

CEO REMUNERATION UPDATE

Highlights

- CEO Incentive Award approved by Board
- The Award recognises efforts associated with negotiating the Settlement and Share Sale, the importance of retaining the CEO during the transition of operatorship, and the Board's prior decision that long-term incentives will not be awarded for FY24.
- Vesting subject to receipt of shareholder approval and the CEO meeting prescribed KPIs.

Leo Lithium Limited (ASX: LLL) (**Leo Lithium** or the **Company**) refers to the ASX announcement dated 8 May 2024 describing the settlement of all outstanding issues with the Government of Mali (**Settlement**) and the sale of the Company's remaining 40% shareholding in Mali Lithium B.V. to GFL International Co., Ltd (**Ganfeng**) (**Share Sale**).

The Board has determined to grant the Managing Director and Chief Executive Officer (**CEO**), Mr Simon Hay, a special incentive award (**Award**) in recognition of:

- the efforts associated with negotiating the Settlement and the Share Sale over the preceding twelve months;
- the importance of retaining the CEO during the transition of operatorship of the Goulamina project (**Project**) to Ganfeng; and
- the prior decision of the Board that long term incentives would not be awarded in respect of the 2024 financial year.

In accordance with ASX Listing Rule 3.16.4, the material terms of the Award are as follows:

- Maximum Award opportunity of A\$1,150,000, subject to the following Performance KPIs being met:
 - settlement of the Government of Mali dispute;
 - Leo Lithium entering into the Goulamina Operator Services Agreement with Ganfeng under which Leo Lithium will assist Ganfeng in operating the Project on a transitional basis (**Services Agreement**);
 - Leo Lithium materially meeting its obligations under the Services Agreement up to the Service Agreement's expiry date (currently anticipated to be mid-November 2024) (**Expiry Date**);
 - all conditions precedent to the agreement governing the Share Sale (**Share Sale Agreement**) are satisfied on or before 31 October 2024 (or such later date as agreed between the parties) and the Tranche 1 Cash Consideration (as defined in the Share Sale Agreement) has been received by Leo Lithium; and

- Mr Hay not having resigned or given notice of his resignation on or before the date of receipt by Leo Lithium of the first tranche of consideration under the Share Sale Agreement.
- If all necessary shareholder approvals are received and the Performance KPIs are met, the Award is payable in cash.
- In circumstances where Mr Hay ceases employment as a 'good leaver', or where there is a change in the control of the Company, the Board will determine the treatment of the Award.

The Company intends to seek shareholder approval for the Award at the next meeting of shareholders.

It is also noted that as part of Mr Hay's annual remuneration review the Board agreed to increase Mr Hay's base salary to \$738,318 effective 1 January 2024 and to increase his short-term incentive to 50% of fixed remuneration with a stretch target of 75%. The remaining terms of Mr Hay's employment contract remain unchanged.

This announcement has been approved for release to the ASX by the Board.

For Enquiries

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