



4 September 2023

Dear Optionholder

## **PATAGONIA LITHIUM LTD – PRO-RATA NON-RENOUCEABLE RIGHTS ISSUE**

As announced on 4 September 2023, Patagonia Lithium Ltd (ACN 654 004 403) (**Company**) is undertaking a non-renounceable rights issue of one (1) listed Option (**Loyalty Option**) for every four (4) Shares held at an issue price of \$0.01 per Loyalty Option (**Offer**).

The Company lodged a prospectus for the Offer (**Prospectus**) with ASIC on 4 September 2023 and was released on the Company's ASX announcement platform on the same day. The Company intends to apply the funds raised from the Offer (less expenses) towards general working capital. The Company will apply for quotation of the Loyalty Options. Quotation of the Loyalty Options is subject to the Company satisfying the quotation requirements set out in Chapter 2 of the ASX Listing Rules.

Following completion of the Offer, assuming any shortfall is subsequently placed, and the full subscription is raised, the Company will have issued approximately 14,641,250 Loyalty Options, resulting in total Shares on issue of 58,565,000 (unchanged) and total Options on issue of 20,141,250.

We are writing to you as an eligible shareholder on the Offer's record date, entitled to participate in the Offer.

From 4 September 2023, the Prospectus will be available to download from both the ASX website (at [www.asx.com.au](http://www.asx.com.au)) and the Company's website (<https://patagonialithium.com.au/>) and will subsequently be despatched to eligible shareholders on 12 September 2023.

### **Options**

You currently hold options to acquire Shares in the Company. You will only be entitled to participate in the Offer with respect to those options if you exercise those options before the Record Date by following the process set out below.

#### **Capital structure**

58.6m - PL3 shares

5.5m - unquoted options

**Patagonia Lithium Ltd**  
**Level 6, 505 Little Collins Street**  
**Melbourne VIC 3000**  
**<https://patagonialithium.com.au/>**

#### **Board**

Phil Thomas - Exec Chair

Paul Boyatzis - NED

Gino D'Anna - NED

Sam Qi - NED

Jarek Kopias - Co Sec

### **Exercise of options**

To exercise your options and thereby be eligible to participate in the Entitlement Offer (in respect of Shares issued to you on exercise of your options), you must provide notice in writing to the Company which:

1. specifies the number of vested options being exercised; and
2. provides an electronic funds transfer for the exercise price for the number of options being exercised.

The Company will allot and issue Shares to you after receiving a valid notice and cleared funds and will endeavour to do so before the Record Date if a valid notice and cleared funds are received by Monday, 7 September 2023. You should take this timing into consideration to ensure that you are recorded on the Company's register as the holder of Shares as at 7:00pm (AEST) on the Record Date.

If you do not exercise your options before the Record Date, then you will not be entitled to participate in the Entitlement Offer with respect to any Shares which might eventually be issued on exercise of those options. Your rights as holder of those options remains unchanged, including the exercise price payable for the exercise of those options and their expiry date.

If you have any queries in relation to your options please contact your financial adviser or Patagonia Lithium's Company Secretary, Jarek Kopias, on 0418 823 574.

Phillip Thomas  
Executive Chairman  
**Patagonia Lithium Ltd**