

Allkem completes acquisition of strategic lithium tenement and the sale of Borax

Allkem Limited (ASX|TSX: “**Allkem**,” the “**Company**”) has completed the sale of Borax Argentina S.A (“**Borax**”) to Golden Wattle Springs Pty Ltd (“**Golden Wattle**”) and has acquired the María Victoria lithium tenement from Minera Santa Rita S.R.L (“**MSR**”) (the “**Transactions**”).

Under the Transactions:

- Allkem transferred to Golden Wattle (a group associated with MSR) all of the issued shares in the two Borax holding companies and US\$14 million cash for employee and rehabilitation liabilities; and
- MSR has sold to an Allkem subsidiary 100% ownership of the Maria Victoria Tenement, as described in more detail below. The transfer deed recording this sale is in the process of being registered by the Jujuy mining court.

Existing employees of Borax will continue to be employed by Borax following the sale.

Following completion of the Transactions:

- Borax will, subject to receipt of third-party consents and governmental authorisations, transfer to Allkem subsidiaries certain properties, lithium tenements and associated lithium royalties held in the Cauchari, Olaroz and Hombre Muerto salars (“**Allkem Property Transfers**”); and
- Allkem subsidiaries will grant to Borax certain borate extraction rights over the properties the subject of the Allkem Property Transfers (on customary industry terms), with those subsidiaries retaining the ability to repurchase those extraction rights in the future.

Allkem will also retain a portion of the Borax gas capacity in the Fenix and La Puna gas pipelines which it will make available to its Sal de Vida project.

Managing Director and CEO Martin Perez de Solay said, “The Maria Victoria tenement is expected to add resource tonnes to the already substantial lithium brine resource defined at Olaroz. Control of this tenement will enable the more efficient development of the Olaroz salar as we consider the long term expansion of production.”

María Victoria Tenement

The Maria Victoria Tenement covers approximately 1,800 ha and is located in the northern part of the Salar de Olaroz, approximately 10km from Allkem’s Olaroz Lithium Facility in the Jujuy Province (Figure 1).

Olaroz and Cauchari Properties

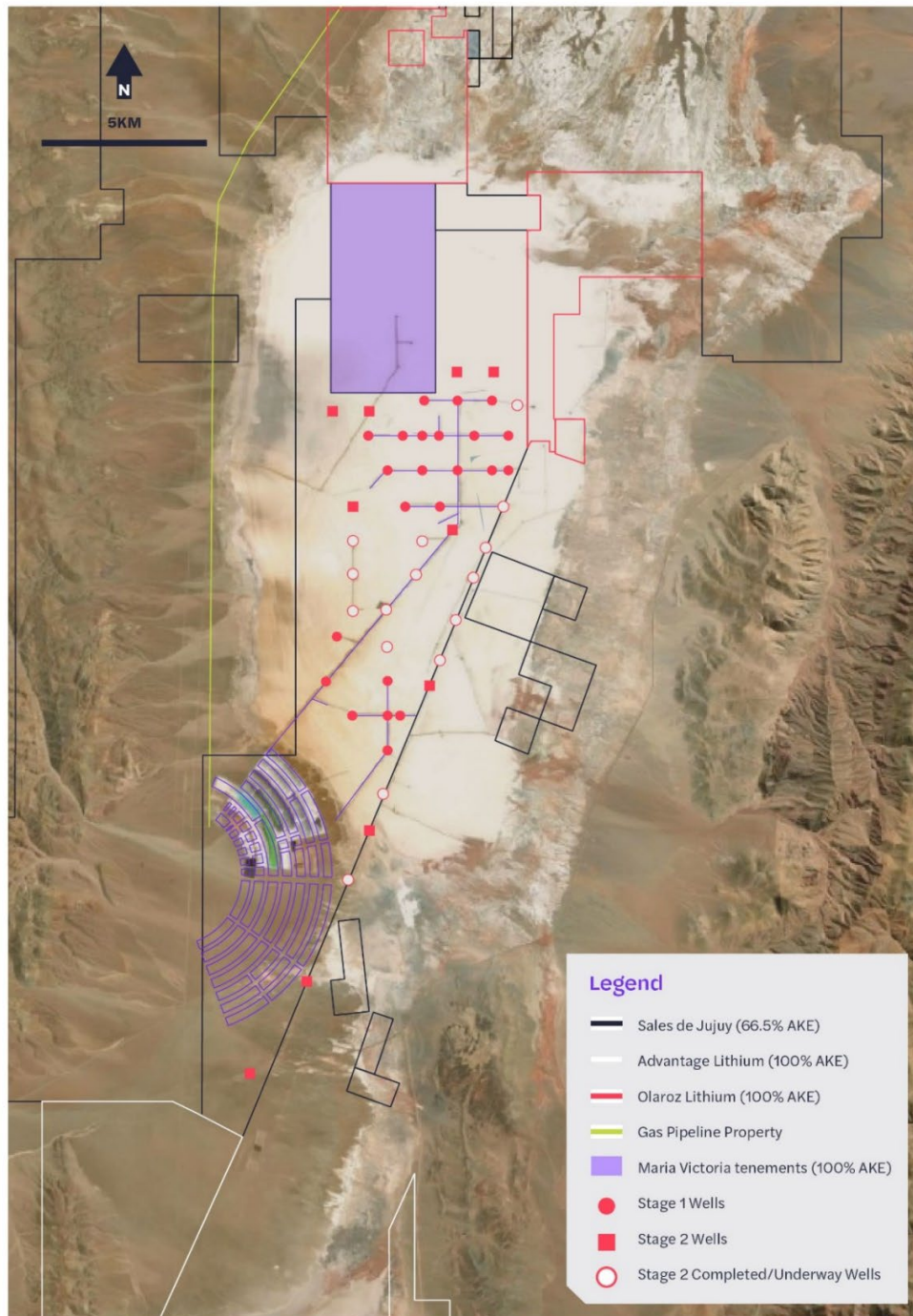


Figure 1: Olaroz and Cauchari showing Maria Victoria tenement

ENDS

This release was authorised by Mr Martin Perez de Solay, CEO and Managing Director of Allkem Limited.

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