams, including the CEO, COO, General Manager (Kayelekera) and Country Manager (Letlhakane). At site level, the health and safety management system (**HSMS**) are overseen by the health, safety, radiation and training (**HSRT**) team at Kayelekera and the SHE Officer at Letlhakane. Kayelekera is in the process of establishing a SHE Committee which will be composed of management, staff and contractor representatives and meet quarterly or as needed to promote safe and environmentally responsible practices.

Health and Safety

Lotus manages health and safety risks under dedicated policies and site-specific HSMS that apply to all employees, contractors and visitors. These systems cover all mining and exploration activities and are developed in line with legislation across Western Australia, Malawi and Botswana. Our approach is guided by our Health, Safety and Wellbeing; Radiation Management, and Sustainability Policies, with clear responsibilities placed on all personnel to follow applicable laws, standards and company procedures.

Our Health and Safety Management Plans (**HSMP**) establish structured frameworks for identifying, controlling and mitigating hazards and risks, ensuring everyone on site can work and visit safely. These plans are reviewed regularly to drive continuous improvement, and we engage employees for feedback to refine our safety management system.

Employees receive regular training and are encouraged to proactively report safety concerns with multiple reporting channels available, including an anonymous option via the 'safety incidents box' at Kayelekera. All incidents are formally recorded, high and critical incidents are investigated to determine root causes and followed by corrective actions aligned with the hierarchy of controls. This process supports a transparent, inclusive and continuously improving safety culture across all sites. In FY25, Labour Inspectors from the Malawi Ministry of Labour conducted a site inspection of Kayelekera's HSMP implementation.

Due to the limited operations at the Letlhakane Project, in FY25 the team focused on the development and review of existing HSMPs, procedures and processes ensuring all documents remain current and compliant with the national legislation, including Mines, Quarries, Works and Machinery Act (Cap. 44:02 of 1978), the Radiation Protection Act (Cap. 44:03 of 2006) and other relevant national labour laws.

Lotus' safety risk management tools

Take 5

- **Stop and think:** Pause before starting to assess the task
- **Identify hazards:** Look around to see what could cause harm (e.g. unstable ground, poor visibility)
- **Assess the risk:** Consider the likelihood and severity of potential incidents
- **Control the hazards:** Apply appropriate controls (e.g. PPE, isolation, signage)
- **Proceed safely:** Only begin the task once risks are managed

Take 5 is a quick personal risk assessment performed before starting a task. It promotes a proactive safety culture and empowers individuals to manage risks in real time.

Job hazard analysis (JHA)

- **Select the Job or Task:** Focus on non-routine or higher-risk activities
- **Break the Job into Steps:** Outline each part of the task in sequence
- **Identify Hazards:** Identify potential risks at each step (e.g. equipment, environment, human factors)
- **Determine Controls:** Apply measures to eliminate or reduce risks using the hierarchy of controls
- **Document and Communicate:** Record the JHA, ensure all team members understand it, and get supervisor approval
- **Review and Update:** Revise the JHA if conditions change or after an incident

JHAs are used for non-routine or higher-risk activities and helps ensure safe work practices are clearly understood and followed by all involved.

All employees and contractors receive a comprehensive induction upon commencement, with annual refreshers thereafter. Induction content includes respectful workplace conduct, health and wellbeing principles and radiation safety awareness. Training is conducted in English and the local language to ensure content understanding. Additional fit-for-purpose health, safety and environmental training is delivered based on organisational analysis, identifying priority areas and addressing safety gaps. Supervisors help assess individual training needs to ensure role-specific preparedness.

Training is delivered by qualified health and safety professionals through a mix of theory and practical application, enabling employees to apply skills in real-world scenarios. Participation is tracked in a training register, recording attendee details, training type, and completion dates to ensure role-relevant training and compliance with legislative requirements. Refresher first aid training sessions are conducted monthly to ensure all trained employees maintain competency and confidence in emergency medical response.

The effectiveness of health and safety training is evaluated through a structured approach using the following criteria:

Reaction criteria

Participant's feedback is gathered to determine the adequacy of content covered, the usefulness of material used, and the delivery method

Learning criteria

Assessments evaluate what participants learnt to determine the immediate impact of the training on participants' knowledge and skills

Results criteria

Evaluates the broader impact of the training by measuring positive outcomes (e.g. reductions in accidents and injuries etc.)

Behavioural criteria

Assesses whether the training received effectively transfers to the job and if participants are applying their new skills to their work

Occupational Health and Hygiene

Lotus provides regular health surveillance, including medical examinations, to all individuals working at its sites who are exposed or likely to be exposed to occupational hazards. Monitoring frequency is tailored to the level and type of exposure, enabling early detection of health changes throughout employment.

An injury management program is in place to support recovery and minimise personal and operational impact. In the event of an injury involving any employee, contractor or visitor, immediate assessment and treatment are provided at on-site or off-site medical centers. This is followed by a diagnosis, initiation of treatment and the development of a tailored injury management and return-to-work plan.

Kayelekera

Lotus maintains robust health programs aimed at preventing and managing diseases at Kayelekera. During the reporting period, the site doctor continued to deliver targeted health awareness sessions covering mental health in the workplace, snake bites, tuberculosis and non-communicable diseases. Topics are selected based on injury records, employee input, site-specific health risks and regulatory mandates, with prioritisation driven by their potential impact on employee wellbeing.

All Kayelekera site employees are provided with full medical aid coverage, and an on-site gym is accessible to employees and contractors. Emergency preparedness measures include the provision of anti-rabies and anti-venom vaccines and an ambulance service to transport affected individuals to the Village Health Centre or Karonga, if required.

Malaria remains a critical health risk affecting Lotus personnel and local communities in Malawi. To mitigate transmission, Lotus implements integrated control measures including indoor spraying and treatment of mosquito breeding habitats around the mine site. Malaria prophylaxis is recommended for visitors and personnel arriving from non-endemic regions and malaria prevention training is discussed during induction. Additional preventive actions include distribution of mosquito repellents.

Letlhakane

At Letlhakane, Lotus provides medical assessments, medical advice and information using the 24-hour hotline, medical referrals to their regional database emergency medical services and ground and air medical evacuations to appropriate health facilities.

Radiation Management

Lotus manages radiation exposure from both NORM and sealed sources across the full lifecycle of its operations, from exploration, mining, processing, through to rehabilitation and closure. We are committed to safely managing radioactive materials to minimise long-term risks. Our Radiation Management Policy ensures exposure for workers, and the public remains below internationally accepted limits and as low as reasonably achievable (**ALARA**), with no adverse impact on surrounding communities or the environment.

Radiation risks are governed by site-specific Radiation and Radioactive Waste Management Plans, which complement the broader HSMPs. These plans are designed in alignment with international standards and comply with national legislation, specifically the Malawi Atomic Energy Act (2011) and Botswana Radiation Protection Act (2006).

Key priorities include:

- Minimising radiation exposure in line with statutory limits and the ALARA principle.
- Restricting access to radioactive material and implementing safe handling and transport systems.
- Safely managing radioactive waste through site-defined protocols.
- Ensuring environmental protection and public safety.

Radiation and Radioactive Waste Management Plans undergo regulatory review prior to site approval and become enforceable licence conditions. Internal audits and periodic reviews ensure alignment with updated legal and scientific guidance.

Lotus also builds technical capacity by investing in ongoing radiation safety training and mentoring programs for specialised personnel, while promoting basic radiation awareness across its broader workforce.

A comprehensive radiation monitoring program is in place at the Kayelekera Mine to assess and minimise exposure risks for workers and nearby communities. It covers radon gas and airborne dust (radiometric and gravimetric), with results benchmarked against limits set by the International Atomic Energy Agency (**IAEA**), International Commission for Radiation Protection (ICRP) and the Malawi Atomic Energy Regulatory Authority (**AERA**). In January 2025, Lotus received notification of approval from AERA for the resumption of mining and processing operations at Kayelekera. AERA has indicated it will perform a verification inspection at Kayelekera once operations have commenced.

Upgraded radiation equipment and five High Volume Air Samplers are deployed across strategic locations, including the run of mine (**ROM**) pad, main gate, camp, process plant and TSF. Analysis of long-lived radioactive dust continues to show levels well below the derived limit of intake.

Radon decay products are sampled at four locations on-site, with mean concentrations remaining low. Seasonal trends show elevated radon levels during the dry season due to reduced soil moisture, and lower levels during the rainy season.

Emergency Preparedness

Lotus maintains robust emergency preparedness protocols designed to reduce potential harm to personnel, nearby communities, the environment and operational continuity. Site-specific emergency plans are regularly updated and supported by appropriate resources, infrastructure and staff training. Where applicable, emergency response procedures are shared with local authorities and community representatives to ensure coordinated support during critical incidents. Additional personnel and resources may be mobilised as needed to manage events effectively.

Comprehensive safety inductions are delivered to all employees, contractors and visitors, clearly outlining emergency protocols, individual responsibilities and site-specific response actions to enable swift and informed decision-making during emergencies.

The Kayelekera Mine maintains an Emergency Response Team and has a site-wide Emergency Response Plan in place. Regular drills and simulations are scheduled to test response capability. In FY25, Lotus initiated consultation with the Karonga District Emergency Response Team to improve coordination around site-level emergency response. The aim is to align with district protocols and ensure practical, community-informed responses to potential incidents.

Strengthening safety

In February 2025, the Kayelekera Mine conducted a comprehensive emergency response drill to test its readiness for fire-related incidents and medical emergencies. The scenario involved a simulated electrical short circuit in the acid plant section, triggering a mock fire near the acid storage tank.

Upon activation of the fire alarm, a full site evacuation was initiated. As part of the exercise, a simulated burn injury was introduced, requiring immediate medical attention. Emergency response teams, including firefighting units, medical personnel and site security were mobilised to manage the situation.

The drill successfully identified both strengths and areas for improvement in the site's emergency protocols. Following the exercise, recommended actions were implemented to enhance response coordination, medical readiness and evacuation efficiency. These improvements contribute to a safer workplace and reinforce the site's commitment to proactive risk management.

Our Performance

Lotus is pleased to report there were no fatalities, lost time injuries (**LTI**), reportable health and safety incidents or reportable work-related ill health cases in FY25 at either Kayelekera or Letlhakane. As of 30 June, we achieved 4,013 Lost Time Injury Free days at Kayelekera and 601 days at Letlhakane.

During FY25, Kayelekera recorded an increase in medical treated injuries (**MTI**) from 3 (FY24) to 7 (FY25), although the TRIFR for the Group decreased from 2.05 in FY24 to 1.33 in FY25 due to significant increase of hours worked. The increase in MTIs was attributed to a larger workforce with the restart of operations, as well as improved reporting practices. Strengthening onboarding and refresher training, increasing leadership visibility and supervision in the field, and reinforcing safety culture to ensure tasks are always carried out within safe limits, have been implemented to reduce the occurrence of incidents. From FY26, Lotus will change its TRIFR reporting to reflect per million person hours worked from the current reporting of 200,000 person hours worked.

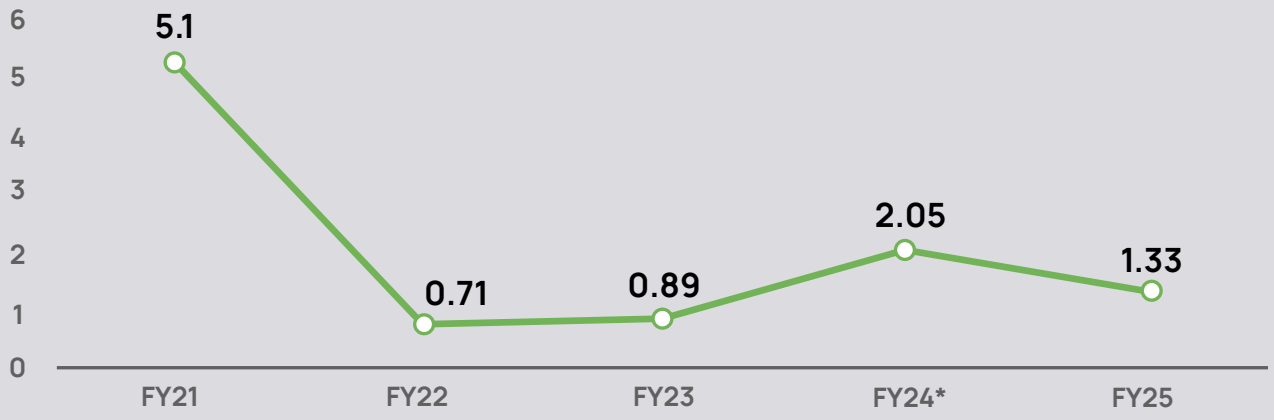
Lotus' mosquito abatement program continued during FY25, however there has been an increase in malaria cases from 61 (FY24) to 197 (FY25) primarily due to an increase in the number of new contractors commencing work at Kayelekera. Malaria is less common in Botswana than Malawi, with the Letlhakane team not reporting any cases of Malaria during the reporting year.

Health and safety training conducted at Kayelekera in FY25 was focused on hazardous materials management, isolation Lock-Out-Tag-Out, radiation awareness, snake awareness, refresher first aid and permit to work systems. Malawi AERA also delivered certified radiation training, including a three-week intensive program covering theory and practical components.

In FY24, accredited health and safety training was delivered at Letlhakane by a Botswana Qualification Authority (**BQA**) and Human Resource Development Council (**HRDC**) registered provider. Offered in both English and Setswana for accessibility, the program covered basic fire marshal duties, first aid, 4X4 off-road skills and defensive driving. Training remains valid through FY25. In general, health, safety, environment, radiation and community (**HSERC**) training are provided for all employees and contractors at Letlhakane.

In May 2025, the Radiation Protection Inspectorate conducted a visit to the Letlhakane Project as a courtesy.

Group TRIFR



TRIFR based on 200,000 person hours. *FY24 TRIFR updated to reflect the addition of Letlhakane Project

Community Relations and Engagement

Lotus understands that operating in host countries carries a responsibility to foster respectful, transparent and ongoing relationships with local communities and stakeholders through inclusive consultation and open dialogue. Our engagement is guided by a commitment to social responsibility, empowering local enterprises, investing in local workforce development and recognition of traditional rights and customs at all sites. Our approach promotes mutual understanding, proactive grievance resolution and conflict mitigation to support shared value creation across our operational footprint.

Community Engagement

Community relations at Lotus includes community and stakeholder engagement, social investment and grievance management. Each site designs its own engagement approach, adjusting how often and how actively it interacts with communities based on local context and operational needs. Community teams across our sites maintain regular dialogue with traditional leaders and local government bodies to share operational updates, understand concerns and collaborate on solutions. Structured engagement channels include:

- Community and stakeholder forums.
- Environmental and Social Impact Assessments (ESIAs) including socio-economic surveys.
- Village and district-level consultations.
- Email correspondence and direct visits.

Kayelekera

At Kayelekera, engagement includes meetings with the District Commissioner and District Executive Committee, Area Development Committees, Village Development Committees, Civil Society Organisations, District Environment Sub Committees, and business communities, alongside ongoing dialogue with Paramount Chief Kyungu and Group Village Heads from Kayelekera, Juma, and Simfukwe. These discussions include topics such as the Mine Development Agreement (**MDA**), Community Development Agreement (**CDA**), Kayelekera restart and subsequent operations, water treatment initiatives and the ESCOM powerline.

To ensure meaningful consultation, targeted meetings were also held with residents along the ESCOM powerline route, enabling community voices to inform planning processes. Lotus actively collaborates with national regulators and ministries to align environmental and social priorities. These interactions strengthen regulatory transparency and promote joint stewardship of natural and social resources. Community engagement at Kayelekera is managed by the General Manager and the Environment and Social Superintendent.

In May 2025, Kayelekera hosted a site tour with attendees including the Minister for Mining, Paramount Chief Kyungu, Deputy Secretary to the President and Cabinet and Head of the Presidential Delivery Unit, local indigenous leaders, Ministry of Finance and Economic Affairs, Mining Regulatory Authority and the media. The tour included an update on the production restart, the economic benefits of the mine, the CDA and employment.

Kayelekera's Stakeholder Engagement Plan

Community engagement at Kayelekera is managed in accordance with the Stakeholder Engagement Plan. The Stakeholder Engagement Plan describes that engagement is:

- Undertaken in an open and transparent manner
- Culturally appropriate and tailored to the characteristics and interests of different stakeholders
- Disclosed in an accessible, transparent and timely manner
- Pragmatic, including regular use of meetings, workshops and consultative forums
- Free of internal or external manipulation, inference, coercion or intimidation
- Meaningful for those identified as disadvantaged or vulnerable, including the participation of women

Letlhakane

At Letlhakane, our engagement strategy involves regular consultations with government authorities and local representatives including landowners, village leaders, police, health professionals, educators and community officials to share Project updates, gather feedback and foster mutual understanding of Lotus' evolving activities.

Community engagement is coordinated through established local governance structures, including traditional leaders and local authorities. A designated contact person served as the central liaison, ensuring that both formal and informal communications were effectively channelled, documented and responded to in a timely manner. Community engagement at Letlhakane is managed by the External Affairs Manager.

During the reporting year, the Lethlakane team hosted the Department of Mines and the Department of Environmental Protection (**DEP**) to provide project updates whilst the DEP conducted site inspections of the Project's drilling program and drill collars. Additionally, members of the Lotus team visited Serule village to engage with local officials and provide a Project update. The meeting offered stakeholders an opportunity to ask questions, learn about current progress and discuss future plans. Topics included ongoing work, ESG initiatives and community benefits. The event welcomed a diverse group of stakeholders, including the Area Member of Parliament, local Chiefs, Council Secretary, Area Councilors, Land Board Secretary, Tribal Administrator, Police Station Commander and Village Development Committees.

Kicking goals

Lotus sponsored the Lotus Marula Social Club soccer team in FY25, comprising primarily employees and contractors. Weekly matches are held on a Sunday against social clubs from nearby villages including Serule, Gojwane, Damochu, and Tonota, strengthening ties between the Letlhakane Project and surrounding communities.

The Company proudly provided team kits and supported matches with water and refreshments. On 1 September 2024, the Marula team participated in a fundraising charity tournament hosted by the Gojwane Community Social Club, an event that fostered community engagement, camaraderie and shared purpose.

Grievance Management and Feedback

Actively engaging with stakeholders is central to successfully addressing and managing grievances. Our grievance mechanisms are designed to be culturally appropriate, accessible and responsive. Community relations teams regularly track feedback, resolve issues in a timely manner and implement lessons learned to improve our practices.

Kayelekera maintains an accessible grievance mechanism to support community feedback and resolution. While the site is transitioning from care and maintenance to operations, grievances can be submitted via WhatsApp, in person, or through Village Chiefs. This the preferred channel due to limited local connectivity and transportation. There is also a locked grievance box located at the access gate if the above methods are not available. The Environment and Social Superintendent reviews and investigates submissions, allocating resources as needed. Unresolved grievances are escalated to the General Manager to ensure timely and appropriate resolution.

Letlhakane's community grievance procedure supports transparent and timely resolution of local concerns. A grievance register is maintained at the designated community meeting place, ensuring accessibility for surrounding villages. The External Affairs Manager reviews and investigates all grievances received. Issues that cannot be resolved at this level are escalated to the Country Manager. Lotus regularly informs communities of exploration activities, reinforcing open dialogue and responsive engagement.

Grievances that cannot be resolved at the site level are escalated to the COO for further review and action. Where a grievance is considered critical to the business, the Managing Director/CEO may refer the matter to Lotus' Board for oversight and strategic resolution. This process reinforces transparency, accountability and corporate responsiveness to stakeholder concerns.

Community Development and Contributions

We continuously aim to enhance living standards through various support programs, fostering shared value and creating lasting, positive impacts beyond the life of our projects. Each site promotes employment, skills development and commercial opportunities for nearby communities. Lotus contributes to local development through voluntary financial and in-kind support, working collaboratively with community representatives to identify priority initiatives that reflect local needs.

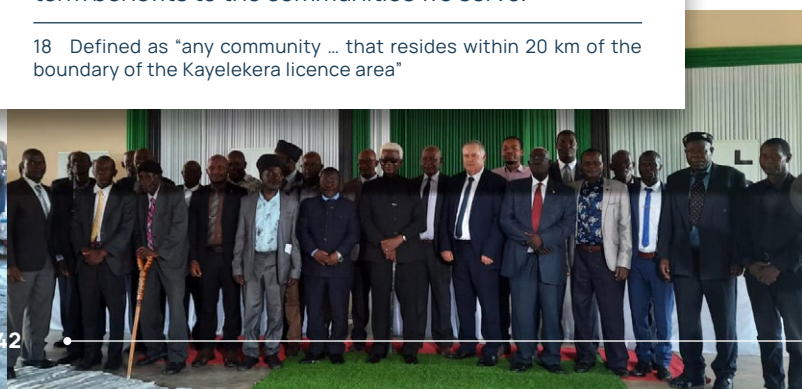
The Company prioritises local recruitment across its operations to support inclusive economic participation and build community capacity. At both Kayelekera and Letlhakane, contractors from surrounding communities are engaged in a range of skilled and unskilled roles. All personnel receive induction training covering safety, environmental protocols and operational standards. On-the-job experience enhances skills and contributes to long-term workforce development. At Kayelekera, Lotus actively encourages community members to register their business and provide training on its procurement processes.

Kayelekera Community Development Agreement

In alignment with the Malawi Mines and Minerals Act (No. 8 of 2018), our approach to contributing to economic growth and social wellbeing is both legally grounded and community oriented. Clause 169 of the Act serves as a foundation, mandating license holders to support the sustainable development and welfare of communities impacted by mining operations, while honoring their customs, rights and traditions.

In January 2025, Lotus and qualified communities[18] formalised a CDA, setting a framework for collaborative and inclusive social investment. This agreement prioritises strategic programs aimed at fostering local ownership, reducing dependency and building a lasting positive legacy in the host area. The selected initiatives focus on three key objectives: addressing urgent community needs through social infrastructure support; aligning development efforts with impact assessment outcomes in health and socioeconomic domains; and advancing sustainable development across the broader project-affected region. This structured approach reinforces our commitment to ethical resource development while delivering long-term benefits to the communities we serve.

18 Defined as "any community … that resides within 20 km of the boundary of the Kayelekera licence area"



Lotus Supports Malawi's Fight Against Gender-Based Violence

In November 2024, Lotus proudly partnered with Malawi's Ministry of Gender, Community Development and Social Welfare to support a powerful campaign against gender-based violence. Led by the Karonga District Council Gender Office, the initiative launched on the International Day for the Elimination of Violence against Women (25 November) and concluded on Human Rights Day (10 December), aligning with the global "UNITE! Invest to Prevent Violence against Women and Girls" theme during the 16 Days of Activism.

Recognised as an impactful tool for raising awareness and mobilising action, the campaign called for the prevention and elimination of violence against women and girls across Malawi. Lotus amplified the message by donating 100 t-shirts, 100 golf shirts and three banners to strengthen visibility and engagement throughout the region.

Image: The Chairman of the Karonga District Council, Councillor Bellium Msukwa and Gender Officer, Ireen Simwaka receiving the campaign materials.

Empowering Youth through Education

In a strong show of commitment to education and youth empowerment, Lotus was honoured to serve as Guest of Honour at the Shashe River Secondary School Prize Giving Ceremony in Tonota Village, which is home to the district administration of the Letlhakane Project. The event, held in September 2024, celebrated both academic excellence and personal growth among local students.

As part of the ceremony, Lotus proudly sponsored the Science and Mathematics awards, reinforcing the importance of STEM education in shaping future innovators and problem-solvers. Through motivational speeches, Lotus highlighted values such as perseverance, discipline and lifelong learning, which are key drivers of success both in the classroom and beyond.

Supporting Local Education

In December 2024, team members from the Kayelekera Mine joined the Kayuni Primary School community in Kayelekera Village to celebrate the end-of-term closing ceremony. The event brought together students, parents and educators to honour academic achievements and inspire continued commitment to learning.

Lotus supported the celebration by donating food, refreshments and cash prizes for top-performing students across Years 1 to 8. This contribution not only helped create a memorable day for the school community but also reinforced the Company's belief in recognising hard work and encouraging academic excellence.

Our Performance

No grievances or critical concerns were raised during the reporting period.

Lotus invested USD 80,000 in social development across our host communities in the reporting year, a 371% increase from FY24 (USD 17,000), with spending rising 389% at Kayelekera and 244% at Letlhakane.

Community development at Letlhakane during the reporting period included:

Education

- Donated library books to the Serule Secondary School.
- Provided school furniture and uniforms to both Gojwane and Serule Primary Schools.
- Contributed towards Tonota Primary School academic excellence awards ceremony.
- Contributed towards Sashe River High School academic excellence awards ceremony.
- Contributed towards the Tonota Primary School preschool graduation.

Sport

- Lotus Marula Social Soccer Club participated in fundraising charity games.

Following the restart of operations at Kayelekera, Lotus maintained its support for community infrastructure throughout the reporting period to help alleviate pressure on local health and education services. This included, but was not limited to:

Health

- Maintained potable water using a solar-powered pump for the Kayelekera Health Centre, Kayuni Primary School, and surrounding communities.
- Provided solar power and ongoing maintenance to the Kayelekera Health Centre.
- Provided an ambulance to care and transport emergency patients to the Kayelekera Health Centre or Karonga District Hospital.
- Maintained the water supply and power supply at the Wiliro Health Clinic.

Education

- Supported the Wiliro Education Zone by printing of exam papers. Approximately 50,000 pages were printed.
- Supported the Kayuni Community Day Secondary School graduation ceremony at Sere Village.
- Supported teachers at Kayuni and Juma Primary Schools.

Other

- Distributed tree seedlings including fruit trees to schools in the area.
- Supported community policing programs.
- Maintained critical village access roads.
- Assisted in the formation of farming groups comprised by women from the surrounding communities enabling them to supply produce to the mine.

Labour Management and Employee Relations

Lotus is committed to ethical and sustainable labour practices that provide for a safe working environment where all personnel are treated with respect and protected from discrimination and harassment. Sound labour management supports legal compliance and strong employee relations, helping prevent disruption and foster operational stability.

Workforce Governance

Lotus upholds fair and lawful employment practices in line with national and international standards. In Malawi and Botswana, the Company adheres to relevant labour legislation designed to protect worker rights, promote safe working conditions and uphold principles of non-discrimination, fair remuneration, freedom of association and collective bargaining rights.

These legal frameworks establish minimum employment standards and support effective dispute resolution and collective bargaining. Lotus ensures its human resources practices are compliant and risk-aware, with site-level managers overseeing policy alignment, contract management, payroll, leave administration and disciplinary action where necessary. Employee relations are managed proactively to foster a respectful and accountable workplace culture while reducing the risk of disruption. Labour practices at each site are tailored to the local regulatory environment, supporting a stable and engaged workforce across our operations.

Lotus provides employees with accessible channels to raise concerns or complaints, ensuring confidentiality and protection from retaliation. At Kayelekera, labour relations and employee grievances are overseen by the General Manager and Human Resources (HR) Manager, who ensure compliance with company policies and labour regulations while addressing workforce risks. Disciplinary processes support accountability and reinforce a respectful workplace culture.

At Letlhakane, the Admin Manager handles all human resources functions, including alignment with labour laws, contract administration, payroll management and leave coordination. Employee grievances are managed by the Country Manager.

Fair Remuneration and Financial Wellbeing

Lotus ensures employee remuneration and benefits comply with applicable laws in all jurisdictions, supporting fair and secure employment across our operations. Salaries exceed statutory minimum wage requirements, with the lowest-paid employee earning 2.1 times the minimum wage in Malawi and 1.5 times the minimum in Botswana. These figures reflect base salary alone and do not include the additional benefits provided as part of our broader employee value proposition.

Employee benefits vary by location but consistently provide support for health, financial wellbeing and family care. At Kayelekera, we offer worker's compensation insurance, life insurance, healthcare, parental leave, disability and invalidity cover and retirement provisions. Letlhakane employees receive medical aid, maternity leave for female personnel and workmen's compensation insurance. Severance entitlements for permanent and temporary staff accrue monthly and reflect length of service as per the legal frameworks.

Pension contributions and severance payments are made in accordance with local legislation, including Malawi's National Pension Scheme (established under the Pension Act 2011) and Botswana's Income Tax Act (Cap 52:01). Australian employees receive superannuation benefits in line with the Superannuation Guarantee (Administration) Act 1992.

Notice periods are clearly outlined in employment contracts, meeting or exceeding legal requirements in each jurisdiction. Kayelekera provides a minimum one-month notice ahead of major operational changes. No employees at Kayelekera are covered by collective bargaining agreements.

Lotus continues to provide meals to all contractors who were sourced from surrounding villages, assisting them in managing their own food expenses.

Diversity and Equal Opportunity

Lotus is committed to maintaining a workplace free from discrimination and bias, ensuring fair treatment and equal opportunity for all. Respect, fairness and accountability are core to how we engage with employees, contractors, suppliers and communities. Lotus has zero tolerance for workplace bullying, harassment, discrimination and retaliation, including behaviours that include humiliating, intimidating or hostile conduct, as well as any form of sexual harassment. All personnel are responsible for upholding inclusive practices and are encouraged to report any discrimination or breaches of our Code of Conduct or Inclusion and Diversity Policy.

We value the diverse backgrounds, skills and experiences of our people and recognise that inclusion is essential to building capability, driving continuous improvement and achieving sustainable success. Managers and senior leadership are accountable for driving inclusive practices, with the Board responsible for setting measurable diversity objectives to strengthen representation at all levels. We do not yet have a formal diversity target and evaluate appointments on merit, skills and qualifications alongside diversity considerations.

Lotus monitors female participation throughout all levels of the organisation to support inclusive workforce development and inform diversity initiatives. We support inclusive workplace practices, leadership development and equitable employment policies while promoting the well-being of women and girls. This also extends to surrounding communities through targeted engagement and development initiatives. Kayelekera established the "Women in Kayelekera Mine" initiative which fosters a safe and inclusive workplace by actively involving female employees in shaping policies and practices.

The Kayelekera's Human Resources team works closely with the local labour hire contractors to actively find and recruit women to work on each project that is undertaken during the year.

Our Performance

As of 30 June 2025, we employed 581 people across all our operations, with 10% of our workforce being female.

During the reporting period, Kayelekera's workforce expanded from 19 full-time employees in FY24 to 529 full-time employees in FY25, driven by restart activities. Of the total workforce, 94% are Malawian nationals. Women in the workforce at Kayelekera decreased during the reporting period representing 9% of the workforce (FY25: 46 of 529; FY24: 3 of 19).

During FY25, the Letlhakane Team included 11 full-time employees of which ten are nationals of Botswana, with 27% of the Letlhakane team being female.

Key metrics

Employee profile

- **581 full-time employees** (FY24: 34)
- **543 national employees** (FY24: 84)
- **USD 1.44 million local wage[19] spend** (FY24: USD 0.5 million)

Diversity, equality and inclusion

- **25% of our Board is female** (FY24: 20%)
- **10% of our employees are female** (FY24: 20%)
- **25% of our senior executives are female** (FY24: 19%)
- **0 incidents of discrimination** (FY24: 0)

19 Includes Malawi and Botswana only.

Governance

We believe that ethical business practices and strong corporate governance are critical to our success.

At Lotus, effective governance is foundational to maintaining the integrity, transparency and sustainability of our operations. Lotus and its Board are committed to upholding high standards of corporate governance and ethical business practices to deliver long-term value to stakeholders.

Corporate Governance

Corporate Governance Framework

The Company's Governance Framework complies with regulatory requirements in Australia, Malawi and Botswana, and aligns with the ASX Corporate Governance Council's Principles and Recommendations (4th Edition).

The framework includes charters, policies and operational plans that guide business conduct and is regularly reviewed to ensure it remains fit for purpose. It applies to all personnel and supports decision-making, accountability and continuous improvement across the organisation.

Lotus integrates governance into its sustainability strategy, seeking balanced outcomes across economic, environmental and social areas. The Board ensures transparency through regular reporting and disclosure via ASX filings and corporate publications. Information on external financial assurance and executive remuneration is detailed in the Annual Reports and Corporate Governance Statements available on the Company's website[20].

Lotus' Board maintains oversight of sustainability-related risks and activities and is responsible for ensuring robust internal controls across the business. Following a restructure that commenced in August 2024, the Board comprises three Non-executive Directors, and the Managing Director/CEO. Independence is maintained through non-executive leadership, including the Chair.

Board powers are delegated in accordance with the Company's Constitution to specialised committees, namely Nomination and Remuneration; Audit and Risk; and Environmental, Social and Governance (**ESG**). These committees provide targeted governance across strategic ESG activities including environmental, climate change, health and safety, community relations, culture and business conduct.

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Our Stakeholders

Lotus' Board collectively possesses a wide-ranging set of skills and experience essential for effective governance and responsible corporate leadership. This includes expertise in corporate governance, risk management, mining operations, exploration geology, financial strategy and mergers and acquisitions. In addition to technical and commercial acumen, Directors have knowledge in health and safety, environmental stewardship, social performance and ESG standards, ensuring that sustainability considerations are embedded across decision-making. Directors' qualifications support strong oversight of both strategic risks and stakeholder interests.

Further details on the Nomination and Remuneration, the Audit and Risk, and the ESG Committees and individual and collective Board capabilities/skills are available in the FY25 Annual Report and FY25 Corporate Governance Statement. Lotus' governance framework also provides for the regular review and updates to its Company policies to ensure they remain current and fit for purpose. Lotus' Board and Committee charters, Code of Conduct and policies are available on our website.

As part of our ongoing commitment to responsible business practices, we are undertaking a review of our sustainability governance framework in FY26 to reinforce oversight, transparency and execution across our operations. Building on the progress made in assessing climate-related risks and opportunities, we will introduce targeted updates to ensure these risks and opportunities are integrated into our enterprise risk management framework and inform strategic decision-making at Board level.

Risk Management

As an ASX-listed entity, the Company is required to establish of sound risk oversight processes. The Board is responsible for overseeing Lotus' risk management strategy, ensuring an appropriate corporate governance structure and supporting the achievement of business and ESG objectives. To achieve this, the Board undertakes an annual assessment of the effectiveness of risk management and internal controls. Lotus has established a structured and transparent Risk Management Framework tailored to its operational context. The framework is designed to consistently identify, assess and manage risks across all business units, with governance oversight established at the Board level and delegated to the Audit and Risk Committee.

Lotus' risk management approach is based on the principles of AS/NZS ISO 31000:2018 Risk Management standard, providing a recognised methodology for risk evaluation, treatment and reporting. Risk ownership is assigned across functional areas to ensure accountability and effective control implementation. The Framework also incorporates dedicated systems for monitoring exposures and reporting operational losses, supporting informed decision-making and continuous improvement. Lotus' Risk Appetite and Risk Tolerance set the scene for the level of risk the Board is willing to accept and is an important part of our Risk Management Framework.

The CFO serves as the designated Risk Coordinator, who is responsible for reporting key organisational risks and associated controls, both existing and proposed, ensuring that risk information is communicated effectively to senior leadership and supports informed decision-making.

Lotus tracks risks through an enterprise risk register, a document that records all our identified risks, the likelihood of the consequences of that risk occurring, the actions taken to decrease the risks and the person responsible. We review our enterprise risk register bi-annually whilst high risks are presented to the Board as a standard agenda item at Board meetings. The Company also discloses material environmental, climate-related and social risks in its Annual Report, ensuring transparency and accountability to stakeholders.

Public Policy and Compliance

Legal and regulatory compliance remains a core responsibility of the Board and executive team. Strong governance and a values-driven corporate culture guide ethical decision-making, support long-term value creation and uphold our commitments to stakeholders. Operating across multiple jurisdictions also presents geopolitical risks, which we actively manage through ongoing engagement with relevant government bodies on current and emerging issues. We remain committed to fulfilling our obligations and contributing positively wherever we operate by engaging with relevant government authorities.

On 31 July 2024, Lotus and the Government of Malawi signed a transformative Mine Development Agreement (**MDA**), marking a significant milestone in the country's journey toward sustainable economic development. The agreement provides a 10-year stability period, ensuring a predictable fiscal regime and reinforcing investor confidence in Malawi's mining sector.

Key provisions of the MDA include:

- Legal Protection: Internationally recognised principles safeguard security of tenure, protect against expropriation and establish clear dispute resolution mechanisms.
- Fiscal Stability: A decade-long commitment to a stable fiscal framework supports long-term planning and responsible resource development.
- Sustainable Development: The MDA aligns with Malawi's national vision, Malawi 2063, which positions mining as a strategic pillar for inclusive and sustainable economic growth.

This agreement reflects a partnership built on mutual trust, shared values and a long-term commitment to responsible mining practices that benefit both local communities and the national economy.

The Company applies a transparent, principles-based approach to political donations, guided by strict legal compliance, bipartisan engagement and a public policy focus aimed at creating value for stakeholders. All donations are disclosed annually and recorded for oversight by the Audit and Risk Committee. Where appropriate, we collaborate with host governments by participating in key conferences, and contributing to select public initiatives. In FY25, this included our announcement to fund the ESCOM powerline to Kayelekera, reinforcing our commitment to supporting critical infrastructure development.

Ethical Conduct

Lotus is committed to ethical business practices and compliance with anti-bribery and corruption laws in all jurisdictions where we operate. Our Code of Conduct, Anti-Bribery and Corruption Policy and Whistleblower Policy apply to employees, contractors, joint venture partners and third parties, ensuring integrity and accountability across our value chain.

The Board oversees policy implementation and ethical decision-making, supported by mandatory training on fraud and corruption prevention during onboarding. All personnel are encouraged to report suspected misconduct through secure and confidential channels.

Lotus embeds human rights into business processes, guided by international frameworks including the Universal Declaration of Human Rights, UN Guiding Principles on Business and Human Rights (**UNGPs**) and the Voluntary Principles on Security and Human Rights (**VPSHR**). We assess and mitigate risks to uphold dignity, equity and non-discrimination, recognising these principles as fundamental to sustainable performance.

Code of Conduct

Our Code of Conduct outlines the principles and values that guide business decisions and behaviour across all levels of the organisation. It applies to directors, employees, contractors and partners, setting clear expectations for integrity, independence and conflict-of-interest declarations. During the reporting period, we updated our Code of Conduct to reflect the change in Board and management composition as well as our commitment to our values.

Material breaches of the Code are escalated to the Board or relevant Board committees for review. Information on related party transactions and governance outcomes is detailed in our FY25 Annual Report.

Anti-Bribery and Corruption Policy

Lotus maintains a zero-tolerance approach to bribery and corruption, guided by its Anti-Bribery and Corruption Policy. This policy outlines clear expectations for interactions with public officials and third parties, ensuring ethical conduct and compliance with relevant laws in all jurisdictions. All employees undergo mandatory training as part of the induction process to identify and prevent corrupt practices, supported by visible awareness materials placed throughout operational sites. Oversight is provided by the Board via the Audit and Risk Committee, with the CFO and designated Compliance Officer responsible for rolling out periodic risk assessments, internal audits and, where necessary, reporting breaches to relevant authorities.

In FY25 we updated our Anti-Bribery and Corruption Policy to reflect our commitment to acting with integrity, lawfully and ethically. As a result of this review, we are rolling out an updated anti-bribery and corruption training program during FY26.

To strengthen internal controls Lotus has enhanced its corruption risk assessment framework. This included developing a new management system to define risks and impact ratings for key risk areas including bribery and corruption, alongside updated training protocols. These measures reinforce Lotus' commitment to integrity, transparency, and continuous improvement in ethical business conduct.

Whistleblower Policy

Lotus encourages any employee, contractor or third party to confidentially report concerns about illegal, unethical or unsafe practices and behaviour through its Whistleblower Policy. During the reporting period, we updated our Whistleblower Policy to provide more clarity and transparency on reporting avenues in all jurisdictions. The policy provides multiple channels including verbal, written and anonymous options, to ensure individuals feel safe reporting incidents without fear of reprisal.

All reports are treated confidentially and investigated promptly, with outcomes reviewed by the executive team, including the Managing Director/CEO and the Board. This approach reinforces a culture of transparency, accountability and trust across Lotus operations.

Human Rights, Modern Slavery and Security

We support the protection of fundamental human rights and freedoms, including supporting the elimination of all forms of forced or compulsory labour, child labour and deceptive recruiting for labour or services. Lotus applies a proactive, risk-based approach to security management that safeguards personnel and assets while respecting human rights. Guided by our Human Rights Policy, security practices are aligned with the UN Voluntary Principles on Security and Human Rights, ensuring all protective measures respect stakeholder rights. Every site maintains a clear community feedback mechanism for reporting security-related concerns, supporting transparent and respectful engagement.

At Kayelekera, we transitioned from using an independent security provider to recruiting and using our own security staff during the reporting year. All security personnel underwent training provided by a third party with refresher training planned annually. Training covers key frameworks on Malawi legislation, UN Basic Human Rights Standards for Law Enforcement, private (self) defense, the VPSHR, the United Nations Basic Principles on the Use of Force and Firearms by Law Enforcement Officials, and the Amnesty International 10 Basic Human Rights Standards for Law Enforcement Officials. Theft related incidents are investigated and addressed in accordance with the Kayelekera Use of Force and Human Rights Procedure.

At Letlhakane, security efforts focus on asset protection and public safety, with regular updates shared with stakeholders and authorities in accordance with local regulations. We employ three security staff from the local village to provide continuous site patrols. This community-based approach ensures 24/7 coverage and has effectively prevented incidents of theft or unauthorised access, while fostering local employment and trust. Lotus plans to conduct security and human rights training for Letlhakane staff in FY26.

Our Code of Conduct is supported by a suite of ESG policies that shape our business. These are all publicly available on our website:

- Anti-Bribery and Corruption Policy
- Environmental Policy
- Inclusion and Diversity Policy
- Health, Safety and Wellbeing Policy
- Human Rights Policy
- Radiation Management Policy
- Respectful Workplace Policy
- Risk Management Policy
- Sustainability Policy
- Whistleblower Policy

We value the fundamental human rights recognised in the Universal Declaration of Human Rights (UGHR) and strive to operate our business in accordance with the spirit and intent of it.

- Lotus' Universal Declaration of Human Rights (UDHR) Statement

Supply Chain

Throughout the lifecycle of our operations, Lotus sources a wide array of products and services. We prioritise sourcing goods and services from suppliers based in Malawi and Botswana. We define a local supplier as an entity legally registered in-country, employing local nationals, remitting local taxes and transacting in the national currency. Wherever possible, we partner with these suppliers to help them design robust management systems and build operational capacity enabling their businesses to expand beyond Lotus projects and contribute to broader economic development.

In FY26, we plan to strengthen our commitment to ethical business practices by implementing a Supplier Code of Conduct that specifically addresses modern slavery risks and our ESG expectations. This will be supported by an enhanced supplier screening and risk assessment processes, enabling us to identify, evaluate and mitigate potential human rights violations across our supply chain.

At Kayelekera, we have a strong focus on engaging local labour hire companies and continue to support local businesses to employ and contract local community members.

Our Performance

In FY25, no corruption or bribery incidents have been reported for the Group and there were no incidents involving violations of the rights of local or Indigenous people.

Eighty (80) security personnel at Kayelekera completed formal human rights training as well as basic security training during the reporting period including, but not limited to, guarding and patrolling, and observation and access control management.

During the reporting year, Lotus strengthened its commitment to local sourcing, purchasing approximately USD 5.75 million from suppliers in Malawi and USD 1.17 million in Botswana, representing year-on-year increases of 228% and 43%, respectively.

Throughout FY25, Letlhakane engaged 76 local suppliers (FY24: 163). The main service providers were drilling contractors and database management, earth moving equipment, office rental, while the main goods purchased were diesel, health and safety products, personal protective equipment (PPE), tools, equipment and plant hire. At Kayelekera, we engaged 119 local suppliers (FY24: 110). The main services provided a range of goods and services including diesel, food, security contractors, couriers, PPE and maintenance equipment.

Economic Performance and Financial Management

Lotus maintains a disciplined approach to financial management, focused on generating long-term value for stakeholders. Economic performance is tracked through metrics such as revenue, capital and operating costs, employee compensation, payments to governments and community investments. We fulfil this commitment by:

- Setting long-term strategy and goals.
- Regularly reviewing the long-term strategy and elements that flow into the annual strategy to ensure that opportunities are pursued, and revisions are made where appropriate.
- Preparing an annual strategy and budget, and reporting monthly to Management and the Board.
- Daily and monthly collation and reporting of financial and non-financial information from site operations.
- Setting authority limits to ensure that decisions are made at the right level within the organisation.
- Regularly reviewing risks to ensure that funds are applied to risk mitigation actions or controls.
- Implementing internal controls around financial processes and asset protection and performing checks to confirm effectiveness.
- Annual statutory audit for the Group and subsidiaries.

Financial oversight is embedded within our governance structure, with the Board and Audit and Risk Committee reviewing key risks, financial implications and capital allocation decisions. Our economic performance is disclosed annually to demonstrate the distribution of economic value across our operations. For the latest results see our FY25 Annual Report.

Lotus complies with all applicable tax laws, rules and regulations in the jurisdictions in which we operate. The Board retains overall accountability for the Lotus' tax strategy and risk management, providing oversight of the controls and processes used to identify and monitor tax-related risks. Responsibility for tax matters is delegated to the CFO, who oversees the implementation of procedures and systems that ensure timely evaluation, reporting and mitigation of potential tax exposures.

The Company prepares budgets based on our different business levels including site operations, exploration, capital projects and corporate matters. Economic Performance and Financial Management is the responsibility of the Managing Director/CEO and the CFO.

Our Performance

The Company did not make any direct or indirect political donations nor was any financial assistance received from the Malawian or Botswana Governments during the reporting year.

Cybersecurity and Data Management

Lotus recognises the critical importance of cybersecurity and data governance in maintaining operational continuity and protecting sensitive information. We are committed to upholding the highest standards of privacy and data protection in alignment with stakeholder expectations and global best practices.

The Company's Risk Management Framework incorporates systems and controls designed to identify, assess and mitigate cyber risks, while ensuring compliance with applicable legislation in Australia, Malawi and Botswana. Cybersecurity oversight is the responsibility of the Board, with day-to-day management delegated to the Managing Director/CEO and CFO. Lotus engages a qualified third-party provider to implement and maintain cybersecurity infrastructure across its operations.

A review of Lotus' cybersecurity maturity level was conducted using the Australian Cyber Security Centre's Essential Eight framework. Recommended actions have been largely completed, resulting in improved backup protocols, firewall protection, access controls, disaster preparedness and malicious email filtering. Additional measures include:

- Multi-factor authentication (MFA) on critical systems.
- Regular software updates and secure data backups.
- Employee training on phishing and cyber threats.
- Use of modern IT hardware with uninterruptible power supplies.
- Operating system upgrades to maintain current security standards.
- Logging and monitoring support tickets for incident tracking.

Cybersecurity and phishing awareness sessions and tests are conducted for employees in Malawi, Botswana and Australia to reinforce individual responsibilities and response protocols in the event of a breach.

Lotus also ensures that company data is securely collected, validated and stored, supporting business resilience and stakeholder trust while safeguarding one of its most valuable assets.

Our Performance

In FY25, we reinforced this commitment by implementing an enhanced Privacy Statement Policy that governs the collection, use, disclosure and safeguarding of personal information. This policy is designed to comply with the Australian Privacy Principles under the Privacy Act 1988, ensuring that all personal data is handled with transparency, integrity and accountability. By clearly outlining the types of information we collect and the purposes for which it is used, Lotus empowers individuals to make informed decisions about their data while maintaining trust across our stakeholder network.

There were no cybersecurity incidents during the reporting period.

Annex I - Performance Data

The following tables outline key performance information for Lotus Resources and its subsidiaries' operations during FY25 and historical reporting period. Unless specifically stated, the data provided are for the Group. Data not measured, reported or applicable during reporting period are depicted by (-) whilst some figures may vary due to rounding.

Water management

Water withdrawn by source (megalitres)	FY25	FY24*	FY23	FY22	FY21
Surface water	965.8	–	–	–	–
Groundwater	0	–	–	–	–
Seawater	0	–	–	–	–
Third party	0	–	–	–	–
Produced water	0	–	–	–	–
Total water withdrawal from all areas with water stress	13.8	–	–	–	–
Total	**976.6**	**–**	**–**	**–**	**–**

*Surface water withdrawal and consumption not recorded

Water withdrawn by source (megalitres)	FY25	FY24	FY23	FY22	FY21
Fresh water	976.6	–	–	–	–
Other	0	–	–	–	–
Total	**976.6**	**–**	**–**	**–**	**–**

Water discharged by destination (megalitres)	FY25	FY24	FY23	FY22	FY21
Surface water	847.9	323.8	286.8	765.4	554.6
Groundwater	0	0	0	0	0
Seawater	0	0	0	0	0
Third party	0	0	0	0	0
Total	**847.9**	**323.8**	**286.8**	**765.4**	**554.6**

Water discharged by quality (megalitres)	FY25	FY24	FY23	FY22	FY21
Fresh water	847.9	323.8	286.8	765.4	554.6
Other	0	0	0	0	0
Total	**847.9**	**323.8**	**286.8**	**765.4**	**554.6**

FY25 water data by site (megalitres)	Kayelekera	Letlhakane
Total water consumption	**117.9**	**–**
Total water withdrawal	**965.8**	**13.8**
Total water discharge	**847.9**	**0**

Hazardous and Non-hazardous Waste Management

Water withdrawn by source (megalitres)	FY25	FY24	FY23	FY22	FY21
Hazardous	356	75	7,407	15,844	7,483
Non-hazardous	745	245	123	20	24
Total waste generated	**1,101**	**320**	**7,530**	**15,864**	**7,507**

Waste recycled (cubic metres)	FY25	FY24*	FY23	FY22	FY21
Hazardous	6	0.2	0	0	0
Non-hazardous	0	89	52	1	1
Total waste recycled	**6**	**89.2**	**52**	**1**	**1**

*Adjustments made to FY24 data based on reclassification of waste

Waste diverted from disposal (cubic metres)	FY25	FY24*	FY23	FY22	FY21
Hazardous waste diverted for preparation for reuse	0	0	0	0	0
Hazardous waste diverted for recycling	6	0.2	0	0	0
Hazardous waste diverted for other recovery operations	0	0	0	0	0
Hazardous waste diverted from disposal onsite	0	0	0	0	0
Hazardous waste diverted from disposal offsite	0	0	0	0	0
Total hazardous	**6**	**0.2**	**0**	**0**	**0**
Non-hazardous waste diverted for preparation for reuse	0	0	0	0	0
Non-hazardous waste diverted for recycling	0	75	52	1.4	1.2
Non-hazardous waste diverted for other recovery operations	0	0	0	0	0
Non-hazardous waste diverted from disposal onsite	0	0	52	1.4	1.2
Non-hazardous waste diverted from disposal offsite	**0**	**0**	**0**	**0**	0
Total non-hazardous	**0**	**75**	**52**	**1.4**	1.2
Total	**6**	**75.2**	**52.0**	**1.4**	**1.2**

*Adjustments made to FY24 data based on reclassification of waste

Hazardous and Non-hazardous Waste Management

Waste directed for disposal (cubic metres)	FY25	FY24*	FY23	FY22	FY21
Hazardous waste directed for incineration with energy recovery	0	0	0	0	0
Hazardous waste directed for incineration without energy recovery	29	5	0	0	0
Hazardous waste directed for landfill	0	9	0	0	0
Hazardous waste directed for other disposal operations	0	60	0	0	0
Hazardous waste directed for disposal offsite	0	0.2	0	0	0
Hazardous waste directed for disposal onsite	327	15	0	0	0
Total hazardous waste directed for disposal	**356**	**89.2**	**7,407**	**15,844**	**7,483**
Non-hazardous waste directed for incineration with energy recovery	0	0	0	0	0
Non-hazardous waste directed for incineration without energy recovery	0	0	0	0	0
Non-hazardous waste directed for landfill	11	65	0	0	0
Non-hazardous waste directed for other disposal operations	0	105	0	0	0
Non-hazardous waste directed for disposal offsite	0	13	0	0	0
Non-hazardous waste directed for disposal onsite	734	170	0	0	0
Total non-hazardous waste directed for disposal	**745**	**353**	**123**	**20**	**24**
Total waste directed for disposal	**1,101**	**442**	**7,531**	**15,866**	**7,507**

*Adjustments made to FY24 data based on reclassification of waste

Energy consumption

Emissions accounting are reported in terms of operational control according to the guidance of the GHG Protocol Corporate Accounting and Reporting Standard.

	Kayelekera					Letlhakane	
Energy consumption (kilolitres)	**FY25**	**FY24**	**FY23**	**FY22**	**FY21**	**FY25**	**FY24***
Stationary fuel consumption	1,188	344	284	695	552	0	0
Mobile consumption	263	86	41	33	36	8	14
Total diesel consumption	**1,452**	**430**	**324**	**728**	**589**	**8**	**14**
Total petrol consumption	**0**	**0**	**-**	**-**	**-**	**3**	**0**
Total fuel consumption within the organisation from non-renewable sources	**1,452**	**430**	**324**	**728**	**589**	**11**	**14**
Total fuel consumption within the organisation from renewable sources	**0**	**0**	**0**	**0**	**0**	**0**	**0**

*FY24 Letlhakane emission adjusted to exclude contactors based on definitions as per GHG Protocol

FY25 total energy use by site (gigajoule)	Kayelekera	Letlhakane
Energy use from non-renewable sources (GJ)	56,031	410
Energy use from renewable sources (GJ)	0	0
Energy intensity (GJ/unit)	NA	NA
Total energy use	**56,031**	**410**

Primary sources of energy used - Group (gigajoule)	FY25	FY24*	FY23	FY22	FY21
Diesel (GJ)	56,336	17,000	12,000	26,000	21,461
Petrol (GJ)	105	0	–	–	–
Total	**56,441**	**17,000**	**12,000**	**26,000**	**21,461**

*FY24 Letlhakane emission adjusted to exclude contactors based on definitions as per GHG Protocol

Greenhouse Gas Emissions

Total GHG emissions (tCO2-e)	FY25	FY24	FY23	FY22	FY21
Scope 1 emissions (tCO2-e)	4,307	1,303	1,132	1,859	1,504
Scope 2 emissions (tCO2-e)	22	21	–	–	–
Total Scope 1 and Scope 2 emissions	**4,329**	**1,324**	**1,132**	**1,859**	**1,504**

FY25 GHG emissions by site (tCO2-e)	Kayelekera	Letlhakane
Scope 1 emissions (tCO2-e)	4,276	31
Scope 2 emissions (tCO2-e)	0	22
Total Scope 1 and Scope 2 emissions	**4,276**	**53**

Sources of total GHG emissions (percentage)	FY25	FY24	FY23	FY22	FY21
Purchased electricity	0.5%	1.6%	0%	0%	0%
Diesel	99.0%	96.6%	100%	100%	100%
Petrol	0.2%	1.8%	0%	0%	0%
Total	**100%**	**100%**	**100%**	**100%**	**100%**

Catchment management and mine rehabilitation

	Kayelekera		Letlhakane	
Energy consumption (kilolitres)	FY25	FY24	FY25	FY24
Total area cleared (open area) during reporting period	0.3	–	21.5	21.4
Total area restored or rehabilitated during reporting period	8.3	8	21.5	0.5
Total area under restoration or rehabilitation during reporting period	**0.3**	**0.9**	**0**	**0.5**

Total number of IUCN Red List species and national conservation list species with habitats in areas affected by Lotus operations* (count)	Critically Endangered	Endangered	Vulnerable	Near threatened	Least concern
Malawi - Kayelekera	0	1	4	1	100
Botswana - Letlhakane	1	0	4	2	57

*Species listed by IUCN and national conservation bodies reflect confirmed survey results from 2006–2024. Only verified flora and fauna are included; potential species based on habitat are excluded. National lists align with countries where operations occur.

Occupational Health and Safety

Occupational Health and Safety Management Systems overview - Group (percentage)	FY25	FY24
Occupational Health and Safety Management Systems	100%	100%
Employees covered by OHS management system	100%	100%
Other workers covered by OHS management system	100%	100%
Employees and other workers covered by internally or externally audited OHS management system*	100%	100%

*Lotus has not audited its OHS systems as Kayelekera has been in Care and Maintenance. Lotus will commence OHS audits following recommencement of mining.

	Kayelekera					Letlhakane		Group	
Workforce safety overview	FY25	FY24	FY23	FY22	FY21	FY25	FY24	FY25	FY24
Workplace fatalities from safety incidents (employees and other workers) (count)	0	0	0	0	0	0	0	0	0
Medically treated injuries (MTI) (count)	7	2	1	1	4	0	0	7	3
Recordable work-related injuries (employees and other workers) (count)	7	3	1	1	4	0	0	7	3
Person hours worked (count)	1,007,025	264,535	224,364	281,244	156,879	47,886	26,818	1,054,911	291,353
Total Recordable Injury Frequency Rate (TRIFR) (per 200,000 person hours worked) *	1.39	2.27	0.89	0.71	5.10	0.00	0.00	1.33	2.06
Total Recordable Injury Frequency Rate (TRIFR) (per 1,000,000 person hours worked) *	7.0	11.3	4.5	3.6	25.5	0.0	0.0	6.6	10.3
Restricted work injuries (count)	1	–	–	–	–	0	–	1	–
Lost Time Injuries (LTI) (count)	0	–	–	–	–	0	–	0	–
Lost Time Injury Frequency Rate (LTIFR)	0.0	–	–	–	–	0.0	–	0.0	–

*From FY26 Lotus will report TRIFR per million person hours worked. In FY24, TRIFR did not account for the Letlhakane Project (which had no recordable injuries). The FY24 TRIFR has been updated to reflect the additional 26,818 person hours worked at Letlhakane

	Kayelekera					Letlhakane		Group	
Workforce health overview (count)	FY25	FY24	FY23	FY22	FY21	FY25	FY24	FY25	FY24
Workplace fatalities from health incidents (employees and other workers)	0	0	0	0	0	0	0	0	0
Total confirmed occupational illness cases (employees and contractors)	197	61	24	30	28	0	0	197	61

Community Relations and Engagement

Parameter (percentage)	Kayelekera FY25	Kayelekera FY24	Kayelekera FY23	Kayelekera FY22	Kayelekera FY21	Letlhakane FY25	Letlhakane FY24
Operations with implemented local community engagement, impact assessment, and / or development programs	100%	100%	100%	100%	100%	100%	100%
Operations with implemented social impact assessments	100%	100%	100%	100%	-	100%	100%
Operations with implemented environmental impact assessment	100%	100%	100%	100%	100%	100%	100%
Operations with public disclosure of results of environmental and social impact assessments*	100%	–	–	–	–	–	–
Operations with local community development programs based on local communities' needs	100%	–	–	–	–	100%	–
Operations with stakeholder engagement plans on stakeholder mapping	100%	–	–	–	–	–	–
Operations with broad based local community consultation committees and processes that include vulnerable groups	100%	100%	100%	100%	100%	100%	100%
Operations with work councils, occupational health and safety committees and other worker representation bodies to deal with impacts	100%	100%	–	–	–	–	–
Operations with formal local community grievance processes	100%	100%	100%	100%	100%	100%	100%

*Kayelekera ESIA was made publicly available in FY25 in accordance with the Malawi Environment Management Act 2017 and Environmental Impact Assessment Guidelines 2007

Labour, Diversity and Equal Opportunity

FY25 workforce distribution by country of presence

Country	Employee headcount*	Headcount distribution (%)	Women (count)	Men (count)	Aged under 30 (count)	Aged 30-50 (count)	Aged over 50 (count)
Australia	10	2	3	7	0	7	3
Malawi	529	91	46	483	88	381	60
Botswana	42	7	12	30	4	32	6
Total	**581**	**100**	**61**	**520**	**92**	**420**	**69**

*Employee headcount is for permanent full-time, part-time, temporary, contract and casual employees as at 30 June of reporting year

FY25 workforce by employment type, gender and nationality

Parameter	Women (count)	Men (count)	Total (count)
Australia			
Permanent - Full time	2	5	7
Part-time	0	0	0
Temporary and Casual	1	2	3
Total count	**3**	**7**	**10**
Percentage	30%	70%	100%
Expat	–	–	2
National	–	–	8
Malawi			
Full time*	46	483	529
Part-time	0	0	0
Temporary and Casual	–	–	–
Total count	**46**	**483**	**529**
Percentage	9%	91%	100%
Expat	–	–	34
National	–	–	495
Botswana			
Permanent - Full time	3	8	11
Part-time	9	18	27
Temporary and Casual	0	4	4
Total count	**12**	**30**	**42**
Percentage	29%	71%	100%
Expat	–	–	2
National	–	–	40

*Full-time employees include fixed and open term contract employees according to national law.

Lotus Board diversity*	FY25	FY24	FY23	FY22
Total number on the Board (incl. MD/CEO)	4	5	5	5
Percentage women on the Board	25%	20%	20%	20%
Number of women on the Board	1	1	1	1
Number of men on the Board	3	4	4	4
Aged under 30 (count)	0	0	0	0
Aged 30-50 (count)	0	0	0	0
Aged over 50 (count)	4	5	5	5

*Board composition as of 30 June of the relevant reporting year

Nationality representation by country* (count)	FY25	FY24	FY23	FY22
Australia				
Expat	0	0	2	2
National	7	4	0	0
Malawi^				
Expat	34	2	2	2
National	495	17	59	17
Botswana				
Expat	1	1	–	–
National	10	10	–	–
Total percentage expats	**6%**	**3%**	**6%**	**19%**
Total percentage nationals	**94%**	**97%**	**94%**	**81%**

*Permanent full-time employees; ^ Full-time and contract employees

Contractor workforce by country (count)	FY25	FY24	FY23	FY22
Australia	3	4	3	3
Malawi*	–	369	56	–
Botswana	1	1	–	–

*Data not available at time of FY25 reporting. To be included in FY26

FY25 new employee hired by country of presence (count)	Australia	Malawi*	Botswana
Women	2	37	2
Men	5	541	0
Expat	0	34	0
National	7	578	2
Aged under 30	1	171	0
Aged 30-50	6	251	0
Aged over 50	0	156	2
Total	**7**	**612**	**2**

*Includes workers employed for specific projects during the reporting period

Governance and Ethical Conduct

Business conduct

Parameter	FY25	FY24*	FY23	FY22	FY21
Total confirmed incidents of corruption (count)	0	0	1	0	1
Total corruption incidents where employees were dismissed or disciplined (count)	0	0	0	0	1
Total corruption incidents where contracts with business partners were terminated or not renewed due to corruption (count)	0	0	0	0	0
Total operations assessed for corruption risks^ (count)	–	–	6	5	4
Total operations assessed for corruption risks^ (percentage)	–	–	50%	63%	50%
Public legal cases regarding corruption brought against Lotus or its employees (count)	0	–	–	–	–
Legal actions pending or completed regarding anti-competitive behaviour or violations of anti-trust (count)	0	–	–	–	–
Total monetary value of financial and in-kind political contributions made directly or indirectly by Lotus (USD)	0	–	–	–	–

*From FY24 we included Letlhakane in our reporting

^We are updating our process for assessing corruption within the business

Fines and prosecutions for non-compliance with laws and regulations

Parameter	FY25	FY24*	FY23	FY22	FY21
Total number of non-compliance with laws and regulations (count)	0	0	0	0	–
Number of non-compliance instances that resulted in a fine (count)	0	0	0	0	–
Number of non-compliance instances that resulted in non-monetary sanctions (count)	0	0	0	0	–
Total value of fines for instances of non-compliance with laws and regulations (USD)	0	0	0	0	–

*From FY24 we included Letlhakane in our reporting

Whistleblower case activity

Parameter	FY25	FY24*	FY23	FY22	FY21
Number of reports received	0	–	–	–	–
Number of substantiated claims	0	–	–	–	–

Human Rights and Security

	Malawi			Botswana	
Parameter	FY25	FY24	FY23	FY25	FY24
Security personnel who have received formal training in the organisation's human rights policies (percentage)	100%	100%	100%	0%	0%
Total number of incidents of discrimination (count)	0	0	0	0	0

Economic Performance

Social and economic contributions (USD)	FY25	FY24	FY23	FY22	FY21
Government Payments* (taxes and fees for licences and permits)	84,000	304,000	354,000	323,000	257,000
Procurement from local businesses in Malawi and Botswana	6,923,000	2,571,000	1,592,000	2,511,000	596,000
Local wage spend^	1,440,000	484,000	308,000	313,000	330,000
Social development projects	80,000	17,000	25,000	20,000	14,000
Kayelekera					
Care and maintenance & pre-production expenditure#	4,860,000	1,847,000	1,759,000	2,147,000	1,885,000
Exploration and capital costs	26,999,000	928,000	377,000	2,369,000	239,000
Number of local suppliers (count)	119	110	–	–	–
Letlhakane					
Exploration and evaluation costs	2,366,000	1,066,000	–	–	–
Number of local suppliers (count)	76	163	–	–	–

*No royalty payments due to Kayelekera and Letlhakane not being in production

^Includes Malawi and Botswana only

Kayelekera in care and maintenance from 1 July 2024 to about 12 December 2024

Annex II - GRI Content Index

The GRI content index should be read in conjunction with the FY25 Annual Report and FY25 Corporate Governance Statement and Charter, available on our website. These disclosures correspond with our material topics, which were reviewed in FY25.

Statement of use: Lotus reported with reference to the GRI Universal Standards 2021 and the GRI Mining Sector Standards 2024 for the reporting period 1 July 2024 to 30 June 2025. Lotus applied GRI 1: Foundation 2021 in this report.

General Disclosure	Disclosure	Location of Lotus' response and/or omission
GRI 2: General Disclosures 2021	2-1 Organisational details	FY25 Sustainability Report - About Lotus Resources (page 7); FY25 Annual Report
	2-2 Entities included in the organisation's sustainability reporting	FY25 Sustainability Report - About Lotus Resources (page 7); FY25 Annual Report
	2-3 Reporting period, frequency and contact point	Annual, for financial year ended 1 July 2024 - 30 June 2025
	2-4 Restatement information	Stated accordingly where applicable
	2-5 External assurance	At present, Lotus' Sustainability Report is not externally assured. The Sustainability Report is internally reviewed and presented to the ESG Committee for review and recommendation to the Board for approval.
	2-6 Activities, value chain and other business relationships	FY25 Sustainability Report - About Lotus Resources (page 7); FY25 Annual Report
	2-7 Employees	FY25 Sustainability Report - Performance Data (page 57)
	2-8 Workers who are not employees	FY25 Sustainability Report - Performance Data (page 57)
	2-9 Governance structure and composition	FY25 Sustainability Report - Corporate Governance (page 48); FY25 Annual Report; FY25 Corporate Governance Statement
	2-10 Nomination and selection of the highest governance body	FY25 Annual Report; FY25 Corporate Governance Statement; Nominations Committee Charter
	2-11 Chair of the highest governance body	FY25 Annual Report; FY25 Corporate Governance Statement; Board Charter
	2-12 Role of the highest governance body in overseeing the management of impacts	FY25 Sustainability Report - Corporate Governance (page 48); FY25 Corporate Governance Statement; Board Charter
	2-13 Delegation of responsibility for managing impacts	FY25 Sustainability Report - Corporate Governance (page 48); FY25 Annual Report; FY25 Corporate Governance Statement
	2-14 Role of the highest governance body in sustainability reporting	FY25 Sustainability Report - Corporate Governance (page 48); FY25 Corporate Governance Statement; ESG Committee Charter
	2-15 Conflicts of interest	FY25 Annual Report; FY25 Corporate Governance Statement; Code of Conduct
	2-16 Communication of critical concerns	FY25 Sustainability Report - Corporate Governance (page 48); FY25 Annual Report; FY25 Corporate Governance Statement
	2-17 Collective knowledge of the highest governance body	FY25 Annual Report

General Disclosure	Disclosure	Location of Lotus' response and/or omission
GRI 2: General Disclosures 2021	2-18 Evaluation of the performance of the highest governance body	FY25 Annual Report; FY25 Corporate Governance Statement
	2-19 Remuneration policies	FY25 Annual Report; FY25 Corporate Governance Statement
	2-20 Process to determine remuneration	FY25 Annual Report; FY25 Corporate Governance Statement; Remuneration Policy
	2-21 Annual total compensation ratio	FY25 Annual Report
	2-22 Statement on sustainable development strategy	FY25 Sustainability Report - Message from our Chair (page 6); Sustainability at Lotus (page 12)
	2-23 Policy commitments	FY25 Corporate Governance Statement; Policies (www.lotusresources.com.au)
	2-24 Embedding policy commitments	Lotus maintains a formal charter for its Board and all committees (Audit and Risk, Nomination and Remuneration; and ESG), providing governance and oversight structure. Its operational practices are informed by embedded policy commitments, articulated through internal procedures, standards, and guidelines. The Lotus Policies, Code of Conduct and Values guide our activities.
	2-25 Process to remediate negative impacts	FY25 Sustainability Report - Community Relations and Engagement (page 40); Ethical Conduct (page 52).
	2-26 Mechanisms for seeking advice and raising concerns	FY25 Sustainability Report - Community Relations and Engagement (page 40); Ethical Conduct (page 52).
	2-27 Compliance with laws and regulations	FY25 Annual Report; FY25 Sustainability Report - Performance data (page 57)
	2-28 Membership associations	FY25 Sustainability Report - Memberships of associations (page 15)
	2-29 Approach to stakeholder engagement	FY25 Sustainability Report - Our Stakeholders (page 14)
	2-30 Collective bargaining agreements	None of Lotus' employees are covered by collective bargaining agreements. Lotus recognises the right of workers to form and join trade unions and to bargain collectively.
MATERIAL TOPICS		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	FY25 Sustainability Report - Materiality (page 16)
	3-2 List of material topics	FY25 Sustainability Report - Materiality (page 16)

General Disclosure	Disclosure	Location of Lotus' response and/or omission
CATCHMENT MANAGEMENT AND REHABILITATION		
GRI 3: Material Topics 2021	3-3 Management of material topics	FY25 Sustainability Report - Materiality (page 16)
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	FY25 Sustainability Report - Catchment management and land rehabilitation (page 30)
	304-2 Significant impacts of activities, products, and services on biodiversity	FY25 Sustainability Report - Catchment management and land rehabilitation (page 30)
	304-3 Habitats protected or restored	FY25 Sustainability Report - Catchment management and land rehabilitation (page 30)
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	FY25 Sustainability Report -Performance data (page 57)
G4 Sector Disclosure for Mining and Metals 2013	MM1 Amount of land (owned or leased, and managed for production activities or extractive use) disturbed or rehabilitated	FY25 Sustainability Report - Catchment management and land rehabilitation (page 30)
	MM2 The number and percentage of total sites identified as requiring biodiversity management plans according to stated criteria and the number (percentage) of those sites with plans in place	FY25 Sustainability Report - Catchment management and land rehabilitation (page 30)
	MM10 Number and percentage of operations with closure plans	FY25 Sustainability Report - Catchment management and land rehabilitation (page 30)
ECONOMIC PERFORMANCE AND FINANCIAL MANAGEMENT		
GRI 3: Material Topics 2021	3-3 Management of material topics	FY25 Sustainability Report - Economic Performance and Financial Management (page 55)
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	FY25 Annual Report
	201-2 Financial implications and other risks and opportunities due to climate change	FY23 Sustainability Report; FY24 Sustainability Report; FY25 Sustainability Report - Climate Change and Energy Management (page 26)
	201-3 Defined benefit plan obligations and other retirement plans	FY25 Sustainability Report - Labour Management and Employee Relations (page 46)
	201-4 Financial assistance received from government	FY25 Sustainability Report - Economic Performance and Financial Management (page 55)
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	FY25 Sustainability Report - Labour Management and Employee Relations (page 46)
	202-2 Proportion of senior management hired from the local community	Lotus will disclose this information in FY26

General Disclosure	Disclosure	Location of Lotus' response and/or omission
ECONOMIC PERFORMANCE AND FINANCIAL MANAGEMENT		
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	FY25 Sustainability Report - Community Relations and Engagement (page 40)
	203-2 Significant indirect economic impacts	Lotus does not currently collect this information
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	FY25 Sustainability Report - Ethical Conduct (page 52)
GRI 207: Tax 2019	207-1 Approach to tax	FY25 Annual Report; FY25 Sustainability Report - Economic Performance and Financial Management (page 55)
	207-2 Tax governance, control and risk management	FY25 Sustainability Report - Economic Performance and Financial Management (page 55); Whistleblower Policy
	207-3 Stakeholder engagement and management of concerns related to tax	FY25 Annual Report; FY25 Corporate Governance Statement
	207-4 Country-by country reporting	FY25 Annual Report
ETHICAL CONDUCT		
GRI 3: Material Topics 2021	3-3 Management of material topics	FY25 Sustainability Report - Ethical Conduct (page 52)
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risk related to corruption	FY25 Sustainability Report - Performance Data (page 57)
	205-2 Communication and training about anti-corruption policies and procedures	FY25 Sustainability Report - Ethical Conduct (page 52)
	205-3 Confirmed incidents of corruption and actions taken	FY25 Sustainability Report -Performance data (page 57): Nil
GRI 206: Anti-competitive Behaviour 2016	206-1 Legal actions for anti-competitive behaviour, anti-trust and monopoly practices	FY25 Sustainability Report -Performance data (page 57): Nil
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Lotus does not currently collect this information
	308-2 Negative environmental impacts in the supply chain and actions taken	Lotus does not currently collect this information
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Lotus does not currently collect this information
	414-2 Negative social impacts in the supply chain and actions taken	Lotus does not currently collect this information

General Disclosure	Disclosure	Location of Lotus' response and/or omission
ETHICAL CONDUCT		
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	FY25 Sustainability Report -Performance data (page 57): Nil
GRI 408: Child Labour 2018	408-1: Operations and suppliers at significant risk for incidents of child labour	FY25 Sustainability Report - Ethical Conduct (page 52). Lotus does not employ people younger than 18.
GRI 409: Forced or Compulsory Labour 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	FY25 Sustainability Report - Ethical Conduct (page 52).
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	FY25 Sustainability Report - Ethical Conduct (page 52).
GRI 415 Public Policy 2016	415-1 Political contributions	FY25 Sustainability Report - Economic Performance and Financial Management (page 55)
G4 Sector Disclosure for Mining and Metals 2013	MM8 Number (and percentage) of company operating sites where artisanal and small-scale mining (ASM) takes place on, or adjacent to, the site, the associated risks and the actions taken to manage and mitigate these risks	Nil
CLIMATE CHANGE AND ENERGY MANAGEMENT		
GRI 3: Material Topics 2021	3-3 Management of material topics	FY25 Sustainability Report - Climate Change and Energy Management (page 26)
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	FY25 Sustainability Report - Performance Data (page 57)
	302-2 Energy intensity	Lotus does not currently collect this information as not in production
	302-3 Reduction of energy consumption	Not applicable - no production activities in FY25. FY25 Sustainability Report - Climate Change and Energy Management (page 26)
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	FY25 Sustainability Report - Performance Data (page 57)
	305-2 Energy indirect (Scope 2) GHG emissions	FY25 Sustainability Report - Performance Data (page 57)
	305-3 Other indirect (Scope 3) GHG emissions	Lotus does not currently collect this information
	305-4 GHG emissions intensity	Lotus does not currently collect this information as not in production
	305-5 Reduction of GHG emissions	FY25 Sustainability Report - Climate Change and Energy Management (page 26)
	305-6 Emissions of ozone-depleting substances (ODS)	Lotus did not collect this information during FY25 as it was not in production. Air emissions are managed in accordance with applicable local regulations and standards. Project designs ensure that gases produced are condensed for reuse where possible, and those that cannot be condensed undergo scrubbing to minimise environmental impact.

General Disclosure	Disclosure	Location of Lotus' response and/or omission
CLIMATE CHANGE AND ENERGY MANAGEMENT		
GRI 305: Emissions 2016	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx) and other significant air emissions	Lotus did not collect this information during FY25 as it was not in production. Air emissions are managed in accordance with applicable local regulations and standards. Project designs ensure that gases produced are condensed for reuse where possible, and those that cannot be condensed undergo scrubbing to minimise environmental impact.
WATER MANAGEMENT		
GRI 3: Material Topics 2021	3-3 Management of material topics	FY25 Sustainability Report - Water Management (page 20)
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	FY25 Sustainability Report - Water Management (page 20)
	303-2 Management of water discharge-related impacts	FY25 Sustainability Report - Water Management (page 20)
	303-3 Water withdrawal	FY25 Sustainability Report - Performance Data (page 57)
	303-4 Water discharge	FY25 Sustainability Report - Performance Data (page 57)
	303-5 Water consumption	FY25 Sustainability Report - Performance Data (page 57)
WASTE MANAGEMENT		
GRI 3: Material Topics 2021	3-3 Management of material topics	FY25 Sustainability Report - Waste and Hazardous Materials (page 24)
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	FY25 Sustainability Report - Waste and Hazardous Materials (page 24)
	306-2 Management of significant waste-related impacts	FY25 Sustainability Report - Waste and Hazardous Materials (page 24)
	306-3 Waste generated	FY25 Sustainability Report - Waste and Hazardous Materials (page 24)
	306-4 Waste diverted from disposal	FY25 Sustainability Report - Performance Data (page 57)
	306-5 Waste directed to disposal	FY25 Sustainability Report - Performance Data (page 57)
G4 Sector Disclosure for Mining and Metals 2013	MM3 Total amounts of overburden, rock, tailings, and sludges and their associated risks	FY25 Sustainability Report - Waste and Hazardous Materials (page 24); FY25 Sustainability Report - Asset Management (page 22)

General Disclosure	Disclosure	Location of Lotus' response and/or omission
LABOUR MANAGEMENT AND EMPLOYEE RELATIONS		
GRI 3: Material Topics 2021	3-3 Management of material topics	FY25 Sustainability Report - Labour Management and Employee Relations (page 46)
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	FY25 Sustainability Report - Performance Data (page 57)
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	FY25 Sustainability Report - Labour Management and Employee Relations (page 46)
	401-3 Parental leave	FY25 Sustainability Report - Labour Management and Employee Relations (page 46)
GRI 402: Labour/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	FY25 Sustainability Report - Labour Management and Employee Relations (page 46). Lotus endeavours to communicate major operational changes promptly and engage in consultation with impacted employees. Individual circumstances are carefully considered, and every reasonable effort is made to reduce any negative impact these changes may have on staff.
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Lotus will disclose this information in FY26.
	404-2 Programs for upgrading employee skills and transition assistance programs	FY25 Sustainability Report - Labour Management and Employee Relations (page 46)
	404-3 Percentage of employees receiving regular performance and career development reviews	Lotus does not currently have a formal system in place; current reviews occur on an ad hoc basis.
G4 Sector Disclosure for Mining and Metals 2013	MM4 Number of strikes and lock-outs exceeding one week's duration, by country	Nil strikes or lock-outs at Lotus operations in FY25.
HEALTH, SAFETY AND RADIATION MANAGEMENT		
GRI 3: Material Topics 2021	3-3 Management of material topics	FY25 Sustainability Report - Health, Safety, and Radiation Management (page 33)
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	FY25 Sustainability Report - Health, Safety, and Radiation Management (page 33)
	403-2 Hazard identification, risk assessment, and incident investigation	FY25 Sustainability Report - Health, Safety, and Radiation Management (page 33)
	403-3 Occupational health services	FY25 Sustainability Report - Health, Safety, and Radiation Management (page 33)
	403-4 Worker participation, consultation, and communication on occupational health and safety	FY25 Sustainability Report - Health, Safety, and Radiation Management (page 33)
	403-5 Worker training on occupational health and safety	FY25 Sustainability Report - Health, Safety, and Radiation Management (page 33)

General Disclosure	Disclosure	Location of Lotus' response and/or omission
HEALTH, SAFETY AND RADIATION MANAGEMENT		
GRI 403: Occupational Health and Safety 2018	403-6 Promotion of worker health	FY25 Sustainability Report - Health, Safety, and Radiation Management (page 33)
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	FY25 Sustainability Report - Health, Safety, and Radiation Management (page 33)
	403-8 Workers covered by an occupational health and safety management system	FY25 Sustainability Report - Health, Safety, and Radiation Management (page 33). Where our employees work under the HSMS of an external party, the requirements of the applicable HSMS as well as our safety requirements apply.
	403-9 Work-related injuries	FY25 Sustainability Report - Performance Data (page 57)
	403-10 Work-related ill health	FY25 Sustainability Report - Performance Data (page 57)
DIVERSITY AND EQUAL OPPORTUNITY		
GRI 3: Material Topics 2021	3-3 Management of material topics	FY25 Sustainability Report - Diversity and Equal Opportunity (page 47)
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	FY25 Sustainability Report - Performance Data (page 57)
	405-2 Ratio of basic salary and remuneration of women to men	Lotus does not currently collect this information.
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	FY25 Sustainability Report - Diversity and Equal Opportunity (page 47)
COMMUNITY RELATIONS AND ENGAGEMENT		
GRI 3: Material Topics 2021	3-3 Management of material topics	FY25 Sustainability Report - Community Relations and Engagement (page 40)
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of Indigenous peoples	Nil.
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	FY25 Sustainability Report - Community Relations and Engagement (page 40)
	413-2 Operations with significant actual and potential negative impacts on local communities	FY25 Sustainability Report - Community Relations and Engagement (page 40)

General Disclosure	Disclosure	Location of Lotus' response and/or omission
COMMUNITY RELATIONS AND ENGAGEMENT		
G4 Sector Disclosure for Mining and Metals 2013	MM5 Total number of operations taking place in or adjacent to Indigenous peoples' territories, and number and percentage of operations or sites where there are formal agreements with Indigenous People's communities	Nil
	MM6 Number and description of significant disputes relating to land use, customary rights of local communities and Indigenous Peoples	Nil
	MM7 The extent to which grievance mechanisms were used to resolve disputes relating to land use, customary rights of local communities and Indigenous Peoples, and the outcomes	Not applicable - relates to MM6
	MM9 Sites where resettlements took place, the number of households resettled in each, and how their livelihoods were affected in the process	No resettlements were undertaken during FY25. No resettlement projects are anticipated at Kayelekera during operations.

Acronyms

Acronym	Definition	Acronym	Definition
AASB	Australian Accounting Standards Board	**Kayelekera**	Kayelekera Uranium Mine
AERA	Atomic Energy Regulatory Authority	**kL**	kilolitre
AGM	Annual General Meeting	**km**	kilometres
AI	Artificial intelligence	**kV**	Kilovolt
ALARA	As low as reasonably achievable	**Letlhakane**	Letlhakane Uranium Project
ASRS	Australian Sustainability Reporting Standards	**Lotus**	Lotus Resources Limited
ASX	Australian Securities Exchange	**LTI**	Lost time injuries
BQA	Botswana Qualification Authority	**MCP**	Mine closure plan
CCAP	Church of Central Africa Presbyterian	**MDA**	Mine Development Agreement
CDA	Community Development Agreement	**MEITI**	Malawi Extractive Industries Transparency Initiative
CEO	Chief Executive Officer	**MFA**	Multi-factor authentication
CFO	Chief Financial Officer	**ML**	Megalitre
COO	Chief Commercial Officer	**Mlb**	Million pounds
CSA	Corporate Sustainability Assessment	**Mlb**	Mining Licence
DEP	Department of Environmental Protection	**Mt**	Million tonnes
EMP	Environmental Management Plan	**MTI**	Medical treated injuries
EMS	Environmental Management System	**NORM**	Naturally Occurring Radioactive Material
EPRP	Emergency Preparedness and Response Plan	**OMS**	Operations, Maintenance and Surveillance
ESCOM	Electricity Supply Corporation of Malawi	**PPE**	Personal protective equipment
ESG	Environmental, Social and Governance	**ppm**	Parts per million
ESIA	Environmental and Social Impact Assessment	**ROM**	Run of mine
FY	Financial Year	**RWD2**	Return water dam 2
GHG	Greenhouse gas	**SHE**	Safety, health and environment
GISTM	Global Industry Standard on Tailings Management	**SMR**	Small modular reactors
GMP	Gender Management Plan	**TCFD**	Task Force on Climate-related Financial Disclosures
GRI	Global Reporting Initiative	**tCO_2-e**	tonne carbon dioxide equivalent
HRDC	Human Resource Development Council	**TRIFR**	Total Recordable Injury Frequency Rate
HRDC	Human Resources	**TSF**	Tailings storage facility
HSERC	Health, safety, environment, radiation and community	**TWh**	Terrawatt-hour
HSMP	Health and safety management plan	**U**	Uranium
HSMS	Health and safety management system	**U_3O_8**	Triuranium octoxide
HSRT	Health, safety, radiation and training	**UN SDGs**	United Nations Sustainable Development Goals
IAEA	International Atomic Energy Agency	**UNGPs**	UN Guiding Principles on Business and Human Rights
ICRP	International Commission for Radiation Protection	**USD**	US Dollars
IFRS	International Financial Reporting Standards	**VDC**	Village Development Committee
ITRB	Independent Tailings Review Board	**VPSHR**	Voluntary Principles on Security and Human Rights
IUCN	International Union for Conservation of Nature	**WAB**	Water Apportionment Board
JHA	Job hazard analysis	**WRD**	Waste rock dump

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