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29 October 2026

SEPTEMBER 2026 QUARTERLY ACTIVITIES REPORT

Lotus Resources Limited (**ASX: LOT, OTCQX: LTSRF**) (**Lotus** or the **Company**) is pleased to provide its quarterly activities report for the period ended 30 September 2026.

HIGHLIGHTS

- No Lost Time Injuries were recorded during the quarter, with the operation surpassing 2,300 consecutive LTI-free days and continuing to improve its Total Recordable Injury Frequency Rate (TRIFR).
- Sulphuric acid plant recommissioned and reliably producing high-quality acid.
- Uranium processing successfully recommenced and performance improved progressively throughout the quarter, with optimisation initiatives delivering improvements in uranium recoveries, plant reliability, process control and product quality.
- Uranium production of 101.8klb U_3O_8 from 31 operating days during the quarter, with recoveries improving to 69% for the quarter (June quarter: 52%) and reaching 80% in September.
- Secured key regulatory approvals across Malawi, Zambia and Namibia, with preparations for the Company's inaugural uranium shipment continuing.
- Completed the key components of the Company's Strategic Funding Package, including a A$60.1 million Entitlement Offer and shareholder approved issue of A$35 million Convertible Notes.
- Progressed the restructuring of CY2026 uranium delivery obligations, reducing near-term settlement exposure and enhancing financial flexibility.
- Progressed strategic marketing and inventory prepayment arrangements with Mercuria Energy Trading S.A. (Mercuria), full-form documentation executed post quarter end, providing access to up to US$30 million in inventory-backed funding.
- Confirmed the permanent appointment of Sam Penglis as Chief Operating Officer and appointed Fletcher Hancock as General Counsel and Company Secretary, strengthening operational and corporate leadership.
- Post quarter end, the Company received final transport authorisation from Namibia's National Radiation Protection Authority, completing the key regulatory approvals required to export its first shipment of uranium from Kayelekera via Walvis Bay, with the Company's inaugural shipment of approximately 145klb U_3O_8 to proceed in November.
- Promising discussions continue to advance for the sale of approximately 173klb U_3O_8 of off-specification inventory.

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KAYELEKERA (MALAWI)

OPERATIONAL OVERVIEW

The September quarter represented a significant step forward for Kayelekera, with important progress made on key operational reliability challenges and production bottlenecks. Processing plant operations were limited to 31 days of the quarter following the successful recommissioning of the sulphuric acid plant and resolution of power supply linked disruptions. Over the operating period, recoveries have improved materially along with other key production indicators around process control, giving Lotus meaningful confidence for continued improvement in the December quarter.

Permitting and logistics activities continued to advance throughout the quarter, with the Company's inaugural uranium export shipment since restart scheduled for mid-December quarter.

OPERATIONAL CAPABILITY AND OPTIMISATION

Lotus continued to advance its Processing Optimisation Program during the quarter, focused on improving plant reliability, recoveries, process control, maintenance effectiveness and product quality.

Several maintenance and improvement projects originally scheduled for later in CY2026 were accelerated during the temporary production pause, allowing critical maintenance works, equipment upgrades and optimisation initiatives to be completed with minimal disruption to future operations.

Operational capability was further strengthened through the permanent appointment of Sam Penglis as Chief Operating Officer, providing continuity of leadership as optimisation initiatives continue across the operation.

ACID PLANT AND PROCESSING RESTART

The successful recommissioning of the Acid Plant represented a significant operational milestone during the quarter.

Following the partial failure of refractory bricks within the sulphur furnace during commissioning in June 2026, remediation works were completed and acid plant restart activities commenced. Heat-up activities commenced on 1 August 2026, sulphur was introduced on 7 August 2026, and acid production was successfully re-established shortly thereafter.

Given the nature of the failure and the subsequent remediation works, the Company adopted a measured approach to restarting and operating the acid plant. By quarter end, the Acid Plant was operating reliably at approximately 50-60% of design capacity.

Further work to increase acid production remains ongoing, with planned optimisation initiatives targeting increased output towards nameplate capacity in Q1 2027.

While the interim furnace repairs have facilitated the successful restart and operation of the Acid Plant, a permanent furnace relining program is planned and will be undertaken as part of a future scheduled maintenance shutdown to support the long-term operation and reliability of the Acid Plant.

The Acid Plant remains a strategically important asset, and is expected to improve sulphuric acid security, reduce reliance on third-party suppliers, lower operating costs and provide greater operational flexibility.

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Figure 1: Processing Manager Sarel Malen, General Manager Gustav Du Toit, COO Sam Penglis and Engineering Manager Rustum Norman at the Kayelekera Acid Plant

PRODUCTION

The restoration of acid supply and recommissioning of the Acid Plant enabled uranium processing operations and production to resume during the quarter, albeit at a reduced rate to match acid production. In total, production occurred in full for around 31 days of the September quarter. Processing performance improved progressively throughout the period, supported by higher recoveries, improved process control and product quality outcomes. It is expected that nearly all product produced in the quarter will be within product specification.

ROM stockpiles were well positioned to support the resumption of production during the quarter, while ongoing mining activities progressively replenished inventories as production and processing rates increased, providing operational flexibility and supporting future production requirements.

Processing plant availability was impacted by power generation reliability issues. Initiatives to improve onsite power reliability include the procurement of additional critical spares and scheduled major overhauls, together with the installation of additional rental generation capacity to provide greater redundancy, which was nearing completion at quarter end. The Grid Connection Project is expected to provide improved long-term power security and lower operating costs.

Lotus remains focused on increasing throughput, recoveries and operational efficiency.

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Table 1: Kayelekera September 2026 quarter production[1]

Kayelekera	Unit	July	August	September	Sept 2026 Quarter	June 2026 Quarter
Mining						
Mined Grade	ppm	-	354	538	424	357
Ore Mined	kt	-	75.6	50.7	126.3	217.5
Waste Mined	kt	-	344.5	316.8	661.3	792.3
Processing						
Ore Milled[2,3]	kt	-	59.5	22.4	81.9	141.9
Head Grade[3]	ppm	-	849	674	803	939
Recovery[3]	%	-	65%	80%	69%	52%
Uranium Produced[2]	klb	-	52.2	49.6	101.8	155.9

1 No mining or processing activity occurred in July 2026 following the temporary suspension of processing operations on 10 June 2026 and mining activities on 22 June 2026.

2 August production commenced midway through the month. September production was impacted by power outages but remained broadly in line with August, supported by inventory accumulated during the prior month.

3 Ore Milled, Head Grade and Recovery for the period are adjusted figures determined in consultation with the Company's metallurgical consultants, applying the same methodology used in the June 2026 Quarterly Activities Report to manage inaccuracies in plant feed measurement and sampling systems.

Export Readiness

Lotus continued to advance uranium export permitting, product acceptance and logistics activities throughout the quarter in preparation for the Company's inaugural uranium shipment. Significant progress was achieved across the regulatory, logistics and commercial workstreams required to establish the export pathway from Malawi, through Zambia and Namibia, to international conversion facilities.

The Company secured approval from the Malawian Atomic Energy Regulatory Agency, the Zambian transport licence through its logistics partner, and key approvals from Namibia's Ministry of Environment, Forestry and Tourism and Ministry of Industries, Mines and Energy. Post quarter end, the final transportation approval from Namibia's National Radiation Protection Authority was received (refer Subsequent Events below).

Preparations for the Company's inaugural shipment of four containers, comprising approximately 145klb U_3O_8, occurred during the period, with the first shipment scheduled post quarter end for mid-December quarter. The 145klb of U_3O_8 is part of the 159.5klb U_3O_8 previously accepted by Orano CE for the production prior to the June 2026 production pause. Any production post this period is still awaiting third-party assay results to confirm its specifications.

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Figure 2: Kayelekera processing plant and ROM stockpile area, September 2026.

Mining

Mining activities continued throughout the quarter, supporting both operational requirements and key infrastructure projects. Following the temporary processing suspension in June, mining activities were focused on waste stripping, mine development and the supply of construction materials for the Tailings Storage Facility (TSF) expansion. As processing operations resumed during August, mining progressively transitioned back to ore production.

Over the quarter, approximately 126.3kt of ore and 661.3kt of waste were mined at an average mined grade of 424ppm U_3O_8. The operation maintained a strong ore inventory position, with ongoing mining activities replenishing ROM stockpiles as production and processing rates increased. Total ROM stockpiles grew to 1.6Mt of ore at quarter end (including ex-Paladine volumes) in preparation for a potential reduction in mining activity during wet season.

Mining advanced across multiple active areas during the quarter, including the continued development of Stages 2 and 3. The operation maintained a strong ore inventory position, providing sufficient feed to support the continued ramp-up of processing operations. Grade control drilling and mine planning activities also continued throughout the period, further refining orebody interpretation and supporting optimisation of future mining sequences.

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Figure 3: Kayelekera mining operations showing active mining stages and associated infrastructure, September 2026.

Processing

Processing operations resumed midway through August 2026, following the restoration of sulphuric acid supply and recommissioning of the Acid Plant.

While processing was impacted by acid availability constraints and power generation reliability issues, processing improved progressively throughout the period as planned optimisation activities were implemented, with September performance demonstrating material improvements in uranium recoveries.

Over approximately 31 operating days during the period, 81.9 kt of ore was milled at an average head grade of 803ppm U_3O_8, achieving a recovery of 69% and resulting in uranium production of 101.8klb U_3O_8.

Recovery notably increased from quarter start to quarter end as key initiatives advanced, including Resin-in-Pulp optimisation, leach circuit improvements, elution performance enhancements, laboratory capability upgrades and tails stream control optimisation. These initiatives also contributed to improvements in process control and product quality during the period and will continue to support further operational improvements.

Operating costs

Operating costs at Kayelekera during the September 2026 quarter totalled A$43.2 million (June 2026 quarter: A$24.6 million), including mining, processing, reagents, critical spares, maintenance, customs and duties, freight, site administration and corporate support costs. It should be noted that the elevated September quarter cash expenditure included a number of payments in July of accrued

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expenses from the June quarter. Additionally, A$4.6 million was paid in take-or-pay settlements during the quarter.

The quarter reflected the resumption of processing operations following the restoration of acid supply and recommissioning of the Acid Plant, with expenditure also supporting ongoing optimisation initiatives and power reliability improvements.

MAJOR PROJECTS

Tailings Storage Facility

Expansion of the TSF continued throughout the quarter in support of future production requirements and long-term operational continuity.

Key activities completed or progressed during the period included embankment construction, completion of grout curtain works, downstream raise development and associated water management infrastructure improvements.

Phase 1 expansion activities continued in line with project schedules and form part of the Company's broader tailings storage development strategy for the long-term operation of Kayelekera.



Figure 4 and Figure 5: TSF expansion works, August 2026

Grid Connection Project

The Grid Connection Project continued to advance during the quarter, with engineering and procurement activities substantially completed and construction activities continuing along the transmission route and associated infrastructure.

Construction of the substations at Kayelekera and Karonga, together with transmission line works, continued during the period. The project is expected to improve power reliability, reduce reliance on diesel generation and lower operating costs, supporting enhanced operational performance at Kayelekera.

Grid energisation remains targeted for early CY2027.

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Figure 6 and Figure 7: Tower erection and installed transformer at Kayelekera

KAYELEKERA CAPITAL EXPENDITURE

Capital expenditure at Kayelekera during the quarter is set out in Table 2 below. Activities related to further progress payments in the TSF and Grid connection projects, along with final close out activities in the restart and the acid plant refurb.

Table 2: Capex (US$M)

Item	Prior Expenditure (US$M)	September Quarter Expenditure (US$M)	Total Expenditure to Date (US$M)
Grid Connection Project	13.0[4]	4.0	17.0
TSF Phase 1 Project[1]	9.5[4]	3.0	12.5
Sustaining and Other Capex	1.2	0.8	2.0
Acid Plant Refurb (completed)[2]	11.4	0.7	12.1
Restart Project (completed)[3]	36.4	0.8	37.2

1 TSF Project is the Phase 1 works and is forecast to complete Q4 FY2027 before Phase 2 works will commence.

2 Expenditure relating to the Acid Plant relocation and refurbishment (which formed part of the Restart Project) has been completed and will no longer be reported.

3 Initial capital and owner's costs associated with achieving first uranium production in the Restart Project have now been completed and will no longer be reported.

4 Prior quarter comparative revised following FY2026 audit.

LETLHAKANE URANIUM PROJECT (BOTSWANA)

Work continued during the quarter to advance the Letlhakane Uranium Project, with a focus on studies and optimisation initiatives aimed at enhancing project economics and supporting future development.

Activities undertaken during the period included mine planning studies, metallurgical test work, resource conversion activities, engineering assessments and processing optimisation initiatives.

A key focus remains identifying opportunities to improve project economics through process optimisation, including initiatives targeted at reducing acid consumption, improving recoveries and simplifying downstream processing.

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SUSTAINABILITY

Safety performance remained strong throughout the quarter, with the operation achieving more than 2,300 consecutive Lost Time Injury (LTI)-free days. The Company also continued to improve its Total Recordable Injury Frequency Rate (TRIFR), supported by a strong focus on safety leadership, workforce engagement, risk management and field-based safety programs. More than 1,100 preventative safety activities and inspections were completed during August alone.

Lotus continued to support local communities through health and education initiatives, local procurement opportunities, community engagement programs and broader infrastructure and social development activities.

During the quarter, representatives from Lotus Marula Botswana attended the Women in Mining Conference (WIMCON) 2026 in Gaborone, held under the theme "Women as Architects of Africa's Mining Future". The conference provided valuable insights into leadership, workforce inclusion, community impact and sustainable development within the mining sector. Participation supported professional development opportunities for employees and reinforced the Company's commitment to fostering inclusive workplaces and supporting women in mining.



Figure 8: Sandra Michael and Buyani Matiha representing Lotus Marula Botswana at WIMCON 2026 in Gaborone, Botswana.

CORPORATE

STRATEGIC FUNDING PACKAGE

During the quarter, Lotus substantially completed its Strategic Funding Package as announced on 23 July 2026, comprising a A$60.1 million fully underwritten Entitlement Offer, a A$35 million Convertible Note Facility with CVI Investments, Inc., an investment entity managed by Heights Capital Management (Heights) (or its nominated affiliate) and a US$30 million inventory-backed prepayment facility and strategic marketing arrangement with Mercuria.

The Company successfully completed both the institutional and retail components of the Entitlement Offer, raising gross proceeds of approximately A$60.1 million. Shareholders also approved the Convertible Note Facility and associated detachable warrants at the Extraordinary General Meeting held on 2 September 2026.

Completion of the Strategic Funding Package has strengthened the Company's balance sheet and enhanced financial flexibility as Kayelekera continues to improve operational performance, progresses export readiness activities and advances key optimisation and growth initiatives.

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CASH POSITION AND EXPENDITURE

As at 30 September 2026, Lotus had cash of A$57.4M[1] (30 June 2026: A$30.1M), exclusive of restricted cash of US$10.0M which forms cash collateral for the Kayelekera environmental bond.

The Company had drawn US$7.4 million of its US$8.5 million equipment finance facility with First Capital Bank plc as at 30 September 2026, down from the previous quarter (US$7.6 million) due to monthly repayments of the facility having commenced**.**

The Company's cash balance increased by A$27.3M from the June 2026 quarter. As outlined in the Appendix 5B for the period ended 30 September 2026:

- outflows from operating activities was A$50.9M, of which:
  - A$43.2M related to production costs at Kayelekera; and
  - A$2.3M related to staff costs for corporate personnel, and corporate and administrative expenses.
- outflows from investing activities was A$13.6M, which included:
  - A$13.3M on property, plant and equipment, primarily relating to capital projects at Kayelekera, including the TSF, grid connection and completion of the acid plant; and
  - A$0.3M on exploration & evaluation, which relates to exploration activities at Letlhakane.
- inflows from financing activities was A$90.8M, which included:
  - A$91.3M (net of costs) through an equity raise and issuance of convertible notes; and
  - A$0.5M repayment of the equipment finance facility.

Cash flows during the quarter reflected the continued investment in operations and build-up of uranium inventory following the resumption of production. The Company expects to commence uranium sales during the upcoming quarter, subject to completion of remaining permitting and export requirements, and remains well funded to support ongoing operations through to the commencement of associated cash receipts.

SHARE CAPITAL

As at 30 September 2026, the Company had 547,045,342 ordinary fully paid shares on issue. This reflects the completion of the institutional and retail components of the Entitlement Offer during the quarter, which resulted in the issue of approximately 273.4 million new shares (refer ASX announcement of 27 July 2026 and 17 August 2026).

The Company also had 1,709,289 unlisted options and 765,818 Performance Rights on issue as at 30 September 2026.

During the quarter, approximately 434,783 shares were issued on the exercise of employee incentive securities and 1,221,823 employee incentive securities were forfeited or cancelled.

As announced on 23 July 2026, following shareholder approval at the Extraordinary General Meeting on 2 September 2026, the Company issued 350 senior unsecured convertible notes with a face value of A$100,000 each and expiry date of 7 September 2029 and 66,287,879 detachable warrants (with an exercise price of A$0.85 and expiry of 7 September 2031) to Heights on 9 September 2026.

[1] Exchange rate assumption of 0.6854 AUD:USD. The Company had US$33.3M in USD denominated cash and cash equivalents (excluding restricted cash), with the majority of other cash and cash equivalents holdings AUD denominated.

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OFFTAKE AND MARKETING

Lotus continued discussions with customers and counterparties regarding CY2026 uranium delivery obligations. During the quarter, the Company reached agreement to defer approximately 160klb U_3O_8 of CY2026 delivery obligations into CY2027 and financially settle approximately 300klb U_3O_8 of CY2026 delivery obligations. These arrangements materially reduced near-term delivery obligations and enhanced operational and financial flexibility as production resumed and export readiness activities progressed.

The Company also continued to advance its strategic marketing relationship with Mercuria, which is expected to provide access to a global uranium marketing platform and an inventory-backed working capital solution. The arrangement is intended to enhance marketing flexibility and support future sales activities as uranium production and inventory levels increase.

As export permitting and product acceptance activities continue to progress, the Company remains focused on establishing a diversified customer portfolio while maintaining flexibility around the timing and structure of future uranium sales.

MANAGEMENT AND GOVERNANCE

During the quarter, the Company announced the appointment of Fletcher Hancock as General Counsel and Company Secretary. Hayden Bartrop stepped down as Company Secretary and Chief Commercial Officer on 11 September 2026 following two years with the Company.

Melissa Roberts served as interim Company Secretary until Mr Hancock formally assumed the role on 21 September 2026.

The Company also confirmed the permanent appointment of Sam Penglis as Chief Operating Officer following his interim appointment in May 2026, providing continuity of operational leadership as Kayelekera continues to improve operational performance.

PAYMENTS TO RELATED PARTIES

Payments to all directors for executive and non-executive directors' fees during the quarter totalled A$270k.

SUBSEQUENT EVENTS

Subsequent to quarter end, the Company received the final transport authorisation from Namibia's National Radiation Protection Authority, completing the key regulatory approvals required across Malawi, Zambia and Namibia for the export of the first shipment of uranium product from Kayelekera via Walvis Bay. Receipt of the approval enables the Company to progress its inaugural uranium shipment in November, comprising four containers containing approximately 145klb U_3O_8.

The Company also announced on 8 October 2026 that it had executed full-form documentation with Mercuria Energy Trading S.A. for its strategic marketing and inventory-backed prepayment arrangements. The arrangements provide access to up to US$30 million in inventory-backed funding and a marketing platform covering up to 3.0Mlb U_3O_8 over 30 months, with the facility intended to support working capital and accelerate cash conversion from uranium inventory.

Further, Lotus is finalising negotiations for the sale of approximately 173klb U_3O_8 of off-specification inventory. This is in addition to approximately 159.5klb U_3O_8 that has been accepted against customer product specifications, with the off-specification sale providing an additional pathway to monetise existing uranium inventory.

TENEMENT INTERESTS

The Company's tenement interests as at 30 September 2026 are shown in Table 3.

Table 3: Tenement interests as at 30 September 2026

Tenement	Ownership	Area km²	Registered Holder	Location
ML0152 - Kayelekera	85%	55.5	Lotus Africa Limited	Malawi
EL812 – Nthalire	85%	32.65	Lotus Africa Limited	Malawi
EL502 - Juma-Miwanga	85%	24.95	Lotus Africa Limited	Malawi
EL595 – Livingstonia	85%	5.64	Lotus Africa Limited	Malawi
EL583 - Livingstonia West	85%	17.42	Lotus Africa Limited	Malawi
PL 2482/2023	100%	86.62	Lotus Marula Botswana Pty Ltd	Botswana
ML 2016/16L	100%	131.18	Lotus Marula Botswana Pty Ltd	Botswana

This ASX announcement was approved and authorised by the Managing Director of Lotus Resources Limited.

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FORWARD LOOKING STATEMENTS

This announcement contains certain forward-looking statements. Forward looking statements include those containing words such as: "anticipate", "believe", "expect", "estimate", "should", "will", "plan", "could", "may", "intends", "guidance", "project", "forecast", "target", "likely", "continue", "objectives" and other similar expressions within the meaning of securities laws of applicable jurisdictions and include, but are not limited to, certain plans, strategies and objectives of the Company and other matters. Any forward-looking statements, opinions and estimates provided in this announcement are based on assumptions and contingencies which are subject to change without notice and involve known and unknown risks and uncertainties and other factors which are beyond the control of the Company and its officers, employees, agents, associates and advisers. This includes any statements about market and industry trends, which are based on interpretations of market conditions. Forward looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Readers are cautioned not to place undue reliance on forward-looking statements. Actual results may differ materially from those expressed or implied in such statements. Except as required by law or regulation (including the ASX Listing Rules), the Company undertakes no obligation to update these forward-looking statements or to provide any other additional or updated information whether as a result of new information, future events or results or otherwise.

To the maximum extent permitted by law, the Company and its officers, employees, agents, associates and advisers do not make any representation or warranty, express or implied as to the currency, accuracy, reliability or completeness of any forward-looking statements, or the likelihood of fulfilment of any forward-looking statement, and disclaim all responsibility and liability for the forward-looking statements (including, without limitation, liability for negligence). There can be no assurance that actual outcomes will not differ materially from these forward-looking statements. The forward-looking statements are based on information available to the Company as at the date of this announcement.

DISCLAIMER

This announcement has been prepared by the Company based on information from its own and third-party sources and is not a disclosure document. It does not purport to contain all the information that a prospective investor may require in connection with any potential investment in the Company. It should be read in conjunction with, and a full review made of, the Company's disclosures and releases lodged with the Australian Securities Exchange (ASX) and available at www.asx.com.au under the Company's ticker code (ASX: LOT). Each recipient must make its own independent assessment of the Company and should seek professional advice before acquiring any shares in the Company.

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Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

LOTUS RESOURCES LIMITED

ABN	Quarter ended ("current quarter")
38 119 992 175	30 SEPTEMBER 2026

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	(43,220)	(43,220)
	(d) staff costs	(1,642)	(1,642)
	(e) administration and corporate costs	(700)	(700)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	448	448
1.5	Interest and other costs of finance paid	(69)	(69)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	**(45,183)**	**(45,183)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(13,284)	(13,284)
	(d) exploration & evaluation	(310)	(310)
	(e) investments	-	-
	(f) other non-current assets	-	-

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Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(13,594)**	**(13,594)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	60,146	60,146
3.2	Proceeds from issue of convertible debt securities	35,000	35,000
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(3,757)	(3,757)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(541)	(541)
3.7	Transaction costs related to loans and borrowings	(218)	(218)
3.8	Dividends paid	-	-
3.9	Other (Take or pay settlement & financial advisors)	(5,559)	(5,559)
3.10	**Net cash from / (used in) financing activities**	**85,071**	**85,071**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	30,186	30,186
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(45,183)	(45,183)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(13,594)	(13,594)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	85,071	85,071

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
4.5	Effect of movement in exchange rates on cash held	925	925
4.6	**Cash and cash equivalents at end of period** *Item 4.5 represents foreign currency translation movements on USD denominated intercompany loans and revaluations of foreign currency bank accounts.*	**57,405**	**57,405**

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter $A'000	Previous quarter $A'000
5.1	Bank balances	15,883	10,683
5.2	Call deposits	2,747	19,503
5.3	Bank overdrafts	-	-
5.4	Other (term deposits <3 months)	38,775	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**57,405**	**30,186**

6.	Payments to related parties of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	270
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Item 6.1 of $270k includes payments to Directors for fees, superannuation, and reimbursement of travel expenses.

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7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	12,229	10,637
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	12,229	10,637

7.5	**Unused financing facilities available at quarter end**	1,592

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

Lotus (Africa) Limited (Malawian entity) has a US$8.5M equipment finance facility with First Capital Bank plc (Lender) which may be used to fund 70% of the cost of mobile equipment and 80% of light vehicles and buses. The Lender has security over the equipment financed. The facility has a term of 5 years from first drawdown (8 October 2025) with repayments monthly over equal instalments over the term of the facility (there is no repayment of principal or interest in the first 6 months). Interest will be at a floating rate of SOFR plus a premium (currently less than 10% per annum). The Company is currently investigating working capital and prepayments facilities.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(45,183)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(310)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(45,493)
8.4	Cash and cash equivalents at quarter end (item 4.6)	57,405
8.5	Unused finance facilities available at quarter end (item 7.5)	1,592
8.6	Total available funding (item 8.4 + item 8.5)	58,997
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	1.30

Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: No. The September 2026 Quarter included a number of payments of accrued expenses from the June 2026 Quarter including Take of Pay Settlements and capital expenditures relating to the Company's Kayelekera Project which were one-off expenditures.

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8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?
Answer:	Yes, subsequent to the period, the company has signed and executed key full form documentation with Mercuria, providing a marketing platform for up to 3.0 million pounds of U3O8 and an inventory-backed prepayment facility of up to US$30 million, refer announcement dated 8 October 2026.
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
Answer:	Yes, based on the fundraising package described under 8.8.2 and the expectation of operations generating revenue in coming quarters.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 29 October 2026

Authorised by: Lotus Resources Limited Board of Directors
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

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