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**赣锋锂业**  
**GanfengLithium**  
**Ganfeng Lithium Group Co., Ltd.**  
**江西赣锋锂业集团股份有限公司**

*(A joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 1772)**

**DISCLOSEABLE AND CONNECTED TRANSACTIONS  
FORMATION OF JOINT VENTURE  
AND  
ACQUISITION THROUGH ASSETS INJECTION BY JOINT  
VENTURE PARTNER  
AND  
PROVISION OF FINANCIAL ASSISTANCE**

**FORMATION OF JOINT VENTURE**

As of the date this announcement, GFL International owns, directly or indirectly, (i) 100% of the ownership interests in Lithea Inc. (“**PPG ProjectCo**”), which owns and operates the Pozuelos-Pastos Grandes lithium salt lake project (the “**PPG Project**”), (ii) 14.89% of the ownership interests in Proyecto Pastos Grandes S.A. (“**PG ProjectCo**”), which owns and operates the Pastos Grandes lithium salt lake project (the “**PG Project**”), and (iii) 35% of Puna Argentina S.A.U. (“**Puna ProjectCo**”, and collectively with the PPG ProjectCo and the PG ProjectCo, the “**Project Companies**”), which owns and operates the Sal de Puna lithium brine project (the “**Puna Project**”, and collectively with the PPG Project and the PG Project, the “**Consolidated Project**”); and Lithium Argentina owns, directly or indirectly, (i) 85.11% of the ownership interests in PG ProjectCo, and (ii) 65% of the ownership interests in Puna ProjectCo. All of the three projects are adjacent to each other and located in the Salta province of Argentina.

On August 12, 2025, GFL International and Lithium Argentina entered into a framework agreement, pursuant to which the parties have determined to consolidate their interests and investments in the Project Companies and the three projects as a joint enterprise (the “**Assets Consolidation**”) through holdings in Millennial Lithium B. V. (“**Millennial**”). As a result of the Assets Consolidation, Millennial will be owned as to 67% by GFL International and 33% by Lithium Argentina.

## **ASSETS INJECTION BY LITHIUM ARGENTINA**

As PG ProjectCo, Puna ProjectCo and Millennial will be consolidated into the Company’s accounts as a non wholly-owned subsidiaries after the Assets Consolidation, the asset injection by Lithium Argentina into Millennial (“**LAR Assets Injection**”) will constitute an acquisition of such assets by the Company under the Listing Rules.

## **PROVISION OF FINANCIAL ASSISTANCE**

In connection with the Assets Consolidation, GFL International and Lithium Argentina shall enter into a new debt facility (the “**New Debt Facility**”) pursuant to which the Company or its subsidiary will make available to Lithium Argentina an aggregate amount of US\$130 million as financial assistance to support Lithium Argentina’s funding needs, including the development of the Consolidated Project or other purposes agreed upon by both parties.

## **IMPLICATIONS OF THE LISTING RULES**

As the highest percentage ratio under Rule 14.07 of the Listing Rules in respect of the Assets Consolidation exceeds 5% but is below 25%, the Assets Consolidation constitutes a discloseable transaction of the Company and is therefore subject to the announcement requirement but is exempt from the shareholders’ approval requirement under Chapter 14 of the Listing Rules.

As the highest applicable percentage ratio under Rule 14.07 of the Listing Rules in respect of each of the LAR Assets Injection and the New Debt Facility is below 5%, each of the LAR Assets Injection and the New Debt Facility does not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules.

As of the date of this announcement, Lithium Argentina indirectly holds 44.8% of Exar, a non wholly-owned subsidiary of the Company. Accordingly, Lithium Argentina is a connected person of the Company at subsidiary level, each of the Assets Consolidation, the LAR Assets Injection and the New Debt Facility constitutes a connected transaction, and is subject to the reporting and announcement requirements but exempt from the circular (including independent financial advice) and shareholders’ approval requirements pursuant to Rule 14A.101 of the Listing Rules.

## **FORMATION OF JOINT VENTURE**

### **Background**

As of the date this announcement, GFL International owns, directly or indirectly, (i) 100% of the ownership interests in PPG ProjectCo, which owns and operates the PPG Project, (ii) 14.89% of the ownership interests in PG ProjectCo, which owns and operates the PG Project, and (iii) 35% of Puna ProjectCo, which owns and operates the Puna Project; and Lithium Argentina owns, directly or indirectly, (i) 85.11% of the ownership interests in PG ProjectCo, and (ii) 65% of the ownership interests in Puna ProjectCo. All of the three projects are adjacent to each other and located in the Salta province of Argentina.

On August 12, 2025, GFL International and Lithium Argentina entered into the Framework Agreement, pursuant to which the parties have determined to consolidate their interests and investments in the Project Companies and the Consolidated Project as a joint enterprise through holdings in Millennial. As a result of the Assets Consolidation, Millennial will be owned as to 67% by GFL International and 33% by Lithium Argentina.

### **Principal Terms of the Framework Agreement**

The principal terms of the Framework Agreement are set out as follows:

<b>Date</b>	:	August 12, 2025 (after trading hours)
<b>Parties</b>	:	(1) GFL International; and (2) Lithium Argentina
<b>Subject matter</b>	:	GFL International and Lithium Argentina will jointly establish a new joint venture (i.e., Millennial) consolidating GFL International's wholly-owned PPG Project with Lithium Argentina's majority-owned and GFL International's minority-owned PG Project and Puna Project. Upon completion of the Assets Consolidation, GFL International and Lithium Argentina will hold 67% and 33% ownership interests in the joint venture, respectively.

**Contribution of Lithium Argentina** : At the Closing, Lithium Argentina shall contribute to Millennial all of the issued and outstanding securities it holds, directly or indirectly, in the capital of each of PG ProjectCo and Puna ProjectCo, such that on Closing, Lithium Argentina will own 33% of the interest in Millennial.

*Note: Lithium Argentina acquired the PG Project in 2022 through its acquisition of Millennial at the cost of US\$359.7 million and the Puna Project in 2023 through its acquisition of Arena Minerals Inc. at the cost of US\$185.8 million.*

**Contribution of GFL International** : At the Closing, GFL International shall contribute to Millennial all of the issued and outstanding securities it holds, directly or indirectly, in the capital of PPG ProjectCo and all of the issued and outstanding securities it holds, directly or indirectly, in the capital of each of PG ProjectCo and Puna ProjectCo, such that on Closing, GFL International will own 67% of the interest in Millennial.

**New Debt Facility** : In connection with the Assets Consolidation, at or prior to the Closing, the Parties shall enter into the New Debt Facility pursuant to which the Company or its subsidiary will make available to Lithium Argentina an aggregate amount of US\$130 million as financial assistance to support Lithium Argentina's funding needs, including the development of the Consolidated Project or other purposes agreed upon by both parties. The terms of the New Debt Facility shall be mutually agreed to by the parties and, among other things, shall include the following:

(i) **Drawdown Conditions.** The Company's or its subsidiary's obligations to fund advances under the New Debt Facility shall be subject to, among other things, a) Lithium Argentina being able to satisfy its current liabilities and otherwise be solvent; and b) receipt of all required permits of relevant government authorities.

(ii) **Security.** Lithium Argentina will grant to the Company or its subsidiary a first-priority pledge over Lithium Argentina's direct equity interests in Millennial (the "**Millennial Security**") pursuant to a pledge agreement in form and substance satisfactory to the Company or its subsidiary. Such security will be subordinated to, or partially released in favor of, secured financing provided by third-party creditors of Lithium Argentina, in proportion to the principal amount of such financing, upon satisfaction of certain conditions.

(iii) **Term, Interest and Payments**

- a) a six-year term;
- b) an interest rate equal to the Secured Overnight Finance Rate set by the Federal Reserve Bank of New York plus 2.5%;
- c) accrued interest will be payable on a quarterly basis upon draw down;
- d) if Exar declares dividends at the end of any year, 50% of the dividends distributable to Lithium Argentina shall be applied against the outstanding balance owing under the New Debt Facility, while the remaining 50% may be freely distributed to Lithium Argentina; and
- e) prepayable by Lithium Argentina without penalty or fee at any time.

**Restructuring**

: In addition to the contributions by the parties, the parties shall take all necessary steps to effect the Assets Consolidation (the "**Restructuring**"). Following the Restructuring, the total asset of Millennial will comprise 100% of the interest in each of the PPG Project, PG Project and Puna Project through intermediary holding companies.

**Development Plan** : The parties shall cooperate and use commercially reasonable efforts to finalize a development plan in respect of the Consolidated Project (the “**Development Plan**”).

A feasibility study is underway for a staged development targeting production capacity of up to 150,000 tonnes per annum (“tpa”) of LCE, to be executed in three phases of 50,000 tpa each.

**Definite Agreements** : The parties shall use commercially reasonable efforts to settle the definitive agreements covering key commercial terms of the joint venture, including a shareholder agreement or equivalent, operating agreement, offtake agreement and technology license agreement, at Closing.

As part of the Framework Agreement and New Debt Facility, each Party shall be entitled to acquire all chemical products produced from the Consolidated Project in their respective proportionate shares. In addition, Lithium Argentina will, upon GFL International’s request, allocate up to 50% of its offtake from the initial development phase of the Consolidated Project to GFL International – capped at 6,000 tpa of LCE – at market prices. Before the production of Millennial, the above offtake will be provided by the existing offtake for Phase I of the Cauchari-Olaroz lithium salt lake project hold by Lithium Argentina. The term for Lithium Argentina to provide the above-mentioned offtake is the term for financial assistance.

**Conditions precedent of Lithium Argentina** : The obligations of Lithium Argentina to complete the Transactions are subject to the satisfaction, on or before the Closing, of the following conditions, any of which may be waived by Lithium Argentina without prejudice to its right to rely on any other or others of them:

- (a) each of the acts and undertakings of GFL International or PPG ProjectCo, as applicable, to be performed on or before the Closing pursuant to the terms of the Framework Agreement will have been duly performed by it;

- (b) GFL International shall have delivered to Lithium Argentina duly executed counterparts of each of the Transaction Agreements (other than the Framework Agreement) and such other documents and deliveries required to be delivered by Lithium Argentina, PG ProjectCo and/or Puna ProjectCo pursuant to the Framework Agreement;
- (c) all documentation relating to the due authorization and completion of the Assets Consolidation, the entering into of each of the Transaction Agreements and all actions and proceedings taken on or prior to the Closing in connection with the performance by of GFL International's obligations under the Transaction Agreements, shall be satisfactory to Lithium Argentina, acting reasonably, and Lithium Argentina shall have received copies of all such documentation or other evidence as it may reasonably request in order to establish the consummation of the transactions contemplated by each of the Transaction Agreements and the taking of all corporate proceedings in connection with such transactions in compliance with the conditions therein, in form (as to certification and otherwise) and substance satisfactory to the Lithium Argentina, acting reasonably;
- (d) Lithium Argentina will have received evidence that all permits, orders, registrations, declarations, filings and notices of government authorities or other third parties, including any foreign investment approvals, required to effect the Assets Consolidation have been obtained, in each case in form and satisfaction satisfactory to Lithium Argentina, acting reasonably;
- (e) the Development Plan shall have been agreed to by each of the parties, in each case in their own discretion;
- (f) the New Debt Facility shall have been entered into; and
- (g) the Restructuring shall have been completed.



- Conditions precedent of GFL International** : The obligations of GFL International to complete the Transaction are subject to the satisfaction, on or before the Closing, of the following conditions, any of which may be waived by GFL International without prejudice to its right to rely on any other or others of them:
- (a) each of the acts and undertakings of Lithium Argentina, PG ProjectCo or Puna ProjectCo, as applicable, to be performed on or before the Closing pursuant to the terms of the Framework Agreement will have been duly performed by it;
  - (b) Lithium Argentina shall have delivered to GFL International duly executed counterparts of each of the Transaction Agreements (other than the Framework Agreement) and such other documents and deliveries required to be delivered by GFL International and/or PPG ProjectCo pursuant to the Framework Agreement;
  - (c) all documentation relating to the due authorization and completion of the Assets Consolidation, the entering into of each of the Transaction Agreements and all actions and proceedings taken on or prior to the Closing in connection with the performance by of GFL International's obligations under the Transaction Agreements, shall be satisfactory to Lithium Argentina, acting reasonably, and Lithium Argentina shall have received copies of all such documentation or other evidence as it may reasonably request in order to establish the consummation of the transactions contemplated by each of the Transaction Agreements and the taking of all corporate proceedings in connection with such transactions in compliance with the conditions therein, in form (as to certification and otherwise) and substance satisfactory to the Lithium Argentina, acting reasonably;



- (d) GFL International will have received evidence that all permits, orders, registrations, declarations, filings and notices of government authorities or other third parties, including any foreign investment approvals, required to effect the Transaction have been obtained, in each case in form and satisfaction satisfactory to GFL International, acting reasonably;
- (e) the Development Plan shall have been agreed to by each of the parties, in each case in their own discretion; and
- (f) the Restructuring shall have been completed.

**Historical Liabilities of Contributed Assets** : Except as may be agreed to by the parties in respect of the taxes resulting from the Restructuring in accordance with the Framework Agreement:

- (a) Lithium Argentina shall be responsible for all liabilities and expenses relating to the PG Project, PG ProjectCo, the Puna Project and Puna ProjectCo prior to completion of the Restructuring, and will indemnify and save harmless GFL International for any loss arising from such liabilities; and
- (b) GFL International shall be responsible for all liabilities and expenses relating to the PPG Project and PPG ProjectCo prior to completion of the Restructuring, and will indemnify and save harmless Lithium Argentina for any loss arising from such liabilities.

## **BASIS OF ASSETS CONTRIBUTION BY THE PARTIES**

GFL International has engaged Golder Associates, an independent professional consultant, to perform a due diligence on the mineral resources of the PPG Project, the PG Project and the Puna Project. The ratio of the measured and indicated amount between (a) the combined LCE reserves of the PPG Project, the PG Project and the Puna Project, multiplied by GFL International's respective percentage ownership in each of these three projects and (b) the combined LCE reserves of the PG Project and the Puna Project, multiplied by Lithium Argentina's respective percentage ownership in these two projects, is approximately equal to GFL International's and Lithium Argentina's respective equity interest in Millennial.

	<b><i>PPG Project</i></b>	<b><i>PG Project</i></b>	<b><i>Puna Project</i></b>
A <sup>1</sup> : Measured+ Indicated Resources (in tons LCE)	8,442,388	4,899,720	1,734,320
B: Percentage owned by GFL International prior to the Assets Consolidation	100%	14.89%	35%
C: Percentage owned by Lithium Argentina prior to the Assets Consolidation	0%	85.11%	65%
D <sup>2</sup> : (A) X (B) =	8,442,388	729,568	607,012
E <sup>3</sup> : (A) X (C) =	0	4,170,152	1,127,308
F <sup>4</sup> : Sum of (D) =		9,778,968	
G <sup>5</sup> : Sum of (E) =		5,297,460	
H: (F)/(F+G) =		64.86%	
I: (G)/(F+G) =		35.14%	

*Notes:*

- 1     *The amount of inferred resource was excluded from the consideration because it was estimated with a low level of confidence*
2.     *Corresponding amount of resources allocated to GFL International*
3.     *Corresponding amount of resources allocated to Lithium Argentina*
4.     *Total amount of resources allocated to GFL International*
5.     *Total amount of resources allocated to Lithium Argentina*

In arriving its conclusion, Golder Associates has relied on GFL International, Lithium Argentina, and their independent consultants for matters referring to site topography, site environmental information, exploration, drilling, and general project information. The mineral resource estimate of the three lithium brine projects was prepared by Golder Associates in accordance with the guidelines of the National Instrument 43-101 and best practices methods specific to brine resources were used.

Golder Associates believes that a relatively complete and reliable resource estimation has been completed previously by the above projects. At the same time, as the exploration work of projects continues and the resource model improves, it is judged that the above resource estimation results can be achieved within a reasonable range.

The contribution of GFL International to Millennial was determined through arm's length negotiation, with reference to the above quantitative model and a number of factors including the Development Plan, future production capacity, lithium price forecasts, local policy risks in Argentina, and the cost of capital, and after considering GFL International's contribution of proprietary technology through the technology license agreement, it was agreed that GFL International will own 67% of interest and Lithium Argentina will own 33% of interest in Millennial.

Given that the three lithium brine development projects are all located in Salta, Argentina and are adjacent to one another, and that the LCE extracted from these three projects are of similar quality, the Directors consider it appropriate to adopt a quantitative comparison primarily based on the total LCE reserves of the three projects. Additionally, since GFL International will be responsible for all liabilities and expenses associated with PPG ProjectCo, and Lithium Argentina will be responsible for all liabilities and expenses associated with PG ProjectCo and Puna ProjectCo prior to completion of the Restructuring, and that the Consolidated Project will form the sole asset of Millennial after the Restructuring, the Directors believe that the basis of assets contribution by the parties with reference to the parties' respective allocation in the LCE reserves of the three projects before the Assets Consolidation is fair and reasonable.

## **BASIS OF PRINCIPAL AMOUNT AND INTEREST RATE UNDER THE NEW DEBT FACILITY**

The principal amount under the New Debt Facility was determined based on Lithium Argentina's funding needs, including potential development costs for the Consolidated Project shared by Lithium Argentina, and the Group's medium-to-long term capital requirement. The Company has conducted a credit assessment on Lithium Argentina with reference to its latest audited financial statements published on the websites of the TSX and the NYSE. In addition, it is noted that the book value of the Millennial Security after the completion of the Assets Consolidation will be significantly higher than the principal amount. Based on the foregoing, the Company is satisfied that the risk exposure of the Group under the New Debt Facility is acceptable and the New Debt Facility is adequately secured. When setting the interest rate of the New Debt Facility, the Company has considered, among other factors, the Secured Overnight Finance Rate set by the Federal Reserve Bank of New York, applicable local regulations and funding costs, prevailing bank deposit interests rates, and recent interest rate trends. The interest rate was finally determined after arm's length negotiation between GFL International and Lithium Argentina. The Group will finance the New Debt Facility by self-owned fund.

## **INFORMATION ON THE PROJECT COMPANIES**

### **PPG ProjectCo**

PPG ProjectCo was registered in July 2009 in British Virgin Islands and its registered capital as of the date of this announcement is USD1,025. The principal business of PPG ProjectCo is acquisition, exploration and development of lithium mining rights.

As of the date of this announcement, PPG ProjectCo is wholly-owned by GFL International.

## ***Financial information of PPG ProjectCo***

Set out below is the financial data of PPG ProjectCo for the two years indicated:

*Unit:USD*

	<b>For the year ended December 31,</b>	
	<b>2023</b>	<b>2024</b>
	(Audited)	(Audited)
Total assets	1,024,934,247.56	1,132,851,213.53
Net assets	912,687,310.35	1,071,786,116.18
Revenue	—	—
Net profit/(loss) before taxation	(4,060,423.69)	18,620,926.01
Net profit/(loss) after taxation	(16,270,400.42)	21,687,882.19

### **PG ProjectCo**

PG ProjectCo was registered in August 2016 in Argentina and its registered capital as of the date of this announcement is USD145.9 million. The principal business of PG ProjectCo is exploration and exploitation of mining properties, extraction and processing of their minerals, and commercialization of their products.

As of the date of this announcement, PG ProjectCo is indirectly owed by Lithium Argentina and GFL International as to 85.1% and 14.9%, respectively.

## ***Financial information of PG ProjectCo***

Set out below is the financial data of PG ProjectCo for the two years indicated:

*Unit:USD*

	<b>For the year ended December 31,</b>	
	<b>2023</b>	<b>2024</b>
	(Audited)	(Audited)
Total assets	63,027,937	140,486,427
Net assets	(19,755,467)	132,601,132
Revenue	—	—
Net profit/(loss) before taxation	(6,793,034)	(4,694,443)
Net profit/(loss) after taxation	(17,451,609)	5,964,132

## **Puna ProjectCo**

Puna ProjectCo was registered in June 2018 in Argentina and its registered capital as of the date of this announcement is USD6.6 million. The principal business of Puna ProjectCo is exploration and/or exploitation of mines, geological and geophysical works, consulting services and all types of services related to mining and oil matters.

As of the date of this announcement, Puna ProjectCo is indirectly owed by Lithium Argentina and GFL International as to 65% and 35%, respectively.

## ***Financial information of Puna ProjectCo***

Set out below is the financial data of Puna ProjectCo for the two years indicated:

*Unit:USD*

	<b>For the year ended December 31,</b>	
	<b>2023</b>	<b>2024</b>
	(Audited)	(Audited)
Total assets	707,101	5,358,244
Net assets	(646,401)	766,403
Revenue	—	—
Net profit/(loss) before taxation	(2,844,573)	(593,318)
Net profit/(loss) after taxation	(2,844,573)	(593,318)

Immediately following the Assets Consolidation, GFL International will own approximately 67% and Lithium Argentina will own approximately 33% of Millennial, respectively. Meanwhile, the Project Companies will become wholly-owned subsidiaries of Millennial. Accordingly, each of Millennial, PG ProjectCo, PPG ProjectCo and Puna ProjectCo will be accounted as an indirect controlled subsidiary of the Company and its financial results would be consolidated into the consolidated financial statement of the Company.

## **Information on the Projects**

As of the date of the announcement, the Projects own three lithium brine projects situated in Pozuelos-Pastos Grandes basin in Salta, Argentina, and the basin is primarily composed of these three lithium brine projects. Details of the Projects are set out below:

### ***PPG Project***

PPG Project holds two lithium salt lakes located in Salta, Argentina, including Pozuelos Salar lithium salt lake and Pastos Grandes salt lake. The Pozuelos Salar mining area covers an area of 10,787 hectares, while the Pastos Grandes mining area covers an area of 2,683 hectares. Pozuelos Salar and Pastos Grandes are located approximately 250 kilometers and 230 kilometers west of Salta city, respectively.

The estimation of PPG Project resources is as follows:

<i>Type</i>	<b>Pozuelos Salar</b>				<b>Pastos Grandes</b>			
	Brine volume ( <i>km<sup>3</sup></i> )	Lithium Concentration ( <i>mg/L</i> )	Li ( <i>tons</i> )	LCE ( <i>tons</i> )	Brine volume ( <i>km<sup>3</sup></i> )	Lithium Concentration ( <i>mg/L</i> )	Li ( <i>tons</i> )	LCE ( <i>tons</i> )
Measured	2.21	490.5	1,097,038	5,836,244	0.59	451	264,000	1,404,480
Indicated	0.41	528.7	221,877	1,180,384	0.04	96	4,000	21,280
Subtotal(Measured + Indicated)				7,016,628	Subtotal(Measured + Indicated)			1,425,760
Inferred	1.25	581.0	736,924	3,920,437	0.22	435	92,000	489,440
Total(Measured + Indicated + Inferred)				10,937,065	Total(Measured + Indicated + Inferred)			1,915,200

*Notes:*

1. The LCE is calculated using the Li:LCE factor = 5.322785 multiplied by the mass of Lithium.
2. The in-situ resource was estimated without a cut-off grade.

### ***PG Project***

The PG Project holds the Pastos Grandes lithium salt lake project located in Salta Province, Argentina. The Pastos Grandes lithium salt lake project is located in the central part of the Salar de los Pastos Grandes region in Salta Province, northwestern Argentina. The total mining and exploration license area currently held and applied for is approximately 24,000 hectares.

### ***Puna Project***

The Puna Project is Sal de la Puna lithium salt lake project located in Salta Province, Argentina. According to Golder Associate's due diligence, the Sal de la Puna lithium salt lake project covers an area of 10,952 hectares and has enormous lithium resource potential. At present, the project has completed technical due diligence and has not yet started construction and operation.



## **INFORMATION ON THE PARTIES**

### **The Company and GFL International**

The Company is principally engaged in the production of lithium hydroxide, lithium compound, lithium fluoride and butyl lithium, and the production, processing and sales of non-ferrous metals, batteries, instrumentation components, machinery and equipment, chemical products, chemical raw materials and chemical products.

GFL International is a private company limited by shares incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company. GFL International's principal business are sales and procurement of lithium products, as well as external investment.

### **Lithium Argentina**

Lithium Argentina is an emerging producer of lithium carbonate for use primarily in lithium-ion batteries and electric vehicles. Lithium Argentina is formerly known as Lithium Americas Corp. and Lithium Americas (Argentina) Corp., and in partnership with the Company operates the Caucharí-Olaroz lithium salt lake project in Argentina and advancing development of additional lithium resources in the region. Lithium Argentina is a listed company incorporated in Switzerland, the shares of which are listed on the TSX (TSX: LAR) and on the NYSE (NYSE: LAR). To the best knowledge of the Directors, none of the shareholders hold more than 10% of equity interest in Lithium Argentina. As of the date of this announcement, Lithium Argentina has a diverse shareholder structure and GFL International holds 9.8% of equity interest in Lithium Argentina.

### **Millennial**

Millennial was incorporated in 2005 and currently registered in the Netherlands. The principal business of Millennial is to acquire, hold, develop and operate, directly or indirectly, mining properties. As of the date of this announcement, Millennial is wholly-owned by Lithium Argentina and holds 85.1% equity interest in PG ProjectCo.

Prior to the Assets Consolidation, Millennial will undergo a series of reorganization to spin-off all of its assets except its interest in PG ProjectCo.

## **REASONS FOR AND BENEFITS OF THE TRANSACTIONS**

The terms of the Framework Agreement (including the terms of the Assets Consolidation and the New Debt Facility) were determined after arm's length negotiation between GFL International and Lithium Argentina. The Board believes that by consolidating high-quality assets under a unified development plan, the Group will be able to establish a global, large-scale, efficient, and sustainable lithium product supply chain. The Transactions will help unlock the full potential and value of the PPG Project, PG Project and Puna Project, optimize resource utilization, accelerate project execution, and enhance capital efficiency. It is also conducive to securing the Group's lithium resource needs, strengthening core competitiveness, aligning with the Group's upstream and downstream integrated development strategy, and ultimately creating value for the Shareholders.

Meanwhile, the financial assistance provided by the Company or its subsidiary to Lithium Argentina is a pre-condition to the Assets Consolidation and is intended to support the development of Lithium Argentina, which is an important business partner of the Group. In addition to the extra interest income from the New Debt Facility gained by the Group, Lithium Argentina will also pledge its interest in Millennium as collateral and granted GFL International additional exclusive rights for product off-take. Despite the New Debt Facility will lead to a net cashflow of the Group in the short-term, it will not have a significant impact on the sufficiency of working capital of the Group.

In view of the reasons and benefits mentioned above, the Directors (including the independent non-executive Directors) consider that notwithstanding that the Transactions are not in the ordinary and usual course of business of the Group, the terms of the Framework Agreement are fair and reasonable, on normal commercial terms or better and in the interests of the Company and the Shareholders as a whole.

As none of the Directors has a material interest in the Transactions, none of them had abstained from voting at the meeting of the Board on the resolutions to approve the Framework Agreement and the transactions contemplated thereunder.

## IMPLICATIONS OF THE LISTING RULES

As the highest percentage ratio under Rule 14.07 of the Listing Rules in respect of the Assets Consolidation exceeds 5% but is below 25%, the Assets Consolidation constitutes a disclosable transaction of the Company and is therefore subject to the announcement requirement but is exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

As the highest applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of each of the LAR Assets Injection and the New Debt Facility is below 5%, each of the LAR Assets Injection and the New Debt Facility does not constitute notifiable transaction of the Company under Chapter 14 of the Listing Rules.

As of the date of this announcement, Lithium Argentina indirectly holds 44.8% of Exar, a non wholly-owned subsidiary of the Company. Accordingly, Lithium Argentina is a connected person of the Company at subsidiary level, each of the Assets Consolidation, the LAR Assets Injection and the New Debt Facility constitutes a connected transaction, and is subject to the reporting and announcement requirements but is exempt from the circular (including independent financial advice) and shareholders' approval requirements pursuant to Rule 14A.101 of the Listing Rules.

## DEFINITIONS

“Board”	the board of Directors
“Closing”	the closing of the Assets Consolidation
“Company”	Ganfeng Lithium Group Co., Ltd. (江西贛鋒鋰業集團股份有限公司), a joint stock company established in the PRC on March 2, 2000 and converted from its predecessor Jiangxi Ganfeng Lithium Company Limited (江西贛鋒鋰業有限公司, formerly known as Xinyu Ganfeng Lithium Company Limited(新余贛鋒鋰業有限公司) into a joint stock company with limited liability under the PRC Company Law on December 18, 2007, the H shares and A shares of which are listed on the Hong Kong Stock Exchange (Stock Code: 1772) and the Shenzhen Stock Exchange (Stock Code: 002460)
“Directors”	the directors of the Company
“Exar”	Minera Exar S.A., a mining and exploration company established in Argentina in 2006 and a non wholly-owned subsidiary of the Company

“Framework Agreement”	the framework agreement dated August 12, 2025 entered into between GFL International and Lithium Argentina, see “– Principal Terms of the Framework Agreement” for details
“GFL International”	GFL International Co., Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company
“Golder Associates”	Golder Associates, an independent professional consultant who performed due diligence on the mineral resources of the Projects
“Group”	the Company and its subsidiaries
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“LCE”	lithium carbonate equivalent
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Lithium Argentina”	Lithium Argentina AG, a listed company incorporated in Switzerland, the shares of which are listed on the TSX (TSX: LAR) and on the NYSE (NYSE: LAR)
“NYSE”	the New York Stock Exchange
“PRC”	the People’s Republic of China
“Shareholder(s)”	the shareholder(s) of the Company
“Transaction Agreements”	collectively, the Framework Agreement, the shareholders agreement, the operating agreement, the offtake agreement, the representations and warranties agreement, the technology license agreement, and such other agreements between the parties in respect of the Assets Consolidation as may be agreed to by the parties prior to the Closing. None of the above agreements (other than the Framework Agreement) have been entered into by the parties as of the date of this announcement

“Transactions”	collectively, the Assets Consolidation, the LAR Assets Injection and the New Debt Facility
“TSX”	the Toronto Stock Exchange
“USD”	United States dollar, the lawful currency of the United States
“%”	per cent

By order of the Board  
**GANFENG LITHIUM GROUP CO., LTD.**  
**LI Liangbin**  
*Chairman*

Jiangxi, the PRC  
August 12, 2025

*As at the date of this announcement, the Board comprises Mr. LI Liangbin, Mr. WANG Xiaoshen, Mr. SHEN Haibo, Ms. HUANG Ting and Mr. LI Chenglin as executive Directors; Ms. LUO Rong as non-executive Director; and Mr. WANG Jinben, Ms. WONG Ho Kwan, Ms. XU Yixin and Mr. XU Guanghua as independent non-executive Directors.*