UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 20-F

(Mark One)

☐ **REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR 12(g) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2024

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☐ **SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of event requiring this shell company report: Not applicable

For the transition period from _______ to _______

Commission file number: 001-38350

LITHIUM ARGENTINA AG

(Exact name of Registrant as specified in its charter)

Not Applicable
(Translation of Registrant's name into English)

Switzerland
(Jurisdiction of incorporation or organization)

Dammstrasse 19, 6300 Zug, Switzerland
(Address of principal executive offices)

Alex Shulga
900 West Hastings Street, Suite 300,
Vancouver, British Columbia,
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alex.shulga@lithium-argentina.com
778-653-8092
(Name, Telephone, E-mail and/or Facsimile number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of class	Trading Symbol(s)	Name of exchange on which registered
Registered common shares, $0.01 par value per share	LAR	Toronto Stock Exchange New York Stock Exchange

Securities registered or to be registered pursuant to Section 12(g) of the Act: None

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: None

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report: 161,931,734 registered common shares outstanding as of December 31, 2024.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. ☐ Yes ☒ No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. ☐ Yes ☒ No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or an emerging growth company. See definition of "large accelerated filer," "accelerated filer" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐	Accelerated filer ☒	Non-accelerated filer ☐
		Emerging growth company ☐

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards† provided pursuant to Section 13(a) of the Exchange Act. ☐

† The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP ☐ International Financial Reporting Standards as issued by the International Accounting Standards Board ☒ Other ☐

If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow. ☐ Item 17 ☐ Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes ☒ No

TABLE OF CONTENTS

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This annual report on Form 20-F of Lithium Argentina AG (formerly "Lithium Americas (Argentina) Corp.") (the "**Company**" or "**Lithium Argentina**"), including the documents incorporated herein by reference, contains "forward-looking information" within the meaning of applicable Canadian securities legislation and "forward-looking statements" within the meaning of the *United States Private Securities Litigation Reform Act of 1995* (collectively referred to herein as "**forward-looking information**"). These statements relate to future events or the Company's future performance. All statements, other than statements of historical fact, may be forward-looking information. Information concerning mineral resource and mineral reserve estimates also may be deemed to be forward-looking information in that it reflects a prediction of mineralization that would be encountered if a mineral deposit were developed and mined. Forward-looking information generally can be identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "propose", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information.

In particular, this annual report contains or incorporates by reference forward-looking information, including, without limitation, with respect to the following matters or the Company's expectations relating to such matters: the tax treatment of the Continuation (defined below); the expected operations, financial results and condition of the Company following the Continuation; the Company's future objectives and strategies to achieve those objectives, including the future prospects of the Company as incorporated in Switzerland; the expected benefits of the Continuation to, and resulting treatment of, shareholders and the Company; the anticipated effects of the Continuation; expected production for the Cauchari-Olaroz lithium brine operation (the "**Cauchari-Olaroz Operation**" or "**Cauchari-Olaroz**"); expected cost reductions per tonne; operation of Cauchari-Olaroz, including timing, approach, continuity or change in plans, construction, commissioning, milestones, anticipated production and results thereof and expansion plans; the implementation of direct lithium extraction technology at Cauchari-Olaroz; expected remaining funding commitments at the Cauchari-Olaroz Operation; expected timing of full capacity production at Cauchari-Olaroz and plans for additional production capacity; Stage 2 targeted production capacity; estimates, and any change in estimates, of the mineral reserves and mineral resources estimates ("**Mineral Resources and Mineral Reserves**") at the Company's properties; development of Mineral Resources and Mineral Reserves; government regulation of mining operations and treatment under governmental and taxation regimes; the future price of commodities, including lithium; the realization of Mineral Resources and Mineral Reserves estimates, including whether Mineral Resources that are not included in Mineral Reserves will ever be developed into Mineral Reserves, and information and underlying assumptions related thereto; the timing and amount of future production; expectations with respect to costs of production; liquidity outlook; use of proceeds from financing activities; currency exchange and interest rates; the Company's expectations with respect to meeting its funding obligations through its financing plans; expectations with respect to the sufficiency of current cash balances and other sources to fund planned expenditures; the Company's ability to raise capital and the sufficiency of currently available funding; expected expenditures to be made by the Company on its properties; the timing, cost, quantity, capacity and product quality of production of the Cauchari-Olaroz Operation; successful operation of Cauchari-Olaroz under its co-ownership structure; ability to produce battery quality lithium products; use of proceeds from the Pastos Grandes Transaction (as defined below); the Company's share of the expected capital expenditures for the construction of Cauchari-Olaroz; expecting timing to complete project review, development planning, evaluating opportunities for synergy for the Pastos Grandes and Sal de la Puna projects as well as Pozuelos Pastos Grandes ("Pozuelos"); ability to achieve capital cost efficiencies; stability and inflation related to the Argentine peso ("**ARS$**" or "**Argentine peso**"), matters relating to the agreement reached by the Argentine government with the International Monetary Fund in respect of Argentina's external debt, whether the Argentine government implements additional foreign exchange and capital controls, and the effect of current or any additional regulations on the Company's operations; and opportunities for regional growth and development of the Pastos Grandes basin expected from the acquisition.

Forward-looking information does not take into account the effect of transactions or other items announced or occurring after the statements are made. Forward-looking information reflects management's current beliefs, expectations and assumptions and is based on information currently available to management, management's historical experience, perception of trends and current business conditions, expected future developments and other factors which management considers appropriate. With respect to the forward-looking information included in this annual report and in the documents incorporated herein by reference, certain assumptions have been made with respect to, among other things, that no unforeseen changes in the legislative and operating framework for the Company will occur; that the Company will meet its future objectives and priorities; that the Company will have access to adequate capital to fund its future projects and plans; that the Company's future project and plans will proceed as anticipated; as well as assumptions concerning general economic and industry growth rates, commodity prices, currency exchange rates, interest rates and competitive intensity. Although the Company believes that the assumptions and expectations reflected in such forward-looking information are reasonable, the Company can give no assurance that these assumptions and expectations will prove to be correct.

Readers are cautioned not to place undue reliance on forward-looking information, as there can be no assurance that the future circumstances, outcomes or results anticipated or implied by such forward-looking information will occur or that plans, intentions or expectations upon which the forward-looking information is based will occur. By its nature, forward-looking information involves known and unknown risks and uncertainties and other factors that could cause actual results to differ materially from those contemplated by such forward-looking information. Factors that could cause such differences include, but are not limited to: the potential benefits of the Continuation not being realized; the risk of tax liabilities as a result of the Continuation, and general business and economic uncertainties and adverse market conditions; uncertainties inherent to feasibility studies and Mineral Resource and Mineral Reserve estimates; the potential inability or unwillingness of current shareholders to hold Shares following the Continuation; the Company's ability to operate in a safe and effective manner, and without material adverse impact from the effects of climate change or severe weather conditions; demand for lithium, including that such demand is supported by growth in the electric vehicle market; current technological trends; the impact of increasing competition in the lithium business, and the Company's competitive position in the industry; continuing constructive engagement with these and other stakeholders, and any expected benefits of such engagement; the stable and supportive legislative, regulatory and community environment in the jurisdictions where the Company operates; impacts of inflation, currency exchanges rates, interest rates and other general economic and stock market conditions; the impact of unknown financial contingencies, including litigation costs, environmental compliance costs and costs associated with the impacts of climate change, on the Company's operations; estimates of and unpredictable changes to the market prices for lithium products; anticipated timing and results of exploration, development and construction activities, including the impact of ongoing supply chain disruptions and availability of equipment and supplies on such timing; government regulation of mining operations and mergers and acquisitions activity, and treatment under governmental, regulatory and taxation regimes; ability to realize expected benefits from investments in or partnerships with third parties; accuracy of development budgets and construction estimates; changes to the Company's current and future business plans and the strategic alternatives available to the Company; and all the other risk factors discussed in "Risk Factors" and identified elsewhere in this annual report and in the documents incorporated herein by reference.

Readers are cautioned that the foregoing lists of factors are not exhaustive. All forward-looking information included in and incorporated by reference into this annual report is qualified by these cautionary statements. The forward-looking information contained herein is made as of the date of this annual report and, except as required by applicable law, the Company does not undertake any obligation to publicly update or revise any forward-looking information, whether as a result of new information, future events or otherwise.

Readers are cautioned that the actual results achieved will vary from the information provided herein and that such variations may be material. Consequently, there are no representations by the Company that actual results achieved will be the same in whole or in part as those set out in the forward-looking information.

EXPLANATORY NOTE

On January 23, 2025, the Company, completed a plan of arrangement under the laws of the province of British Columbia (the "**Arrangement**") involving the Company's continuation from the province of British Columbia under the name "Lithium Americas (Argentina) Corp." into Zug, Canton of Zug, Switzerland as a Swiss share corporation (*Aktiengesellschaft*) under the name "Lithium Argentina AG" and ceasing to be governed by the *Business Corporations Act* (British Columbia) ("**BCBCA**") resulting in the shareholders of the Company prior to the Arrangement continuing to hold all the issued and outstanding registered common shares ("**Shares**") of the Company following the Arrangement (the "**Continuation**").

PART I

Unless the context otherwise requires, as used in this annual report, the terms "Company," "we," "us," "our," and "Lithium Argentina" refer to Lithium Argentina AG and any or all of its subsidiaries.

Unless otherwise indicated, all references to "U.S. dollars," "dollars," "US$" and "$" in this annual report are to the lawful currency of the United States of America. References to Canadian dollars are referred to as "C$".

ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS

Not applicable.

ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE

Not applicable.

ITEM 3. KEY INFORMATION

A. [Reserved]

B. Capitalization and Indebtedness

Not applicable.

C. Reasons for the Offer and Use of Proceeds

Not applicable.

D. Risk Factors

An investment in the Company's securities should be considered as highly speculative given the current stage of the Company's business and development. Such an investment is subject to a number of risks at any given time. Below is a description of the principal risk factors affecting the Company. The risk factors set out below are not exhaustive and do not include risks the Company deems to be immaterial; however, even an immaterial risk has the potential to have a material adverse effect on the Company's financial condition, operating results, business or future prospects. Investors should carefully consider these risk factors, many of which are beyond the Company's control, together with other information set out in this annual report before investing in the Company's securities.

The following are risk factors that the Company's management believes are most important in the context of the Company's business. It should be noted that this list is not exhaustive and that other risk factors may apply.

The following are risk factors that the Company's management believes are most important in the context of the Company's business. It should be noted that this list is not exhaustive and that other risk factors may apply.

Additional risks are disclosed in the Company's other continuous disclosure documents which are available through the Company's profile on SEDAR+ at www.sedarplus.ca and EDGAR at the website of the SEC at www.sec.gov.

Risks Related to the Continuation

Please see section titled "*Explanatory Note*" of this annual report for a description of the Continuation of the Company from British Columbia, Canada into Zug, Canton of Zug, Switzerland.

The market for Shares of the Company incorporated under the laws of the Province of British Columbia may differ from the market for Shares of the Company existing under the Swiss Code of Obligations.

Although the Shares remain listed on the Toronto Stock Exchange ("**TSX**") and in the United States on the New York Stock Exchange ("**NYSE**") following the completion of the Continuation, the market prices, trading volume and volatility of the Shares could be different from what it has been historically pre-Continuation. We cannot predict what effect, if any, the completion of the Continuation may have on the market price prevailing from time to time or the liquidity of the Shares.

The potential benefits from the Continuation are not guaranteed.

The Company anticipates that several potential benefits will result from the Continuation. However, these potential benefits are not guaranteed. The Company may not realize benefits from being domiciled in Zug, Canton of Zug, Switzerland and other foreign tax, business and regulatory environments. As a result, the Company may not experience any competitive advantages from the Company. In addition, the Company process will result in expenses to the Company.

The Company will incur increased costs as a result of operating as a reporting company that is no longer MJDS eligible with the Continuation.

The Company was eligible under the multijurisdictional disclosure system ("**MJDS**") to publicly offer securities in the United States by using a prospectus that is prepared principally in accordance with Canadian disclosure requirements, and to substantially satisfy U.S. periodic reporting obligations by using Canadian continuous disclosure documents under the cover of an applicable SEC form. The Continuation resulted in the Company ceasing to be MJDS eligible and means that, subject to certain exceptions, the Company would need to satisfy both Canadian and U.S. disclosure requirements going forward including, but not limited to, compliance with both the Canadian National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* (**"NI 43-101"**) and the SEC's Subpart 1300 of Regulation S-K regimes ("**S-K 1300**") with respect to mineral property disclosure, and the review of prospectuses in certain circumstances by both the SEC and Canadian regulators.

The Company may be required to comply with Rule 3-09 of Regulation S-X, which includes a requirement to file additional financial statements ("Regulation S-X Financial Statements"). There is risk that the Company may not be able to timely file such Regulation S-X Financial Statements or issues may arise in the audits of any Regulation S-X Financial Statements that would indicate problems with the Company's financial statements.

If the Company is required to provide Regulation S-X Financial Statements and is unable to do so, it may cause the Company to no longer be deemed timely and current with its SEC reporting obligations. In such event, we could become ineligible to use certain registration statements. In addition, the SEC may not declare effective any registration statement that we file in connection with an offering that requires the Regulation S-X Financial Statements to be included. Any resulting inability to complete a registered offering may materially adversely impact the Company's business, liquidity position, growth prospects, financial condition and results of operations.

The Company will incur increased costs as a result of the need to comply with certain Swiss corporate laws and other applicable financial reporting rules and regulations and other requirements of the SEC, NYSE and TSX following the completion of the Continuation.

After the Continuation, the Company is required to comply with certain Swiss corporate law requirements and reporting, disclosure control and other applicable obligations under, without limitation, Canadian and U.S. securities laws. As a result of the Continuation, the Company will likely incur higher legal, accounting and other expenses, and these expenses may increase in the future to comply with such requirements. The Company's management and other personnel will also need to devote a substantial amount of time to these compliance requirements, while at the same time remaining focused on the Company's existing operations and business growth. This in turn could have a material adverse impact on the Company's business prospects, results of operations and financial condition.

Risks Related to the Company's Operations and Projects

The Company's co-ownership of Cauchari-Olaroz may result in delays in decision making and disagreement between the parties, which could affect its business, financial condition and results of operations

The Company holds a 44.8% interest in Cauchari-Olaroz, which it co-owns with Ganfeng Lithium Co., Ltd. ("**Ganfeng**") who holds a 46.7% interest, with Jujuy Energía y Minería Sociedad del Estado ("**JEMSE**") holding an 8.5% interest pursuant to an option agreement (the "**JEMSE Option Agreement**"). The Company's operations related to Cauchari-Olaroz are conducted in Argentina through its equity investees, Minera Exar S.A. ("Exar") and Exar Capital, B.V. ("Exar Capital"), which are governed by a shareholders' agreement between the Company and Ganfeng. The Company and Ganfeng collectively own 91.5% of Exar (and thus Cauchari-Olaroz, with the remaining 8.5% owned by JEMSE) and 100% of Exar Capital (a Netherlands entity that provides funding to Exar). These arrangements are subject to the risks normally associated with the conduct of joint ownership structures. These include the following: disagreements between the parties as to project development and operating matters; the inability of any or both parties to meet contractual obligations under the relevant agreements, such as funding requirements, or to third parties; and disputes or litigation between the parties regarding budgets, development activities, reporting requirements and other matters. The occurrence of any such matters could have a material adverse impact on the Company and the viability of its interests in Cauchari-Olaroz, Exar, the operating company for Cauchari-Olaroz, and other subsidiaries through which the Company holds and funds its interest in the project. This in turn could have a material adverse impact on the Company's business prospects, results of operations and financial condition.

Although the Company reached an agreement with Ganfeng for fulsome minority protections under the Amended Shareholders Agreement (defined below) such that various significant business decisions will require the Company's consent, there may be circumstances where Ganfeng could make decisions that the Company disagrees with, or that could materially adversely affect the Company.

Producing lithium carbonate that does not meet battery-grade specifications could could affect its business, financial condition and results of operations

Cauchari-Olaroz is designed to produce battery-grade lithium carbonate. This requires sensitive chemical processing that can be difficult to produce on a commercial scale and involves additional complexities compared to the commissioning process for other types of mineral production operations. There can be substantial price differentials for lithium products that meet battery-grade specifications and those that do not. If Cauchari-Olaroz is unable to commercially produce lithium carbonate to a purity and performance level that meets the specifications of its customers, this could affect its business, financial condition and results of operations.

The location of Cauchari-Olaroz presents unique challenges that require specialized functions to complete the process. These complexities may result in unforeseen operational risks that could affect its business, financial condition and results of operations

Cauchari-Olaroz is located at 3,800 m above sea level, and its process relies on natural phenomena for the concentration of the brine. The Mineral Resource and Mineral Reserve estimates are based on limited data based on wide-spaced drilling that may not be representative of the deposit locally or in total. Lithium brine reservoirs are dynamic systems that may behave differently from what was modeled. Natural seasonal variation in climatic conditions can result in brine composition changes, and the productivity of the concentration process. Careful management through on-going monitoring of current conditions and forecasting based on historical data and ranges is used to manage the impact of seasonality and climate change on brine concentration levels.

The production operation requires multiple specialized functions and management of operating risk for the successful ramp-up, operation and maintenance of the site. Pond harvesting operations will allow for continued operations of the ponds and improved recovery but can result in damage to the pond systems. The lithium carbonate plant uses flammable solvents and natural gas for certain utilities and process operations. The risks associated with utilities and processing methods could result in loss of operating volume. The ramp-up of operations at site has an elevated risk versus normal operations. Additional support from equipment vendors, specialists, operating reviews and first-response training are being used to manage that risk, nevertheless to the extent that these risks are realized it would result in decreased performance of the project and reduce the financial return from the operation.

The Company's project development plans for Pastos Grandes are subject to significant risks and uncertainties

The Company's business strategy depends in part on developing the Pastos Grandes lithium brine mineral project located in the Province of Salta in Northwest Argentina (the "**Pastos Grandes Project**" or "**Pastos Grandes**") into a commercially viable operation. Whether a mineral deposit will be commercially viable depends on numerous factors, including: the attributes of the deposit, such as size and grade; proximity to available infrastructure; economics for new infrastructure; market conditions for battery-grade lithium products; processing methods and costs; and government permitting and regulations.

In connection with the acquisition by Ganfeng of $70 million in newly issued shares of Proyecto Pastos Grandes S.A. ("**PGCo**"), the Company's wholly-owned Argentinian subsidiary holding the Pastos Grandes Project, representing a 14.9% interest in PGCo and Pastos Grandes, with the Company retaining an 85.1% control interest (the "**Pastos Grandes Transaction**"), the Company also announced that Ganfeng, with support of the Company, it is advancing the preparation of a regional development plan for the Pastos Grandes basin, which includes the Pastos Grandes and the Sal de la Puna projects and Ganfeng's adjacent Pozuelos project in Argentina. There is no assurance that a development plan involving the Pastos Grandes Project will be completed on time, and that such development plan will be commercially viable. A regional development plan requires the successful negotiation of a joint venture and there is no assurance that the parties will successfully negotiate a joint venture for the regional development of the Pastos Grandes basin.

Even if the Pastos Grandes Project was determined to be commercially viable, there are many additional factors that could impact the project's development, including terms and availability of financing, cost overruns, litigation or administrative appeals concerning the project, delays in development, and any permitting changes, among other factors. The Pastos Grandes Project is also subject to the development and operational risks described elsewhere in this annual report. Accordingly, If the Company is unable to develop the Pastos Grandes Project into a commercial operating mine, its business and financial condition could be materially adversely affected.

Volatility of world chemical prices and changes in global production capacities and supply and global demand could affect the Company's business, financial condition and results of operations.

The prices of the Company's product, lithium carbonate, are determined principally by world prices, which have been subject to substantial volatility in recent years. Lithium carbonate prices vary depending upon the relationship between supply and demand at any given time. Supply and demand dynamics are tied to a certain extent to global economic cycles, and have been impacted by current global economic conditions. The supply of lithium carbonate products varies principally depending on the production of other producers, and their respective business strategies.

Furthermore, the market price of these products fluctuates widely and is affected by numerous other factors beyond the Company's control, including, pricing characteristics for alternate energy sources such as oil and gas, government policy and laws, interest rates, the rate of inflation and the stability of currency exchange rates, and other geopolitical and global economic factors. Such external economic factors are influenced by changes in international investment patterns, various political developments and macro-economic circumstances.

Lithium prices have been volatile over the last several years, and have decreased significantly in 2023 and 2024 from their highs in 2022. The Company may not be able to effectively mitigate against pricing risks for its products. Depressed pricing for the Company's products will affect the level of revenues expected to be generated by the Company, which in turn could have a material adverse impact on the Company's business prospects, results of operations and financial condition, and could affect the value of the Company, its share price and the potential value of its properties.

The future production of the Company's current operations and future projects cannot be predicted and may not align with the projections in the Company's technical reports.

This annual report and the Company's technical reports contain estimates relating to future production and future production costs for the Company's projects. No assurance can be given that production estimates will be achieved generally or at the stated costs. These production estimates are dependent on, among other things, the accuracy of Mineral Resource and Mineral Reserve estimates, the accuracy of assumptions regarding ore grades and recovery rates, ground conditions, physical conditions of ores, assumed metallurgical characteristics and the accuracy of estimated rates and costs of mining and processing. The failure of the Company to achieve production estimates could have a material and adverse effect on any or all of its cash flows, profitability, results of operations and financial condition.

The Company's operations may be impacted by worldwide armed conflicts, tariffs and inflation.

The residual effects of armed conflicts (including the Russian war in Ukraine, the war in Gaza and instability in the Middle East), tariffs, inflation and other factors continue to impact global markets and cause general economic uncertainty, the impact of which may have a significant adverse effect on the Company's operations, business and financial condition.

These concerns, together with concerns over general global economic conditions, fluctuations in interest and foreign exchange rates, stock market volatility, geopolitical issues, armed conflicts (including the wars in Ukraine and Gaza, and instability in the Middle East), tariffs and inflation have contributed to increased economic uncertainty and diminished expectations for the global economy. This global economic uncertainty may have a material adverse effect on the Company's operations, business and financial condition.

Concerns over global economic conditions may also have the effect of heightening many of the other risks described herein, including, but not limited to, risks relating to: fluctuations in the market price of lithium-based products, the continued operation of Cauchari-Olaroz and the development of the Company's other projects, the terms and availability of financing, supply chain constraints and cost overruns, geopolitical concerns, tariff wars, and changes in law, policies or regulatory requirements.

General inflationary pressures may also affect the Company's labour, commodity, and other input costs at operations. For example, in 2024, inflation in Argentina was 117.8%. While the Company attempts to manage the impacts of inflation through various mechanisms, there can be no assurance that these or other measures will be able to mitigate these impacts. This may have a materially adverse effect on the Company's financial condition, results of operations and capital expenditures for the development of its projects.

The Company's method of calculating capital resources, operating cost estimates, and project economics may be unreliable based on the macro-economic factors for Cauchari-Olaroz

The Company's expected operating and other costs for Cauchari-Olaroz are based on the interpretation of geological and metallurgical data, feasibility studies, economic factors, anticipated climatic conditions and other factors that may prove to be inaccurate, in addition to limited and volatile actual cost and project economics data from the operations ramp up. Therefore, the Company's cost estimates contained herein and, in the Company's, technical reports may prove to be unreliable if the assumptions or estimates do not reflect actual facts and events. The Company estimates sustaining capital for Cauchari-Olaroz based on equipment and fixed assets' operational manuals, maintenance schedules and accumulated history of operating similar assets, but any of the following events, among other events and uncertainties, could affect the ultimate accuracy of such estimates: unanticipated changes in concentration or grade and volume of lithium metal to be extracted and processed; inaccurate or incomplete data on which engineering and processing assumptions are made; delay in wellfield development schedules; the accuracy of equipment cost estimates; labour and labour rate negotiations; changes in government regulation (including regulations regarding prices, costs of contractors, permitting and restrictions on production quotas on exportation of minerals); and macro-economic factors including (but not limited to) foreign exchange rates and inflation. In addition, information contained in the report titled "S-K 1300 Technical Report - Operational Technical Report at the Cauchari-Olaroz Salars, Jujuy Province, Argentina" effective December 31, 2024 ("**Cauchari TRS**"), including (but not limited to) mineral extraction, processing and recovery operations, projected costs, and project economics for Cauchari-Olaroz (including, for greater certainty, revenue, net present value, cash flow, earnings and payback period) are presented as of the date of the Cauchari TRS based on criteria, assumptions, estimates and other information available at the time and therefore may not reflect actual results and outcomes, updated project economics, capital costs and/or operating costs for the project. As a result, actual results may differ from those presented.

The impact of political, regulatory, design, construction, labour, operating, technical and technological risks on the Company's acquisitions, integration and disposition of projects could affect its business, financial condition and results of operations

From time to time the Company examines opportunities to acquire and/or develop new lithium projects, assets and businesses, including the acquisitions of Millennial Lithium Corp. (now Millennial Lithium B.V.) ("Millennial Lithium") and Arena Minerals Inc. (now Arena Mineral Holdings B.V.) ("**Arena Minerals**"). Any acquisition and/or development that the Company may choose to complete may be of a significant size, may change the scale of the Company's business and operations, and may expose the Company to new geographic, political, operating, financial, geological, integration and regulatory risks. The Company's success in its acquisition and/or development activities depends on its ability to identify suitable acquisition candidates, negotiate acceptable terms for any such acquisition or development, and integrate the acquired operations successfully with those of the Company.

Any acquisitions and/or developments would be accompanied by risks, including the particular attributes of the Mineral Resources and Mineral Reserves and the political, regulatory, design, construction, labour, operating, technical, and technological risks associated with the acquisition target, as well as uncertainties relating to the availability and cost of capital, future lithium prices, and foreign currency rates. Furthermore, there may be a significant change in commodity prices after the Company has committed to complete the transaction and established the purchase price or exchange ratio, available Mineral Resources and Mineral Reserves may prove to be below expectations, the Company may have difficulty integrating and assimilating the operations and personnel of any acquired companies, realizing anticipated synergies and maximizing the financial and strategic position of the combined enterprise, and maintaining uniform standards, policies and controls across the organization, the integration of the acquired business or assets may disrupt the Company's ongoing business and its relationships with employees, customers, suppliers and contractors, and the acquired business or assets may have unknown liabilities which may be significant. The integration of acquired businesses may require substantial management effort, time and resources and may divert management's focus from other strategic opportunities and operational matters.

In the event that the Company chooses to raise debt capital to finance any such acquisition or development, the Company's leverage will be increased. If the Company chooses to use equity as consideration for such acquisition or development, existing shareholders may experience dilution. Alternatively, the Company may choose to finance any such acquisition or development with its existing resources, which will limit the Company's ability to invest such resources in its existing business.

There can be no assurance that the Company would be successful in overcoming these risks or any other problems encountered in connection with such acquisitions or developments.

As a result of its acquisitions, the Company has assumed liabilities and risks. While the Company conducts due diligence with respect to acquisitions of businesses and assets, there may be liabilities or risks, including liabilities related to the prior operation of the business acquired, that the Company failed, or was unable, to discover in the course of performing its due diligence investigations, which may be significant. Any such liabilities, individually or in the aggregate, could have a material adverse effect on the Company's business, financial condition and results of operations.

If the Company decides to sell certain assets or projects, it may encounter difficulty in finding buyers or executing alternative exit strategies on acceptable terms in a timely manner, which could delay the accomplishment of its strategic objectives. For example, delays in obtaining tax rulings and regulatory approvals or clearances, and disruptions or volatility in the capital markets may impact the Company's ability to complete proposed dispositions. Alternatively, the Company may dispose of a business at a price or on terms that are less than it had anticipated. After reaching an agreement with a buyer or seller for the disposition of a business, the Company may be subject to necessary regulatory and governmental approvals on acceptable terms as well as satisfaction of pre-closing conditions, which may prevent the Company from completing the transaction. Dispositions may impact the Company's production, mineral reserves and resources and its future growth and financial conditions. Despite the disposition of divested businesses, the Company may continue to be held responsible for actions taken while it controlled and operated the business. Dispositions may also involve continued financial involvement in the divested business, such as through continuing equity ownership, guarantees, indemnities or other financial obligations. Under these arrangements, performance by the divested businesses or other conditions outside the Company's control could affect its future financial results.

The Company may not be able to maintain permits due to various factors such as changes in the mine plan or changes in regulatory processes.

Although the Company has obtained all key permits for the development and production of Cauchari-Olaroz and for exploration activities with respect to the Pastos Grandes Project, there can be no certainty that current permits will be maintained, permitting changes such as changes to the mine plan or increases to planned capacity will be approved, or additional local, state or provincial permits or approvals required to carry out exploration, development and production at Cauchari-Olaroz and the Pastos Grandes Project will be obtained, projected timelines for permitting decisions to be made will be met, or the projected costs of permitting will be accurate. In addition, there is the risk that existing permits will be subject to challenges of regulatory administrative process, and similar litigation and appeal processes. Litigation and regulatory review processes can result in lengthy delays, with uncertain outcomes. Such issues could impact the expected development timelines of the Company's projects and consequently have a material adverse effect on the Company's prospects and business.

There may be risks associated with political tensions and the dependency on global supply chains to conduct the Company's operations because lithium is a critical mineral globally.

The Company's business is international in scope, with its incorporating jurisdiction and head office located in Switzerland, stock exchange listings in Canada and the United States, its projects located in Argentina, its interests in the projects held through intermediary jurisdictions and with Ganfeng, its partner for Cauchari-Olaroz, Pastos Grandes and Sal de la Puna, and a significant shareholder of the Company, based in China. Changes, if any, in mining, investment or other applicable policies or shifts in political attitude in any of the jurisdictions in which the Company (and in respect of Cauchari-Olaroz, Pastos Grandes and Sal de la Puna, Ganfeng) operates, or towards such political jurisdictions, may adversely affect the Company's operations or profitability and may affect the Company's ability to fund its ongoing expenditures at its projects. Further, in recent years there has been a substantial increase in political tensions among many jurisdictions. This political tension is particularly acute in respect of lithium, which has been identified as a 'critical mineral' in these jurisdictions and is the subject of increasingly active industrial policy.

More specifically, as a result of increased concerns around global supply chains, the lithium industry has become subject to increasing political involvement, including in the United States, Canada and Argentina. This reflects the critical role of lithium as an input in the development of batteries for the burgeoning transition to electric vehicles in the automotive industry, combined with worldwide supply constraints for lithium production and geopolitical tensions between Western countries such as the United States and Canada on the one hand and China on the other, arising from the dominant role of China in the production of inputs for the battery industry. The resulting political involvement appears to be evolving into a form of industrial policy by several governments, including those of Canada and the United States, in which they employ steps to encourage the development of domestic supply such as tax incentives and low-interest loans to domestic and other Western actors, as well as undertake steps to discourage the involvement of actors from non-Western countries, including the expansion of legal oversight and an expansion of the scope of discretionary authority under laws and regulations to impose restrictions on ownership, influence and investment. These factors may be of particular relevance to the Company, with its connection to Canada and the United States through its stock exchange listings, shareholder base and board composition, while at the same time having a historical and continuing connection with Chinese-based Ganfeng as a financier and partner (and historically, as large shareholder).

In order to successfully manage and advance two major lithium projects concurrently, the Company must rely on a number of factors such as managing competing demands for time, resources, finances, and personnel.

The Company is concurrently overseeing the advancement of two major lithium projects, including the co-owned Cauchari-Olaroz Operation, which has entered commercial production and that the Company's management oversees through its participation on the Cauchari-Olaroz Shareholders Committee, and the Pastos Grandes Project, that is in the development planning stage. The work to advance these projects requires the dedication of considerable time and resources by the Company and its management team. The advancement of several major resource projects concurrently brings with it the associated risk of strains arising on managerial, human and other resources. The Company's ability to successfully manage each of these processes will depend on a number of factors, including its ability to manage competing demands on time and other resources, financial or otherwise, and successfully retain personnel and recruit new personnel to support its growth and the advancement of its projects.

There is uncertainty in the long-term growth of the lithium market, which may have a negative effect on the Company and its projects.

Lithium operations at Cauchari-Olaroz and development of the Company's other projects, including the Pastos Grandes Project are highly dependent upon the currently projected demand for and uses of lithium-based end products. This includes lithium-ion batteries for electric vehicles and other large format batteries that currently have limited market share and whose projected adoption rates are not assured. To the extent that such markets do not develop in the manner contemplated by the Company, then the long-term growth in the market for lithium products will be adversely affected, which would inhibit the potential for ramp-up and/or development (as the case may be) of the projects, their potential commercial viability and would otherwise have a negative effect on the business and financial condition of the Company. In addition, as a commodity, lithium's demand is subject to the substitution effect in which end-users adopt an alternate commodity as a response to supply constraints or increases in market pricing. To the extent that these factors arise in the market for lithium, it could have a negative impact on overall prospects for growth of the lithium market and pricing, which in turn could have a negative effect on the Company and its projects.

The Company operates in emerging markets, which exposes it to economic risks such as high rates of inflation, social and labour unrest, and fluctuations in the currency exchange rates, which could affect its business, financial condition and results of operations.

The Company's interest in projects located in Argentina, including its 44.8% interest in Exar and its 85.1% interest in the Pastos Grandes Project expose it to risks associated with operating in an emerging market. Investments in emerging markets generally pose a greater degree of risk than investments in more mature market economies because the economies in the developing world are more susceptible to destabilization resulting from domestic and international developments. The Company's interest in projects located in Argentina expose it to heightened risks related to prevailing political and socioeconomic conditions in Argentina, which have historically included, but are not limited to: high rates of inflation; military repression; social and labour unrest, opposition or blockades; violent crime, sabotage, fraud, theft and vandalism; civil disturbance; extreme fluctuations in currency exchange rates; expropriation and nationalization; renegotiation or nullification of existing concessions, licenses, permits and contracts; ability of governments to unilaterally alter agreements; government imposed local contracting and purchase laws, including laws establishing, among other things, profit margins, production quotas, maximum and minimum price levels and the ability to confiscate merchandise in certain circumstances; changes in taxation policies (as described elsewhere in this annual report), practices, regulations and laws and the application thereof; underdeveloped industrial and economic infrastructure; surface land access issues; unenforceability of contractual rights; restrictions on foreign exchange and repatriation; governmental imposed controls and restrictions in response to pandemics; and changing political norms, currency controls and governmental regulations that favour or require the Company to award contracts in, employ citizens of, or purchase supplies from, a particular jurisdiction. As an example, in May 2012, the then-government of Argentina re-nationalized YPF, the country's largest oil and gas company. The occurrence of any such events may adversely affect the Company's viability and financial condition. There can be no assurance that further nationalizations of private businesses operating in the country will not occur. The Company has not purchased any "political risk" insurance coverage and currently has no plans to do so.

Argentine regulators have broad authority to shut down and/or levy fines against operations that do not comply with regulations or standards. In addition to factors such as those listed above, the Company's development and mining activities in Argentina may also be affected in varying degrees by government regulations with respect to restrictions on production, price controls, foreign exchange controls, export controls, taxes, royalties, environmental legislation and mine safety. In September 2019, the government of Argentina introduced a series of capital controls and foreign exchange regulations. To date, these controls and regulations have included, but are not limited to, requirements for proceeds of exports to be repatriated at the applicable exchange rate; restrictions on payments of dividends without the approval of the Central Bank of Argentina; and restrictions on debt from foreign lenders, unless such debt is brought into Argentina at the applicable exchange rate. Such existing controls could be increased or expanded from time to time, or new, more onerous regulations could be introduced at any time. Historically, such capital controls and foreign exchange regulations have had broad impact, including limitations on imports, and at times, nationalization of privately-held businesses. Regardless of the economic viability of the properties in which the Company holds an interest, and despite being beyond the Company's control, such factors thus may prevent or restrict mining of some or all of any deposits which the Company may find on its properties. In addition, the aforementioned controls and regulations may restrict the Company's movement of intercompany funding and payments to foreign suppliers at the Argentinean subsidiary level, which could adversely affect the Company's ability to repatriate any profits.

Government authorities in emerging market countries often have a high degree of discretion and at times appear to act selectively or arbitrarily, without hearing or prior notice, and sometimes in a manner that may not be in full accordance with the law or that may be influenced by political or commercial considerations. Unlawful, selective or arbitrary governmental actions could include denial or withdrawal of licences, sudden and unexpected tax audits, forced liquidation, criminal prosecutions and civil actions. Although unlawful, selective or arbitrary government action may be challenged in court, any such action, if directed at the Company or its shareholders, could have a material adverse effect on the Company's business, results of operations, financial condition and future prospects.

Companies operating in emerging markets are subject from time to time to the illegal activities of others, corruption or claims of illegal activities. Often in these markets the bribery of officials remains common, relative to developed markets. Social instability caused by criminal activity and corruption could increase support for renewed central authority, nationalism or violence and thus materially adversely affect the Company's ability to conduct its business effectively. Such activities have not had a significant effect on the Company's operations to date; however, there can be no assurance that they will not in the future, in which case regulators could potentially restrict the Company's operations or business, which could impact its financial condition, results of operations and future prospects. The Company's value and share price could also be adversely affected by the illegal activities of others, corruption or by claims, even if groundless, implicating the Company in illegal activities.

To manage the economic, political, legal, or social risks of operating in an emerging market, the Company continuously monitors the aforementioned factors by means of local management who also receive support from external service providers with relevant expertise and experience while dealing with these risks. Furthermore, the board of directors (the "**Board**") and the Company receive regular updates from local management and have an oversight role in order to ensure that these potential risks are efficiently addressed. Investors in emerging markets should be aware that these markets are subject to greater risk than more developed markets, including in some cases significant legal, fiscal, economic and political risks. Accordingly, investors should exercise particular care in evaluating the risks involved in an investment in the Company and must decide for themselves whether, in light of these risks, their investment is appropriate. Generally investing in emerging markets is suitable only for sophisticated investors who fully appreciate the significance of the risks involved.

The Company may face risks relating to the time and cost of construction, skilled labour, and mining supplies when engaging in new mining operations.

The Company is and will continue to be subject to all risks inherent with establishing new mining operations including: the time and costs of construction of mining and processing facilities and related infrastructure; the availability and costs of skilled labour and mining equipment and supplies; the need to obtain necessary environmental and other governmental approvals, licenses and permits, and the timing of the receipt of those approvals, licenses and permits; the availability of funds to finance construction and development activities; potential opposition from non-governmental organizations, indigenous peoples, environmental groups or local groups which may delay or prevent development activities; and potential increases in construction and operating costs due to various factors, including changes in the costs of fuel, power, labour, contractors, materials, supplies and equipment.

It is common in new mining operations to experience unexpected costs, problems and delays during construction, commissioning, mine start-up and ramp-up. In addition, delays in the early stages of mineral production often occur. Accordingly, the Company cannot provide assurance that it will achieve its targeted production quantities and/or qualities, or that its activities will result in profitable mining operations at its mineral properties.

The Company's current cost estimates may be inaccurate, which could affect its business, financial condition and results of operations.

Capital costs, operating costs, production and economic returns, and other estimates may differ significantly from those anticipated by the Company's current estimates, and there can be no assurance that the Company's actual capital, operating and other costs will not be higher than currently anticipated. The Company's actual costs and production may vary from estimates for a variety of reasons, including, but not limited to: lack of availability of resources or necessary supplies or equipment; tariffs; inflationary pressures flowing from global supply chain shortages and increased transportation costs due to pandemics, violent attacks on shipping vessels and other international events, which in turn are causing increased costs for supplies and equipment; increasing labour and personnel costs; unexpected construction or operating problems; cost overruns; lower than expected realized lithium prices; lower than expected mineral concentration or grade; revisions to construction plans; risks and hazards associated with mineral production; natural phenomena; floods; unexpected labour shortages or strikes; general inflationary pressures (such as those that would reduce the effective return of previous payments made by the Company related to Value Added Tax) and interest and currency exchange rates. Many of these factors are beyond the Company's control and could have a material adverse effect on the Company's operating cash flow, including the Company's ability to service its indebtedness.

The Company's operations are subject to hazards and risks normally incidental to the exploration for, and the development and operation of, mineral properties.

The Company has implemented comprehensive health and safety measures designed to comply with government regulations and protect the health and safety of the Company's workforce in all areas of its business. The Company also strives to comply with environmental regulations in its operations. Nonetheless, mineral exploration, development and exploitation involves a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Unusual or unexpected formations, formation pressures, fires, power outages, shutdowns due to equipment breakdown or failure, aging of equipment or facilities, unexpected maintenance and replacement expenditures, human error, labour disruptions or disputes, inclement weather, higher than forecast precipitation, flooding, shortages of water, explosions, releases of hazardous materials, deleterious elements materializing in mined resources, tailings impoundment failures, cave-ins, slope and embankment failures, landslides, earthquakes, industrial accidents and explosions, protests and other security issues, and the inability to obtain adequate machinery, equipment or labour due to shortages, strikes or public health issues such as pandemics, are some of the risks involved in mineral exploration and exploitation activities, which may, if as either a significant occurrence or a sustained occurrence over a significant period of time, result in a material adverse effect. The Company expects to rely on third-party owned infrastructure in order to successfully develop and operate its projects, such as power, utility and transportation infrastructure. Any failure of this infrastructure without adequate replacement or alternatives may have a material impact on the Company.

There are also operational risks particular to production levels at Cauchari-Olaroz. Similar to solid rock deposits, production from brine-recovery projects may be less than in situ volume or grade-based estimates. In the case of brine-recovery projects, the primary extractability limitations are related to low permeability zones, from which brine does not readily flow. A possible analogy in solid rock deposits may be high grade zones for which recovery is not economically feasible due to surrounding lower grade materials. As such, actual production from brine-recovery projects may be less than in situ grades or quantities.

Changes to government laws and regulations may affect the development and operation of the Company's projects.

Changes to government laws and regulations could include laws relating to taxation, royalties, the repatriation of profits, restrictions on production, export controls, environmental, biodiversity and ecological compliance, mine development and operations, mine safety, permitting and numerous other aspects of the business.

Provincial governments of Argentina have considerable authority over exploration and mining in their province, and there are Argentine provinces where the provincial government has taken an anti-mining stance by passing laws to curtail or ban mining in those provinces. The Company believes the current provincial governments of Jujuy Province, where Cauchari-Olaroz is situated, and of Salta Province, where the Pastos Grandes Project is located, are supportive of the exploration and mining industry generally, and Cauchari-Olaroz and Pastos Grandes Project in particular. JEMSE, the Jujuy government's mining company, acquired an 8.5% equity interest in Exar in April 2021 pursuant to the JEMSE Option Agreement, and is to pay for this interest from future dividends payable to JEMSE by Exar. The JEMSE 8.5% interest fulfils an obligation on lithium projects to contribute to the general development of the Province of Jujuy, which is required by Province of Jujuy Decree-Agreement 7592 and ancillary provincial regulations. Nevertheless, the political climate for mineral development can change quickly, and there is no assurance that such sentiments will continue in the future.

In Argentina, Javier Milei won the presidential election in November 2023 and took office on December 10, 2023. His agenda includes labour and tax reforms, the privatization of major state-owned companies, capital control reforms and the dollarization of the economy. While general market sentiment with respect to the changes Mr. Milei has implemented has been positive, these and other policy changes, to the extent they are fully implemented, may cause significant volatility in the political, regulatory and economic environment and may adversely impact the Company's operations and financial condition and accuracy of cost estimates and economic analysis of the Company's projects. Changes to existing mining policies, water use and ownership rights and royalties or other taxation levels, even if seemingly minor in nature, may adversely affect the Company's operations, plans and financial condition.

The Company's business operations and transactions are subject to regulatory oversight, which may result in additional regulatory approvals or imposition of orders, restrictions, conditions or sanctions.

The Company has experienced and will experience heightened incidences of government-related regulatory oversight in respect of its business operations and transactions, which it believes is attributable in large part to government policy toward the critical minerals sector, geopolitical competition among Western and non-Western governments and the multijurisdictional nature of the Company, including in particular the interconnections between Chinese and Western ownership and commercial arrangements. Regulatory oversight to which the Company is or may in the future become subject, including in connection with matters related to government policy toward the critical minerals sector, may result in, among other things, the need for the Company to obtain any required regulatory approvals, as well as the imposition of orders, restrictions, conditions or sanctions on the Company that disrupt the conduct of its current or proposed future business and operations, such as the required divestiture of assets, limitations on business operations, limitation on business and other commercial relationships with third parties and other measures. Many of these matters are outside the control of the Company and there can be no certainty that any required regulatory approvals will be received or as to the nature and extent of any orders, restrictions, conditions or sanctions that may be imposed on the Company and the effect such orders, restrictions, conditions or sanctions may have on the business, operations, assets, business relationships and other commercial relationships, financial condition and prospects of the Company.

The Company is subject to environmental regulations in Argentina, which are evolving and may be more stringent in terms of enforcement, fines and penalties for non-compliance, resulting in increased costs and environmental liability.

The Company must comply with stringent environmental regulation in Argentina. Such regulations relate to many aspects of the Company's project operations, including but not limited to water usage and water quality, air quality and emissions, reclamation requirements, biodiversity such as impacts on flora and fauna, disposal of any hazardous substances and waste, tailings management and other environmental impacts associated with its development and proposed operating activities.

Environmental regulations are evolving in a manner that is expected to require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. Applicable environmental laws and regulations may require enhanced public disclosure and consultation. It is possible that a legal protest could be triggered through one of these requirements or processes that could delay development activities. No assurance can be given that new environmental laws and regulations will not be enacted or that existing environmental laws and regulations will not be applied in a manner that could limit or curtail the Company's development programs. Such changes in environmental laws and regulations and associated regulatory requirements could delay and/or increase the cost of exploration, development and operation of the Company's projects, or increase the risk of environmental liability associated with project operations. This in turn could have a material adverse effect on the Company's business and operations.

Failure to manage tailings could result in restriction of the Company's operations, increases in remediation and compliance costs, and investigations by regulatory authorities.

Tailings are generally a potential environmental risk for mineral development and operating mining companies. Tailings are the materials remaining after a target mineral, such as lithium, is extracted from the ore. Tailings management is subject to regulatory requirements and industry best practice standards, as there are a number of environmental risks and water usage requirements associated with them. Given the locations of the Company's properties, which are in arid, generally flat, and less populated regions of Argentina, and the design of the mine plans and processes to manage waste and water for the Cauchari-Olaroz Operation, in particular, the Company believes that many of the risks associated with tailings management will be mitigated for the projects.

At the Cauchari-Olaroz Operation, the tailings consist of salt harvested from the evaporation ponds and process facility. These salts are dry from the harvesting process and the plant process. Tailings generated at Cauchari-Olaroz will be filtered and dry-stacked, which generally has fewer risks and environmental impacts than other tailings management methods. Nonetheless, risks associated with tailings cannot be completely eliminated. Certain risks such as the potential failure of water diversion and water impoundment structures, a weather event exceeding the capacities of water diversion and water impoundment structures, and the failure of the dry-stack impoundments will continue to exist. The occurrence of any of these events, some of which are heightened risks given the potential effects of climate change, could result in significant impacts to property and the environment. This in turn could restrict operations, result in additional remediation and compliance costs, trigger investigations by regulatory authorities, and have a material adverse effect on the Company's planned operations and financial condition.

The Company is subject to many operating and other risks for which it may not be fully covered under its insurance policies.

In the course of exploration, development and production of mineral properties, certain risks, and in particular, risks related to operational and environmental incidents may occur. Although the Company maintains insurance to protect against certain risks associated with its business, insurance may not be available to insure against all such risks, or the costs of such insurance may be uneconomic. The Company may also elect not to obtain insurance for other reasons. Insurance policies maintained by the Company may not be adequate to cover the full costs of actual liabilities incurred by the Company, or may not be continued by insurers for reasons not solely within the Company's control. The Company maintains liability insurance in accordance with industry standards. However, losses from uninsured and underinsured liabilities have the potential to materially affect the Company's financial position and prospects.

The Company's property interests may be subject to prior unregistered agreements, transfers or other land claims, which could increase mineral tenure risks.

There can be no assurance of title to any of the Company's property interests, or that such title will ultimately be secured. The Company's property interests may also be subject to prior unregistered agreements or transfers or other land claims, and title may be affected by undetected defects and adverse laws and regulations. The Company must apply for and obtain approvals and permits from federal and state agencies to conduct exploration, development and mining on its properties. Although the Company has applied for and has received, or anticipates receipt of, such approvals and permits, there is no assurance that the Company's rights under them will not be affected by legislation or amendment of regulations governing the approvals and permits, or that applicable government agencies will not seek to revoke or significantly alter the conditions of the applicable exploration and mining approvals or permits, or that they will not be challenged or impugned by third parties.

The Company operates in a competitive and capital intensive industry, which may have a material adverse effect on the Company's operations and financial position.

The mining industry is competitive in all of its phases and requires significant capital, technical resources, personnel and operational experience to effectively compete. Because of the high costs associated with exploration, the expertise required to analyze a project's potential and the capital required to develop a mine, larger companies with significant resources may be in a position to compete for such resources and capital more effectively than the Company.

Competition is also intense for mining equipment, supplies, qualified service providers and personnel in all jurisdictions where the Company operates. If qualified expertise cannot be sourced and at cost effective rates in Argentina, Canada, Switzerland and the United States, the Company may need to procure those services elsewhere, which could result in additional delays and higher costs to obtain work permits, particularly in Argentina.

As a result of such competition, the Company may be unable to maintain or acquire financing, retain existing personnel or hire new personnel, or maintain or acquire technical or other resources, supplies or equipment, all on terms it considers acceptable to develop and operate its projects.

Failure to maintain health and safety standards could result in harm to the Company's reputation, operations and future prospects.

The mineral exploration, development and production business carries an inherent risk of liability related to worker health and safety, including the risk of government-imposed orders to remedy unsafe conditions, potential penalties for contravention of health and safety laws, requirements for permits and other regulatory approvals, and potential civil liability. Compliance with health and safety laws, and any changes to such laws, and the requirements of applicable permits and other regulatory requirements remains material to the Company's business. The Company may become subject to government orders, investigations, inquiries or other proceedings (including civil claims) relating to health and safety matters. The occurrence of any of these events or any changes, additions to or more rigorous enforcement of health and safety laws, permits or other approvals could have a significant impact on operations and result in additional costs or penalties. In turn, these could have a material adverse effect on the Company's reputation, operations and future prospects.

The speculative nature of the exploration and development may not align with the Mineral Resource and Mineral Reserve estimations, which may have a material adverse effect on the Company's operations and financial position.

Mineral Resources and Mineral Reserves figures disclosed in this annual report are estimates only. Estimated tonnages and grades or concentration may not be achieved if the projects are brought into production; differences in grades or concentration and tonnage could be material; and, estimated levels of recovery may not be realized. The estimation of Mineral Resources and Mineral Reserves carries with it many inherent uncertainties, of which many are outside the control of the Company. Estimation is by its very nature a subjective process, which is based on the quality and quantity of available data, engineering assumptions, geological interpretation and judgements used in the engineering and estimation processes. Estimates may also need to be revised based on changes to underlying assumptions, such as commodity prices, drilling results, metallurgical testing, production, and changes to mine plans of operation. Any material decrease in estimates of Mineral Resources or Mineral Reserves, or an inability to extract Mineral Reserves could have a material adverse effect on the Company, the economic analysis of its projects, its business, results of operations and financial position.

Any estimates of Inferred Mineral Resources included in this annual report are also subject to a high degree of uncertainty, and may require a significant amount of exploration work in order to determine if they can be upgraded to a higher confidence category.

The Company may face risks associated with project opposition, which could result in project delays or halts that may have a material adverse effect on the Company's operations and financial position.

The Company's projects, like many mining projects, may have opponents. Opponents of other mining projects have, in some cases, been successful in bringing public and political pressure against mining projects. Substantial opposition to any of the Company's mining projects could result in delays to developments, ramp-up or other plans, or prevent the project from proceeding at all, despite the commercial viability of the project.

The lack of water management regulations for the Cauchari and Olaroz Salars could have a material adverse effect on the Company's business.

The salars on which Cauchari-Olaroz is situated, and other salars at which the Company holds mining and exploration permits in Argentina, are not subject to brine management regulations, more specifically being general unitization or reservoir management rules. Unitization is the joint, coordinated operation of a reservoir by all owners of rights in the separate tracts overlying the reservoir. Without unitized operation of the reservoir, the "rule of capture" has the potential to result in competitive drilling, extraction and production with consequent economic and physical waste, as each separate owner attempts to secure his or her "fair share" of the underground resource by drilling more and pumping faster than its neighbor.

As a result, the brine management regulations on the salt lakes on which the Company operates may materially adversely affect the Company's operations and production in Argentina. Exar and Sales de Jujuy S.A. (a subsidiary of Rio Tinto) have entered into a joint operating protocol for the Olaroz and Cauchari Salars designed to coordinate the parties' activities in the area. The protocol has since been submitted to the applicable regulatory authority in the Province of Jujuy for approval as required by the parties' respective environmental permits.

Going forward, the availability of water and at cost effective pricing may become of increasing importance to the Company's operations and prospects, a risk that may be heightened by the potential effects of climate change, which could have a material adverse effect on the Company's business.

Failure to adhere to or maintain existing surface access agreements with local aboriginal communities may have material adverse effects on the Company's operations.

Exar has entered into agreements with local aboriginal communities for surface access rights to the exploitation areas of Cauchari-Olaroz. Should any of the aboriginal communities decide not to honour such agreements, Exar would be required to enforce its statutory access rights under the provisions of the Mining Code of Argentina; however, this would be a potentially disruptive and costly process. To date, there are settled agreements in place, which allow for development and operation of Cauchari-Olaroz, with all communities in the exploitation area necessary for gas and water pipeline construction and easements. Any non-adherence to the terms of such agreements by a contractual counterparty or failure to maintain existing agreements or to enter into any new, necessary agreements could impact the time and costs to develop and ramp-up Cauchari-Olaroz. All of this has the potential to have a material adverse effect on the projects, the Company's operations and its financial prospects.

Regulations and pending legislation governing issues involving climate change could result in increased operating and capital costs, which could have a material adverse effect on the Company's business.

The introduction of climate change legislation is an increasing focus of various levels of government worldwide, with emissions regulations and reporting regimes being enacted or enhanced, and energy efficiency requirements becoming increasingly stringent. The Company is committed to developing its business with a view to contributing to the low carbon economy. To that end, the Company has incorporated low carbon emissions in the design of its facilities at Cauchari-Olaroz. This includes incorporating sustainable energy sources and minimizing the use of non-renewable sources of energy to the extent that renewable sources are available with sufficient capacity, at cost effective pricing and that are complementary to the facilities and site design. However, the use of such low carbon technologies may be more costly in certain instances than non-renewable options in the near-term, or may result in higher design costs, long-term maintenance costs or replacement costs. Additionally, if the trend toward increasing regulations continues, the Company may face increasing operating costs at its projects to comply with these changing regulations.

Climate change risks also extend to the physical risks of climate change. These include risks of lower rainfall levels, reduction in water availability or water shortages, extreme weather events, changing temperatures, increased snowpacks, changing sea levels and shortages of resources. These physical risks of climate change could have a negative effect on the Company's project sites, access to local infrastructure and resources, and the health and safety of employees and contractors at the Company's operations. In addition, as Cauchari-Olaroz is dependent on water for production, any decrease in brine water in the region could have a material adverse effect on production levels. The occurrence of such events is difficult to predict and develop a response plan for that will effectively address all potential scenarios. Although the Company has attempted to design project facilities to address certain climate-related risks, the potential exists for these measures to be insufficient in the face of unpredictable climate related events. As such, climate related events have the potential to have a material adverse effect on the Company's operations and prospects.

Risks related to increasing climate change related litigation is another potential risk factor that may impact the Company's future prospects.

Risks Related to The Company's Business and Securities

The significant holdings of the Company's significant shareholders may create a risk of the Company's securities being less liquid and trading at a relative discount, which could have an adverse effect on the market price of the Shares.

General Motors Holdings LLC ("**GM**") and Ganfeng each hold approximately 9% of the outstanding Shares. Ganfeng is also a co-owner of Exar and Exar Capital, while GM possesses demand registration and piggy-back registration rights in respect of the Company pursuant to the Company's Investor Rights Agreement with GM.

For as long as GM and Ganfeng directly or indirectly hold a significant interest in the Company, GM and Ganfeng may, on their own, be in a position to affect the Company's operations and direction. In addition, as a result of GM's and Ganfeng's significant share holdings and GM's investor rights, each entity may have the ability to influence the outcome of corporate actions requiring shareholder approval, including the election of directors of the Company and the approval of certain corporate transactions. There is a risk that the interests of GM and/or Ganfeng may diverge from those of other shareholders and also discourage transactions involving a change of control, including transactions in which an investor, as a holder of the Company's securities, would otherwise receive a premium for the Company's securities over the then current market price. The significant holdings of GM and Ganfeng could also create a risk that the Company's securities are less liquid and trade at a relative discount compared to circumstances where GM and/or Ganfeng did not have the ability to influence or determine matters affecting the Company. Additionally, dispositions by significant shareholders could also have an adverse effect on the market price of the Shares.

The Company may not realize the intended benefits of the Separation Transaction.

Following the completion of the separation of ownership and operation of the North American business unit (now held by Lithium Americas Corp.) (the "**Separation Transaction**" or "**Separation**"), there remain risks associated with holding securities of the Company as an entity with an unproven track record on a standalone basis, and there can be no assurances as to the successful performance and operations or as to the financial condition of the Company as a separately traded public company, including in light of the reduced geographical and property portfolio diversification resulting from the Separation Transaction. In addition, there can be no certainty that the potential benefits of the Separation will be realized.

In connection with the Separation Transaction, the Company has applied for and obtained certain advance income tax rulings in Canada and the United States. The Canadian tax ruling requested from Canadian tax authorities and received on July 12, 2023 requires, among other things, that the transfer of the Distribution Property (as used herein "**Distribution Property**" means (i) all of the Company's shares of the 100%-owned Thacker Pass lithium project in Humboldt County, Nevada ("**Thacker Pass**"), (ii) the Company's receivable from Thacker Pass, (iii) all of the Company's shares of Green Technology Metals Limited; (iv) all of the Company's shares of Ascend Elements, Inc., (v) the portion of the Company's workforce in-place that will become directors, officers and employees of Lithium Americas Corp., (vi) the "Lithium Americas" business name, all intellectual property rights related thereto, and all associated stationery, logos, signage and domain names, (vii) the lithium offtake agreement dated February 16, 2023 between the Company and GM, (viii) the balance of the net proceeds of the Tranche 1 subscription price, and (ix) an amount of cash to establish sufficient working capital of Lithium Americas Corp. to comply with all requirements of the public company "butterfly" rules in section 55 of the *Income Tax Act* (Canada) (the "**Tax Act**"). Although the Separation Transaction was structured to comply with these rules, there are certain requirements of these rules that depend on events occurring after the Separation Transaction is completed or that may not be within the control of the Company and/or Lithium Americas Corp. For example, under section 55 of the Tax Act, the Company and/or Lithium Americas Corp. will recognize a taxable gain on the transfer by the Company of the Distribution Property if: (i) a "specified shareholder" of the Company or of Lithium Americas Corp. disposes of Company or Lithium Americas Corp. shares (or property that derives 10% or more of its fair market value from such shares or property substituted therefor) to an unrelated person or partnership as part of the series of transactions which includes the transfer by the Company of the Distribution Property, (ii) there is an acquisition of control of the Company or Lithium Americas Corp. that is part of the series of transactions that includes the transfer by Lithium Americas Corp. of the Distribution Property, (iii) a person unrelated to the Lithium Americas Corp. acquires (generally otherwise than as a result of a disposition in the ordinary course of operations of Lithium Americas Corp.), as part of the series of transactions that includes the transfer by Lithium Americas Corp. of the property acquired by Lithium Americas Corp. on the Separation Transaction that has a fair market value greater than 10% of the fair market value of all property received by Lithium Americas Corp. on the Separation, (iv) a person unrelated to the Company acquires (generally otherwise than as a result of a disposition in the ordinary course of operations of the Company), as part of the series of transactions that includes the transfer by Lithium Americas Corp. of the Distribution Property, property retained by the Company on the Separation Transaction that has a fair market value greater than 10% of the fair market value of all property retained by the Company on the separation, or (v) certain persons acquire shares of the Company (other than in specified permitted transactions) in contemplation of, and as part of the series of transactions that includes, the transfer by Lithium Americas Corp. of the Distribution Property. If these requirements are not met, the Company and/or Lithium Americas Corp. would recognize a taxable gain in respect of the transfer by the Company of the Distribution Property to Lithium Americas Corp. as part of the Separation Transaction. If incurred, these tax liabilities could be substantial and could have a material adverse effect on the financial position of the Company and/or Lithium Americas Corp. Under the terms of the tax indemnity and cooperation agreement entered into between the Company and Lithium Americas Corp. in connection with the Separation Transaction (the "**Tax Indemnity and Cooperation Agreement**"), the Company and Lithium Americas Corp. would generally be required to indemnify the other party for any such tax if it is the result of the indemnifying party (or its affiliates) breaching its covenant not to take any action, omit to take any action or enter into a transaction that could cause the Separation Transaction or any related transaction to be treated in a manner inconsistent with the Canadian tax ruling.

To preserve the intended U.S. tax treatment pursuant to the Separation Transaction, for a period of time following the completion of the Separation Transaction, the Company may be prohibited, except in specific circumstances, from taking or failing to take certain actions. The foregoing restrictions may limit for a period of time the ability of the Company to pursue certain strategic transactions or other transactions that it believes to be in the best interests of its shareholders or that might increase the value of its business.

Pursuant to the Tax Indemnity and Cooperation Agreement entered into between the Company and Lithium Americas Corp. in connection with the Separation Transaction, the parties agreed to a number of representations, warranties and covenants, including to indemnify and hold harmless the other party against any loss suffered or incurred resulting from, or in connection with, a breach of certain tax-related covenants. In addition, the Tax Indemnity and Cooperation Agreement contains certain customary covenants with respect to the filing of tax returns, payment of taxes, cooperation, assistance, document retention and certain other administration and procedural matters regarding taxes. Any indemnification claim against the Company could be substantial, may not be able to be satisfied and may have a material adverse effect upon the Company.

The **Separation Transaction**, resulted in reduced diversification of the Company which, in turn, increases its net exposure to risks associated with its Argentina assets and operating environment. It is common for new mining operations to experience unexpected costs, problems and delays during construction, commissioning, mine start-up and ramping-up of operations. Most, if not all, projects of this kind suffer delays or additional cost requirement during these periods due to numerous factors. Many of these risks are described elsewhere in this annual report. On a stand-alone basis following the Separation Transaction, the Company is not in a position to re-direct funds it has transferred to Lithium Americas Corp. as part of the Separation Transaction. Although the Company expects to retain sufficient funds to cover cost increases or delays in revenue generation from Cauchari-Olaroz, any unexpected material funding requirement, significant delay or decrease in lithium prices may require the Company to seek additional financing, which may not be available on attractive terms, if it all. Any of delays, additional costs or persistent downward pressure on lithium prices could result in changes to economic returns or cash flow estimates of the project or have other negative financial implications. There is no assurance that operating and sustaining costs of Cauchari-Olaroz will be consistent with the budget, or that its activities will result in profitable mining operations.

For additional information with respect to the Separation Transaction, including without limitation additional risks related thereto, please refer to the Company's management information circular dated June 16, 2023 available under its profile on EDGAR at the website of the SEC at www.sec.gov or under the Company's SEDAR+ profile at www.sedarplus.ca.

The Company has a history of negative operating cash flow and may continue to experience negative operating cash flow.

The Company anticipates it will continue to have negative cash flow from operating activities in future periods until profitable commercial production is achieved at Cauchari-Olaroz. Although the Company has cash on hand, the Company's ability to continue as a going concern and the depletion of its capital will be dependent upon its ability to generate profits from its proposed mining operations, or to raise capital through equity or debt financing or other means (including, without limitation, strategic transactions) to continue to meet its obligations and repay its liabilities arising from normal business operations when they come due.

The Company is subject to certain loan obligations under its existing debt agreements, which could have a material adverse effect on the Company if the Company were to fail to comply with such loan obligations.

The Company is subject to substantive loan obligations pursuant to the Convertible Notes and the Indenture governing their issuance. Such loan obligations entail certain financial, operating and reporting covenants that the Company is required to comply with. Many such covenants may increase the Company's administrative, legal and financial costs, and require certain permissions or approvals, or make certain activities more difficult, time-consuming or costly to engage in. This could result in increased demands on systems, resources and personnel.

The failure of the Company to comply with restrictions and covenants under its existing debt agreements, which may be affected by events beyond the Company's control, could result in a default under such agreements, which could result in accelerated repayments of amounts owing thereunder. Any acceleration may not be repayable by the Company based on current cash available, and may require a refinancing by the Company, which may not be secured on commercially reasonable terms or terms that are acceptable to the Company, if at all. Such a refinancing could have a material adverse effect on the Company's financial condition.

If the Company is unable to pay amounts owing as they become due, its lenders could proceed to realize against the Company's assets used to secure the debt. Even if the Company is able to comply with all applicable covenants, restrictions on its ability to manage its business in its sole discretion could adversely affect its business by, among other things, limiting its ability to take advantage of financings, mergers, acquisitions and other corporate opportunities that the Company believes may be beneficial to it and considerations regarding negotiations of priorities and cross-default provisions if additional debt financing is pursued.

Indebtedness owing under its loan obligations could have other significant consequences on the Company, including: increasing the Company's vulnerability to general adverse economic and industry conditions; requiring the Company to dedicate a substantial portion of its expected cash flow from planned operations to making interest and principal payments on its indebtedness, reducing the availability of the Company's cash flow to fund capital expenditures, working capital and other general corporate purposes; limiting the Company's flexibility in planning for, or reacting to, changes in its business; placing the Company at a competitive disadvantage compared with its competitors that have less debt or greater financial resources; and limiting, including pursuant to any financial and other restrictive covenants in such indebtedness, the Company's ability to, among other things, borrow additional funds or raise capital on commercially reasonable terms, if at all, enter into a reorganization, amalgamation, arrangement, merger or other similar transaction, make an investment in or otherwise acquire the property of another person, and materially amend or provide waivers or consents with respect to material contracts.

If the loans advanced to fund the construction of Cauchari-Olaroz are not repaid, the Company could face material adverse effects in the Company's business, results of operations and financial condition.

The Company has entered into loan agreements with Exar Capital and Exar to fund working capital and other funding requirements Cauchari-Olaroz. We may not be able to recover the loaned amounts of principal and any interest due, and we may thereby incur losses which could have a material adverse effect on the Company's financial condition and results of operations.

The Company may be liable to repay Exar's debts, which would negatively impact the Company's financial and operational conditions.

Exar is party to loan agreements with PGCo, Ganfeng, and unsecured third-party loans. The Company has provided or may, from time to time, provide, guarantees to Ganfeng or third parties for certain debts of Exar.

To the extent that Exar is unable to satisfy or coordinate the satisfaction of any debt conditions, or the lenders do not waive performance of these conditions, the Company may be liable to repay Exar's debts pursuant to the guarantees it provided.

To support working capital, startup costs and manage foreign exchange risks, Exar obtained local loans and credit facilities.

As of December 31, 2024, Exar's outstanding third-party debt totaled $210.4 million reflecting a decrease of $140 million from December 31, 2023. The total debt includes the following:

- Approximately $100 million from a major international bank, secured by guarantees and standby letters arranged by Ganfeng. The Company has also provided a guarantee to Ganfeng for its 49% share, amounting to $49 million, for these loans.
- $18.2 million in loans secured by local bank guarantees arranged by Exar, due in 2025.
- $42 million in third-party unsecured loans, due in 2025.
- $50 million in unsecured bonds by Exar in November 2024 carrying a contractual interest rate of 8% with semi-annual interest payments. The bonds' principal will mature in two tranches: the first tranche of $25 million is due in 30 months, on May 11, 2027, while the second tranche of $25 million will mature in 36 months, on November 11, 2027.

If Exar, the Company and Ganfeng are not successful in refinancing the loans on a timely basis, on favorable terms, or at all, they would need to provide their own funds to support Exar in repaying its third party debt obligations, which could have an effect on the Company's business, results of operations and financial condition.

The Company funded its share of the Cauchari-Olaroz Operation construction costs through loans to Exar Capital and then to Exar or directly to Exar through its subsidiaries. Should the Cauchari-Olaroz Operation not be able to generate sufficient cash flow, it may have difficulties repaying these loans, which could have an effect on the Company's business, results of operations and financial condition.

From time to time Exar may incur certain debts to restructure/repay its existing debt or for other purposes, which debts are subject to closing conditions. To the extent that the Exar is unable to satisfy or coordinate the satisfaction of any conditions, or the lenders do not waive performance of these conditions, Exar may be deprived of such anticipated funding. A failure to receive such funding will be highly disruptive to Exar's operations.

The Company's growth, future profitability and ability to obtain financing may be impacted by global financial conditions.

The Company has significant capital requirements associated with the operation and/or development of its projects, as the case may be. The Company will require additional financing to support the development, construction, ramp-up and operation of its projects. The Company may pursue additional equity or debt financing, which could have a dilutive effect on existing security holders if shares, options, warrants or other convertible securities are issued or, if new debt financing is obtained, result in additional or more onerous restrictions on the Company's business, and substantial interest and capital payments, and in the Company being more highly leveraged, which could have a material adverse effect on the Company's future prospects if it is unable to satisfy its debt obligations as they become due. The ability of the Company to arrange additional financing to support the development, construction, ramp-up and operation of its projects in the future will depend, in part, on prevailing capital market conditions as well as the business performance of the Company. In addition, under the Company's articles of association ("**Articles of Association**"), the Company is subject to certain share capital limits under its capital band and conditional capital. As a result, the Company may need shareholder approval to increase its share capital and execute certain equity financing transactions which may be time consuming and bring transaction execution uncertainty. Failure to obtain additional financing on a timely basis, on favorable terms, or at all, may cause the Company to postpone, abandon, reduce or terminate its operations and could have a material adverse effect on the Company's business, results of operations and financial condition.

The Company relies on consultants and other experts, which may increase delays and costs of developing properties.

The Company has relied on, and may continue to rely on, consultants and others for mineral exploration and exploitation expertise. The Company believes that those consultants are competent and that they have carried out their work in accordance with internationally recognized industry standards. However, if the work conducted by those consultants is ultimately found to be incorrect or inadequate in any material respect, the Company may experience delays or increased costs in developing its properties.

The Company has not and may never pay dividends.

The Company has not paid dividends on its Shares since incorporation, and the Company anticipates that it will retain any future earnings and other cash resources for future operations and the ongoing development of its business. As such, the Company does not intend to declare or pay any cash dividends in the foreseeable future. Dividends may be paid by a Swiss company only if: (i) approved by a majority of votes cast by shareholders present at a shareholders meeting, whether in person or by proxy; and (ii) Lithium Argentina has sufficient distributable profits from the previous fiscal years, or if Lithium Argentina has freely distributable reserves, including out of capital contribution reserves. Dividends are usually due and payable shortly after the shareholders have passed a resolution approving the payment. The Board of a Swiss share company may propose to shareholders that a distribution of dividends be paid but cannot itself authorize the dividend. Payment of any future will depend on many factors including the Company's operating results, financial condition and anticipated cash needs. For these reasons, the Company may never pay dividends.

A cybersecurity incident could adversely affect the Company's ability to operate its business.

Threats to information technology systems associated with cybersecurity risks and cyber incidents or attacks continue to grow and evolve in terms of severity and sophistication. A cybersecurity attack has the potential to compromise the business, financial and other systems of the Company, and could go unnoticed for some time. Risks associated with cybersecurity threats include, among other things, loss of intellectual property, disruption of business operations and safety procedures, loss or damage to worksite data delivery systems, privacy and confidentiality breaches, and increased costs and time to prevent, respond to or mitigate cybersecurity incidents. The Company has implemented a cybersecurity policy, provided training to its personnel as mitigation measures and is developing a response plan to address potential cybersecurity breaches. System and network maintenance, upgrades and similar best practices are also followed. However, despite these measures, the occurrence of a significant cybersecurity incident could have a material adverse effect on the Company's business and result in a prolonged disruption to it.

The Company's success is dependent on the performance of key personnel to advance and contribute to its future growth.

The Company highly values the contributions of its key personnel. The success of the Company continues to depend largely upon the performance of key officers, employees and consultants who have advanced the Company to its current stage of development and contributed to its potential for future growth. The market for qualified talent has become increasingly competitive, with shortages of qualified talent relative to the number of available opportunities being experienced in all markets where the Company conducts its operations. The ability to remain competitive by offering higher compensation packages and programs for growth and development of personnel, with a view to retaining existing talent and attracting new talent, has become increasingly important to the Company and its operations in the current climate. Any prolonged inability to retain key individuals, or to attract and retain new talent as the Company grows, could have a material adverse effect upon the Company's growth potential and prospects. Additionally, the Company has not purchased any "key-man" insurance for any of its directors, officers or key employees and currently has no plans to do so.

The Company is subject to currency fluctuations that may adversely affect the financial position of the Company.

The Company transacts business primarily in U.S. dollars, Canadian dollars, and Argentine pesos. Fluctuations in exchange rates between currencies may have a significant effect on the cash flows of the Company. The Company's projects are located in Argentina, where certain costs are denominated in the Argentine peso, and others in U.S. dollars or linked to U.S. dollars. The Argentine peso has historically been subject to large devaluations and revaluations and may be subject to significant fluctuations in the future. Future changes in exchange rates could materially affect the Company's results of operations, either positively or negatively. An appreciation of the Argentine peso compared to the U.S. dollar could make property expenditures more expensive for the Company, and conversely a depreciation could make such expenditures less expensive. In addition, Argentina's foreign exchange rates and inflation are subject to significant fluctuations and, at times, fluctuations in U.S. dollar to Argentine peso foreign exchange rate and inflation may not be aligned. A lower foreign exchange devaluation versus inflation rate could make property expenditures more expensive for the Company, and conversely a higher foreign exchange devaluation versus inflation rate could make such expenditures less expensive. While the Company does not engage in foreign exchange hedging, it holds a significant portion of its cash balance in U.S. dollars to allow it to satisfy its U.S. currency needs.

Current Argentine exchange controls and the implementation of further exchange controls could adversely affect the Company's results of operations.

The Argentine government and Argentine Central Bank (Banco Central de la República Argentina) (the "**BCRA**") have implemented certain measures that control and restrict the ability of companies and individuals to access the foreign exchange market. Those measures include, among others: (i) restricting access to the Argentine foreign exchange market for the purchase or transfer of foreign currency abroad for any purpose, including the payment of dividends to non-resident shareholders; (ii) restrictions on the acquisition of any foreign currency to be held as cash in Argentina; (iii) requiring exporters to repatriate and settle in Argentine pesos, in the local exchange market, all the proceeds of their exports of goods and services; (iv) limitations on the transfer of securities into and from Argentina; (v) establishing certain mandatory refinancing on U.S. dollar-denominated debt; and (vi) the implementation of taxes on certain transactions involving the acquisition of foreign currency.

There can be no assurance that the BCRA or other government agencies will not increase or relax such controls or restrictions, make modifications to these regulations, impose further mandatory refinancing plans related to the Company's indebtedness payable in foreign currency, establish more severe restrictions on currency exchange, or maintain the current foreign exchange regime or create multiple exchange rates for different types of transactions, substantially modifying the applicable exchange rate at which we acquire currency to service the Company's outstanding liabilities denominated in currencies other than the Argentine peso, all of which could affect the Company's ability to comply with the Company's financial obligations when due, raise capital, refinance the Company's debt at maturity, obtain financing, execute the Company's capital expenditure plans, and/or undermine the Company's ability to pay dividends to foreign shareholders. Consequently, these exchange controls and restrictions could materially adversely affect the Argentine economy and the Company's business, financial condition and results of operations.

The Company may face legal proceedings based on environmental and climate change-matters, ESG disclosure, and securities class actions.

The Company may be subject to a variety of regulatory requirements, and resulting investigations, claims, lawsuits and other proceedings in the ordinary course of its business, as a result of its status as a publicly traded company and because of its mining exploration, development and operation business. Litigation related to environmental and climate change-related matters, ESG disclosure, and securities class actions arising from share price volatility is also on the rise. The occurrence and outcome of any legal proceedings cannot be predicted with any reasonable degree of certainty due to the inherently uncertain nature of litigation, including the effects of discovery of new evidence or advancement of new legal theories, the difficulty of predicting decisions of judges and juries and the possibility that decisions may be reversed on appeal. Defense and settlement costs of legal claims can be substantial, even with respect to claims that are determined to have little or no merit.

Litigation may be costly and time-consuming, and can divert the attention of management and key personnel away from day-to-day business operations. The Company and its projects are, from time-to-time, subject to legal proceedings or the threat of legal proceedings. If the Company were to be unsuccessful in defending any such claims against it, or unable to settle claims on a satisfactory basis, the Company may be faced with significant monetary damage, injunctive relief or other negative impacts that could have a material adverse effect on the Company's business and financial condition. To the extent the Company is involved in any active litigation, the outcome of such matters may not be determinable, and it may not be possible to accurately predict the outcome or quantum of any such proceedings at a given time.

The Company may be subject to the risk of conflicts of interest with directors and officers of the Company.

Certain directors and officers of the Company are or may become subject to conflicts of interest with the Company from time to time, including (without limitation) through association with other natural resource companies or otherwise.

Pursuant to Swiss law, directors and officers are required to inform the Board of conflicts of interests concerning them. The Board is furthermore required to take measures in order to protect the interests of the Company. More generally, directors and officers are required to safeguard the Company's interests and comply with their duty of loyalty and duty of care as directors and officers. This rule is generally understood to disqualify directors and officers from participation in decisions that directly affect them, subject to certain exceptions. Directors and officers are personally liable to the Company for breach of these provisions. The Company has established robust independence procedures in connection with recent transactions where potential conflicts of interest existed. Such procedures include, as appropriate, the establishment of a special committee of independent directors to review the transaction, independent valuations or fairness opinions and the engagement of independent counsel to advise the special committee. Nevertheless, there is a risk that the conflicted parties and their representatives use their position to serve their own interests, to the detriment of the Company which could have a material adverse effect on the Company and its future prospects.

The Company's shareholders are subject to share price risks.

The Shares are publicly traded on the TSX and NYSE. The market price of the stock of a publicly traded company, particularly a natural resources company, is affected by many variables in addition to those directly related to exploration successes or failures, many of which are outside the Company's control. Such factors include: the general condition of markets for resource stocks, and particularly for stocks of lithium exploration, development and production companies and other battery-metals stocks; the general strength of the economy; the availability and attractiveness of alternative investments; analysts' recommendations and their estimates of financial performance; investor perception and reactions to disclosure made by the Company, and by the Company's competitors; reputational risks of the Company; and the breadth of the public markets for the stock. Although the Shares are generally not thinly traded, investors could suffer significant losses if the Company's Shares are depressed or illiquid when an investor seeks liquidity.

The Company is a Swiss company and this could have an impact on enforcement of civil liabilities obtained under U.S. or Canadian securities laws.

The Company is a Switzerland company, organized under the laws of Switzerland and headquartered in the country. Some of the Company's directors, officers and experts named in this annual report are not citizens or residents of the United States or Canada. In addition, substantially all of the assets of the Company are located outside the United States or Canada. As a result, it may be difficult or impossible for an investor to (i) enforce in courts outside the United States or Canada any judgments against the Company and its directors and officers and the experts named in this annual report, which are obtained in U.S. or Canadian courts based upon the civil liability provisions of Canadian and U.S. federal securities laws, or (ii) bring in courts outside the United States or Canada an original action against the Company and its directors and officers and the experts named in this annual report to enforce liabilities based upon such Canadian and U.S. securities laws.

As a Swiss share corporation, the Company's flexibility will be limited with respects to certain aspects of capital management.

Under applicable Swiss law, the Board has the power to cause the Company to repurchase its Shares, so long as the total nominal value of the Shares acquired does not exceed 10% of the share capital and only to the extent that sufficient freely distributable reserves (including contributed surplus) are available to do so. However, the Company may repurchase its own Shares beyond the statutory limit of 10% if the Company's shareholders have passed a resolution by majority of the votes cast at a shareholders meeting (including as part of the capital band provision in the Articles of Association) authorizing the Board to repurchase Shares beyond the 10% (but in no event above 20%), which are to be cancelled. Any Shares repurchased pursuant to such an authorization will then be cancelled either upon the approval of shareholders holding a majority of the votes cast at a shareholders meeting or, if the authorization is included in the capital band provision, upon the Board effecting the cancellation based on the authority granted to it in the capital band provision.

Swiss law allows the Company's shareholders to authorize the Board to issue Shares without additional shareholder approval, but this authorization is limited to (i) 10% of the Company's stated share capital (the "**capital band**"); (ii) an additional 10% of the Company's stated share capital for the issuance of Shares to members of the Board and to the officers, employees, contractors or consultants of the Company or any of its group companies or other persons providing services to the Company or any of its group companies in connection with the Company's equity incentive plans ("**conditional capital for equity incentive plans**"); and (iii) an additional 10% of the Company stated share capital for the issuance of Shares further to (A) the exercise of conversion, exchange, option, warrant, subscription or other rights to acquire shares, or (B) through obligations to acquire Shares that are or were granted to or imposed upon shareholders or third parties alone or in connection with bonds, notes, loans, options, warrants or other securities or contractual obligations of the Company or any of its group companies ("**conditional capital for financing purposes**").

The Board's authority to issue Shares based on the capital band must be renewed by shareholders every five years. The Articles of Association provides for a capital band authorizing the Board to issue or cancel up to 16,193,233 fully paid-in Shares with a par value of US$0.01 up until January 17, 2030. The Articles of Association provides for conditional capital for equity incentive plans and conditional capital for financing purposes authorizing the Board to issue up to 16,193,233 fully paid-in Shares with a par value of US$0.01 under each category.

Additionally, according to the *Swiss Code of Obligations*, if new Shares of the Company corporation are issued – whether pursuant to shareholders' approving an increase of the ordinary share capital or the Board making use of the capital band or conditional capital – the existing shareholders will have subscription rights (or advance subscription rights with respect to the issuance of convertible or similar instruments) in relation to such Shares or rights pro rata to the respective nominal/par value of their existing participation. The Company has excluded as per the Articles of Association subscription rights and advance subscription rights from the issuance of Shares pursuant to the Company's conditional capital for equity incentive plans and conditional capital for financing purposes.

Additional regulatory reporting requirements in the United States may apply if Lithium Argentina loses its status as a "Foreign Private Issuer" under the Exchange Act.

As a "foreign private issuer", as such term is defined under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), the Company is exempt from certain of the provisions of U.S. federal securities laws. However, if the Company were to lose its status as a foreign private issuer, the Company may become subject to more onerous regulatory and reporting requirements in the United States. Compliance with these additional regulatory and reporting requirements under U.S. federal securities laws would likely result in increased expenses and would require the Company's management to devote substantial time and resources to comply with new regulatory requirements. Further, to the extent that the Company were to offer or sell securities outside of the United States, the Company would have to comply with the more restrictive requirements of Regulation S under the Securities Act of 1933, as amended, that apply to U.S. domestic companies, and the Company would no longer be able to utilize the multijurisdictional disclosure system forms for registered offerings by Canadian companies in the United States, which could limit the Company's ability to access capital markets in the future or increase the costs. In addition, the Company may lose the ability to rely upon exemptions from NYSE corporate governance requirements that are available to foreign private issuers, which may further increase the Company's costs of compliance.

If the Company were to be a "passive foreign investment company", adverse U.S. federal income tax consequences could result for U.S. Shareholders.

The Company believes it likely was classified as a "passive foreign investment company" ("**PFIC**") within the meaning of Section 1297 of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**") for its most recently completed taxable year. Based on its current business plans and expected income, assets and activities, the Company expects that it may be classified as a PFIC for its current tax year and may be a PFIC for subsequent tax years. If the Company is a PFIC for any year during a U.S. Shareholder's (as defined below) holding period of Shares, then such U.S. Shareholder generally will be required to treat any gain realized upon a disposition of Shares or any so-called "excess distribution" received on its Shares as ordinary income, and to pay an interest charge on a portion of such gain or distribution. In certain circumstances, the sum of the tax and the interest charge may exceed the total amount of proceeds realized on the disposition, or the amount of excess distribution received, by the U.S. Shareholder. Subject to certain limitations, these tax consequences may be mitigated if a U.S. Shareholder makes a timely and effective a qualified electing fund election under the Code ("**QEF Election**") or makes a mark-to-market election under the Code ("**Mark-to-Market Election**"). Subject to certain limitations, such elections may be made with respect to the Company or the Shares, as applicable. A U.S. Shareholder who makes a timely and effective QEF Election generally must report on a current basis its share of the Company's net capital gain and ordinary earnings for any year in which the Company is a PFIC, whether or not the Company distributes any amounts with respect to the Shares. A U.S. Shareholder who makes the Mark-to-Market Election generally must include as ordinary income each year the excess of the fair market value of the Shares over the taxpayer's basis therein. Each potential investor who is a U.S. Shareholder should consult its own tax advisor regarding the tax consequences of the PFIC rules and the acquisition, ownership, and disposition of Shares of the Company.

The Company is subject to tax and other legislation enacted in all the countries in which it operates, which could have a material adverse effect on the Company's shareholders.

The Company operates (including, providing project financing through equity investees or subsidiaries) in countries with differing tax laws and tax rates. The Company's tax reporting is supported by tax laws in, and the application of tax treaties between, the countries in which it operates. Tax laws, regulations, and administrative practices in various jurisdictions may be subject to significant change, with or without notice, due to economic, political, and other conditions, and significant judgment is required in evaluating and estimating the Company's provision and accruals for these taxes. Such changes could have a material adverse effect on the holders of shares of the Company or the Company's business, financial condition and results of operations. The Company's income tax reporting is subject to audit by tax authorities in the countries in which it operates. The Company's effective tax rate may change from year to year, based on changes in the mix of activities and income earned among the different jurisdictions in which the Company operates, changes in tax laws in these jurisdictions, changes in the tax treaties between the countries in which the Company operates, changes in the Company's eligibility for benefits under those tax treaties, and changes in the estimated values of deferred tax assets and liabilities, which could result in a substantial increase in the effective tax rate on all or a portion of the Company's income.

ITEM 4. INFORMATION ON THE COMPANY

A. History and Development of the Company

Overview

The Company was incorporated under the BCBCA on November 27, 2007 under the name "Western Lithium Canada Corporation" and changed its name to "Western Lithium USA Corporation" on May 31, 2010. The Company amended its Articles in 2013 to add advance notice requirements for the election of directors, and in 2015 to give the Board the authority by resolution to alter the Company's authorized share capital and to make amendments to the Articles, except as otherwise specifically provided in the Articles or the BCBCA. On March 21, 2016, the Company changed its name to "Lithium Americas Corp." On November 8, 2017, the Company consolidated its outstanding Shares on a 5:1 basis.

On January 25, 2022, the Company acquired all of the issued and outstanding securities of Millennial Lithium by way of a plan of arrangement (the "**Millennial Arrangement**"), at which point Millennial Lithium became a wholly owned subsidiary of the Company.

On April 20, 2023, the Company acquired all the common shares of Arena Minerals (the "**Arena Shares**"), which it did not already own, by way of a plan of arrangement, at which point Arena Minerals became a wholly owned subsidiary of the Company.

On October 3, 2023, the Company completed the Separation Transaction pursuant to which the Company separated its previously-held North American business unit, comprising the Thacker Pass project, as well as investments in Green Technology Metals Ltd. and Ascend Elements, Inc., into an independent public company named "Lithium Americas Corp.", which is listed on the TSX and NYSE. The Company retained its Argentine business unit, consisting of a 44.8% interest in Cauchari-Olaroz, the majority-owned Pastos Grandes Project and a 65% interest in the Sal de la Puna project. The Company's Shares continued to trade on the TSX and the NYSE following the Separation Transaction.

In August 2024, Ganfeng acquired $70 million in newly issued shares of PGCo, the Company's wholly-owned Argentinian subsidiary holding the Pastos Grandes Project, representing a 14.9% interest in PGCo and Pastos Grandes. The Company retained control of PGCo following this transaction. Proceeds from this transaction were allocated to the advancement of the Company's lithium projects in Argentina, including the reduction of the short-term debt of the Cauchari-Olaroz tied to start-up and working capital. In connection with the Pastos Grandes Transaction, Lithium Argentina, certain of its subsidiaries (the "Lithium Argentina Parties") and Ganfeng and its subsidiary (the "Ganfeng Lithium Parties", and together with the Lithium Argentina Parties, the "Parties") entered into a shareholders' agreement (the "Shareholders' Agreement") that, among other terms, provides for limited rights and obligations as between the Parties, including the following: (i) from the closing date until December 31, 2024, a standstill on the sale of an interest in PGCo or the Pastos Grandes Project; (ii) through to December 31, 2025, enhanced consent rights in favour of the Ganfeng Lithium Parties in respect of operational matters, as well as a right of first refusal in favour of the Ganfeng Lithium Parties over a sale of an interest in PGCo at the same valuation as that applicable to the Pastos Grandes Transaction (with the Lithium Argentina Parties having a right of first refusal over a sale by the Ganfeng Lithium Parties of the 14.9% interest); (iii) through to December 31, 2025, a right in favour of the Ganfeng Lithium Parties to acquire an aggregate 50% interest in the Pastos Grandes Project upon a change of control of Lithium Argentina by subscribing for share capital of PGCo in consideration for an incremental cash subscription price of $330 million; (iv) until December 31, 2025, an obligation to obtain consent of the Parties for any offtake agreement in respect of the Pastos Grandes Project; and (v) from January 1, 2025 to September 30, 2025, an enhanced 'tag-along' right of the Ganfeng Lithium Parties to include its interest along with a sale by the Lithium Argentina Parties of their interest in PGCo, and to realize a portion of the consideration that would otherwise be payable to the Lithium Argentina Parties upon such sale in addition to the equivalent proportionate consideration payable for the interest of the Ganfeng Lithium Parties (after such period the "tag along right" will survive but will only include the proportionate consideration).

On January 23, 2025, the Company completed its corporate migration to Switzerland, establishing corporate domicile in Switzerland. On January 27, 2025, the Shares began trading on the TSX and NYSE under a new symbol "LAR."

In connection with the Company's corporate migration to Switzerland, the Company appointed PricewaterhouseCoopers AG, Zug, Switzerland as its Swiss independent statutory auditor (the "**Swiss Statutory Auditor**"). The Swiss Statutory Auditor's main task is to audit the standalone statutory financial statements and consolidated financial statements of Lithium Argentina AG for Swiss law purposes.

The Company continues to retain PricewaterhouseCoopers LLP, Vancouver, Canada as the Company's Independent Registered Public Accounting Firm for Canadian and U.S. Securities law reporting (the "Auditor" and together with the Swiss Statutory Auditor, the "External Auditors"). The Company's registered and head office is located at Dammstrasse 19, 6300 Zug, Switzerland. The Company's North American contact address is 300 – 900 West Hastings Street, Vancouver, British Columbia, Canada, V6C 1E5, and the Company's telephone number is (778) 656-5820. The operational headquarters of the Company is Buenos Aires, Argentina.

Corporate Highlights

In February 2024, the Company announced the appointment of Samuel Pigott as President and CEO. Mr. Pigott assumed the role of President and CEO in March 2024 and was also appointed to the Company's Board.

In March 2024, Monica Moretto was appointed to the Board.

In August 2024 the Company completed an agreement whereby Ganfeng acquired $70 million in newly issued shares of PGCo, the Company's wholly-owned Argentinian subsidiary holding Pastos Grandes, representing a 14.9% interest in PGCo and Pastos Grandes.

In October 2024, Cauchari-Olaroz achieved commercial production after reaching elevated production levels for a sustained period of time.

On January 23, 2025, the Company completed its corporate migration to Switzerland, establishing corporate domicile in Switzerland. On January 27, 2025, the Shares began trading on the TSX and NYSE under a new symbol "LAR."

During the year ended December 31, 2024, the Company met its production guidance for Cauchari-Olaroz, with approximately 25,400 tonnes of lithium carbonate produced.

Other Investments and Acquisitions

On January 25, 2022, the Company acquired 100% of the issued and outstanding securities of Millennial Lithium pursuant to the Millennial Arrangement, for aggregate consideration of approximately $492 million (US$390 million). The terms of the Millennial Arrangement were set forth in an arrangement agreement dated November 17, 2021, between the Company and Millennial Lithium. Pursuant to the Millennial Arrangement, as of the effective date for the Millennial Arrangement of January 25, 2022, all outstanding convertible securities of Millennial Lithium were exchanged for Millennial Shares and all equity incentive plans of Millennial Lithium were terminated. Following this, the Company acquired all of the issued and outstanding Millennial Shares and Millennial Lithium became a wholly-owned subsidiary of the Company. Each Millennial Lithium shareholder of record as of the effective date received per share consideration of 0.1261 of a Share and $0.001 in cash in exchange for each Millennial Share held as of the effective date. As a final step under the Millennial Arrangement, on January 26, 2022, Millennial Lithium and 1335615 B.C. Ltd., a wholly-owned subsidiary of the Company, amalgamated under the name "Millennial Lithium Corp." As of close of market on January 26, 2022, all issued and outstanding Millennial Shares and the warrants of Millennial Lithium were delisted from trading on the TSX Venture Exchange.

On December 20, 2022, the Company announced that it entered into a definitive arrangement agreement pursuant to which the Company agreed to acquire all of the Arena Shares not already owned by the Company by way of a plan of arrangement under the laws of Ontario (the "**Arena Transaction**"). Pursuant to the arrangement agreement, Arena Minerals' shareholders were entitled to receive 0.0226 of a share of the Company and $0.0001 in cash for each Arena Share held. The Arena Transaction closed on April 20, 2023, and the Company issued approximately 8.4 million Shares to former Arena Minerals shareholders as consideration for their respective Arena Shares and convertible securities. Following the Arena Transaction, the Arena Shares were delisted from the TSX Venture Exchange.

Available Information

The SEC maintains an internet site (http://www.sec.gov) that contains reports, proxy and information statements and other information regarding issuers that file electronically with the SEC. Such information can also be found on the Company's website (https://www.lithium-argentina.com/).

B. Business Overview

Overview

The Company is a Swiss-domiciled resource company focused on advancing significant lithium projects. The Company holds a 44.8% interest in Cauchari-Olaroz in Jujuy, Argentina; an 85.1% interest in the Pastos Grandes Project in Salta, Argentina (subject to the Pastos Grandes Transaction); and a 65% interest in the Sal de la Puna project in Salta, Argentina. Additionally, the Company owns the Salar de Antofalla ("**Antofalla Project**") in the Province of Catamarca, Argentina.

The Company is focused on the operations at Cauchari-Olaroz and advancing the development of additional lithium resources in the region.

For a more detailed discussion of the Company's business structure and Cauchari-Olaroz, see Note 7 of the Company's audited consolidated financial statements for the years ended December 31, 2024, 2023 and 2022 included in "Item 18 – Financial Statements" of this annual report.

Specialized Skills

All aspects of the Company's business require specialized skills and knowledge, including geology, drilling, mining, processing, logistical planning, the implementation of exploration programs, and expertise in regulatory, finance and accounting matters. The Company relies on its management, employees and various consultants for this expertise.

Mineral Price and Economic Cycles

The principal end-use product for the Company's business is lithium-based chemicals, particularly battery-grade lithium carbonate. The markets for lithium-based products are affected by worldwide economic cycles and the volatility in supply and pricing that is commonly associated with commodity-based products. In the case of lithium-based products, demand is driven largely by the rate of adoption of lithium batteries, particularly those used in electric vehicles. Meanwhile, supply is driven by the production capacity of lithium producers and the ability of those operations to produce battery grade products, which are refined to a higher concentration of lithium with fewer impurities than non-battery grade lithium products.

Lithium prices have been volatile over the last several years. In 2022, lithium prices reached an all-time high due to, among other factors, supply constraints resulting from the increase in the adoption of electric vehicles and the corresponding demand for electric vehicle batteries and a disproportionate increase in supply as the timeline for new production to become available is, in most cases, measured over several years and is not responsive to short-term demand increases. The increase in demand, as well as efforts by governments to promote domestic industry through industrial policy and related efforts, has led to a significant increase in exploration and development stage lithium companies and projects being advanced throughout the world. More recently, however, lithium prices have decreased significantly due to, among other factors, rising supply, subdued demand and a lackluster electric vehicle market outside of China.

Intangibles

The Company does not hold any patents.

Sources and Availability of Raw Materials

All of the raw materials required for the Company's operations are available through standard supply and business contracting channels.

Government Regulations

The Company's exploration and future development activities are subject to various national, state, provincial and local laws and regulations in Argentina, the U.S., Switzerland, and Canada, which govern prospecting, development, mining, production, exports, taxes, labor standards, occupational health, waste disposal, protection of the environment, mine safety, hazardous substances and other matters.

Except as described in this annual report, the Company believes that it is in compliance, in all material respects, with applicable mining, health, safety and environmental statutes and regulations.

Competitive Conditions

Lithium currently has many end uses, including ceramics and glass, batteries, greases, air treatment and pharmaceuticals. However, it is the battery industry that is expected to predominantly drive future demand growth for lithium. This is expected to come from several areas: (i) the continued growth of small format batteries for cell phones, laptops, digital cameras and hand-held power tools, (ii) the transportation industry's electrification of automobiles, buses, delivery vehicles, motorcycles, bicycles and boats using lithium-ion battery technology, and (iii) large format batteries for utility grid-scale storage.

A small number of companies dominate the production of end-use lithium products such as lithium carbonate and lithium hydroxide. The bulk of production occurs in brine deposits in South America and spodumene hard-rock deposits in Australia as well as lepidolite production in China. There are a small number of additional companies who have initiated lithium-based production in recent years, as well as numerous additional companies pursuing the development of lithium mineral deposits throughout several jurisdictions.

Foreign Operations

Lithium operations and projects

Cauchari-Olaroz, the Pastos Grandes Project and the Sal de la Puna project are all located in Argentina. Cauchari-Olaroz is in operation while the projects under the Pastos Grandes basin segment are in the exploration and evaluation stage.

Offtake Agreement with Ganfeng and Bangchak

The Company and Ganfeng are entitled to a share of offtake from production at Cauchari-Olaroz. The Company is entitled to 49% of the offtake, which would amount to approximately 19,600 tonnes per annum ("**tpa**") of lithium carbonate assuming full capacity is achieved. The Company entered into an offtake agreement with each of Ganfeng and Bangchak on August 27, 2020 to sell a fixed amount of offtake production at market-based prices, with Ganfeng entitled to 80% of the first 12,250 tpa of lithium carbonate (9,800 tpa assuming full production capacity) and Bangchak entitled to up to 6,000 tpa of lithium carbonate (assuming full production capacity).

The balance of the Company's offtake entitlement, amounting to up to approximately 3,800 tpa of lithium carbonate is uncommitted, but for limited residual rights available to Bangchak to the extent production does not meet full capacity.

Purchases and sales of lithium carbonate

During the year ended December 31, 2024, the Company purchased its share of Exar's lithium carbonate shipped during the period with Ganfeng purchasing the remaining product shipped. The Company sold the purchased lithium carbonate to Ganfeng and Bangchak and acted in the capacity of agent in such sales transactions, as the Company's acquisition of title to lithium carbonate was simultaneous with the sale of lithium carbonate to Ganfeng and Bangchak and the Company was not directly exposed to inventory or price risk related to lithium carbonate.

Since there was no net amount of commission to the Company, there was no net impact on the Company's statement of comprehensive loss for the year ended December 31, 2024.

Exar and Exar Capital Agency Arrangement
In addition to project loans provided by Exar Capital, Exar Capital also provides support to Exar by purchasing, as agent, reagents and other materials on behalf of Exar from international suppliers. Argentina does not allow access to the foreign exchange markets to permit prepayments by Argentine companies to international vendors, payments are only allowed after supplies arrive in Argentina. Accordingly, Exar Capital provides prepayments to suppliers and is then reimbursed by Exar once the supplies arrive in Argentina and Exar is able to make such payments in accordance with Argentinian foreign exchange regulations.

Amended Shareholders Agreement

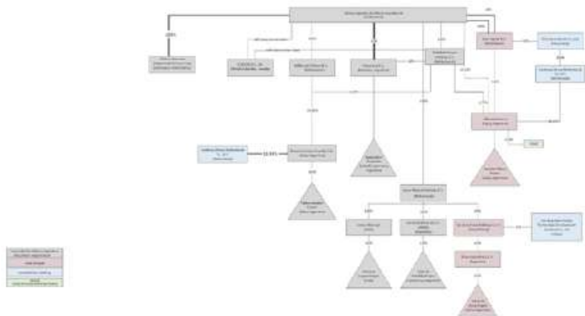
On October 25, 2018, the Company, 2265866 Ontario Inc. (now 2265866 Ontario Holdings B.V.), Ganfeng, Exar and Exar Capital entered into a shareholders' agreement to govern the Company's and Ganfeng's interests in Exar and Exar Capital and the funding and development of the Cauchari-Olaroz Operation. The shareholders' agreement was amended in 2019, and amended and restated in August 2020 for the closing of a transaction by which Ganfeng holds 51% and the Company 49% interest, respectively in Cauchari-Olaroz (the "**Amended Shareholders Agreement**").

The Amended Shareholders Agreement entered into on August 27, 2020 by the Company, 2265866 Ontario Inc. and Ganfeng generally provides for the following:

- the parties' respective rights regarding ownership interests in Exar and Exar Capital;
- requirements for funding and development of the Cauchari-Olaroz Operation, and rights and obligations of parties upon a failure to fund, including dilution of interest under certain circumstances;
- the formation of the Exar shareholder committee to direct the business and affairs of Exar, comprised of three representatives of Ganfeng and two representatives from the Company;
- the composition of the board of directors of Exar, being two representatives of Ganfeng and one representative of the Company;
- the composition of the board of directors of Exar Capital, being two representatives of Ganfeng and one representative of the Company;
- an 80% approval threshold for the Exar shareholder committee to approve a number of material corporate actions, thereby providing protection to the Company as a minority shareholder in Exar, such approvals of material corporate actions including but not limited to the following: (i) programs and budgets, and changes thereto or to contributions required to be made by the parties; (ii) issuances of securities or restructuring transactions involving Exar and Exar Capital; (iii) any sale, transfer or other disposition of an ownership interest in Exar or Exar Capital; (iv) changes to the composition of the Exar shareholder committee or the board of directors of Exar or Exar Capital; (v) material changes to terms contemplated by the agreement with JEMSE; (vi) any change to development activities that would materially delay the expected timeline for the Cauchari-Olaroz Operation to reach commercial production; and (vii) debt or guarantees above certain thresholds; and
- the obligation of each party to purchase its *pro rata* share of production from the Cauchari-Olaroz Operation.

C. Organizational Structure

The following diagram sets out the organizational structure of the Company:



D. Property, Plants and Equipment

Summary Overview of Mining

As used in this annual report, the terms "mineral resource," "measured mineral resource," "indicated mineral resource," "inferred mineral resource," "mineral reserve," "proven mineral reserve" and "probable mineral reserve" are defined and used in accordance with S-K 1300. All determinates of mineral resources and mineral reserves have been prepared by qualified persons. Under S-K 1300, mineral resources may not be classified as "mineral reserves" unless the determination has been made by a qualified person that the mineral resources can be the basis of an economically viable project. Mineral resources are not mineral reserves and do not meet the threshold for mineral reserve modifying factors, such as estimated economic viability, that would allow for conversion to mineral reserves. There is no certainty that any part of the mineral resources estimated will be converted into mineral reserves.

Except for that portion of mineral resources classified as mineral reserves, mineral resources have not demonstrated economic value. Inferred mineral resources are estimates based on limited geological evidence and sampling and have too high of a degree of uncertainty to apply relevant technical and economic factors likely to influence the prospects of economic extraction in a manner useful for evaluation of economic viability. Estimates of inferred mineral resources may not be converted to a mineral reserve. It cannot be assumed that all or any part of an inferred mineral resource will be upgraded to a higher category. A significant amount of exploration must be completed to determine whether an inferred mineral resource may be upgraded to a higher category. Therefore, you are cautioned not to assume that all or any part of an inferred mineral resource can be the basis of an economically viable project, or that it will be upgraded to a higher category.

Properties

The Company is helping to advance two significant lithium projects, the Cauchari-Olaroz Operation, located in the Province of Jujuy in Argentina, and the Pastos Grandes Project, located in the Province of Salta in Argentina. The Pastos Grandes Project includes the PGCo (Lithium Argentina owns approximately 85% interest). Cauchari-Olaroz is a production stage project. Pastos Grandes is an exploration stage project because the Company has not yet determined that Pastos Grandes has mineral reserves under S-K 1300.

The Cauchari-Olaroz Operation and the Pastos Grandes Project are the Company's two material projects. The Company also holds a 65% interest in the Sal de la Puna project and 100% in the Antofalla Project, each of which are exploration stage projects.

Except as otherwise stated, the scientific and technical information relating to Cauchari-Olaroz Salars contained in this annual report is derived from the Cauchari TRS prepared by Andeburg Consulting Services Inc. ("**ACSI**"), LRE Water, EnviroProTech-t and CSU Projects, none of which are affiliated with the Company. The Cauchari TRS was also prepared by Ernest Burga, P.Eng., David Burga, P.Geo., Daniel Weber, P.G., RM-SME, Anthony Sanford, Pr.Sci.Nat., and Marek Dworzanowski, C.Eng., Pr.Eng., each of whom is a "qualified person" under S-K 1300 for the sections of the Cauchari TRS that they are responsible for preparing and none of whom are affiliated with the Company.

Except as otherwise stated, the scientific and technical information relating to Pastos Grandes Salar contained in this annual report has been reviewed and approved by Frederik Reidel, CPG, a qualified person for the purposes of NI 43-101 and S-K 1300 by virtue of his experience, education, and professional association and who is independent of the Company.

Except as otherwise stated, all technical and scientific information contained in this annual report has been reviewed and approved by David Burga, P.Geo, a qualified person for the purposes of NI 43-101 and S-K 1300 by virtue of his experience, education, and professional association and who is independent of the Company.

Detailed scientific and technical information on the Cauchari-Olaroz Operation prepared in accordance with NI 43-101 (including mineral resources and reserves estimates prepared in accordance with CIM Definition Standards adopted by the Canadian Institute of Mining, Metallurgy and Petroleum on May 10, 2014) can be found in the NI 43-101 technical report entitled "NI 43-101 Technical Report – Operational Technical Report at the Cauchari-Olaroz Salars, Jujuy Province, Argentina". The technical report has an effective date of December 31, 2025, and was prepared by "Qualified Persons" for the purposes of NI 43-101, independent of the Company.

Detailed scientific and technical information on the Pastos Grandes Project prepared in accordance with NI 43-101 can also be found in the NI 43-101 technical report entitled "Lithium Resources Update, Pastos Grandes Project, Salta Province, Argentina". The technical report has an effective date of April 30, 2023, and was prepared by a "Qualified Person" for the purposes of NI 43-101, independent of the Company. Copies of the technical reports prepared in accordance with NI 43-101 are available on the Company's website at www.lithium-argentina.com and on the Company's SEDAR+ profile at www.sedarplus.ca.

The map below shows the locations of our principal mining operations in Argentina and the exploitation and exploration mining concessions that have been granted to us:

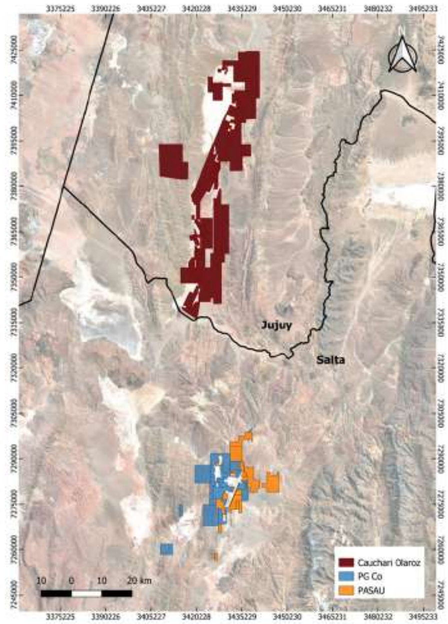


Figure 1. Location of Lithium Argentina mining operations in Argentina and the exploitation and exploration mining concessions. Location coordinates longitude and latitude, respectively: of (i) Cauchari-Olaroz, (the salars extend in a north-south direction from S 23° 18' to S 24° 05', and in an east-west direction from W 66° 34' to W 66° 51'), (ii) Pastos Grandes (including PGCo and PASAU): (24°34'44" south latitude and 66°42'26").

Summary of aggregate annual production (lithium carbonate) – Current as of December 31, 2024			
Salar	**2023**	**2024**	**TOTAL**
Cauchari-Olaroz	6,000	25,400	31,400
Pastos Grandes	0	0	0
Total annual production	**6,000**	**25,400**	**31,400**

For information regarding our material projects, please see the information below under the headings "Cauchari-Olaroz Operation" and "Pastos Grandes Project."

Sal de la Puna Project	
Location	Salta Province, Argentina
Type and amount of ownership interests	65% of the project owned by Arena Mineral Holdings B.V, a wholly-owned indirect subsidiary of the Company. The Sal de la Puna Project is held through a joint venture interest in Sal de la Puna Holdings S.à.r.l., the 100% owner of the Argentine subsidiary, Puna Argentina S.A.U., the owner of the claims forming part of the Sal del la Puna Project. The remaining 35% of Sal de la Puna Holdings S.à.r.l. is owned by joint venture partner Ganfeng New Energy Technology Development (Suzhou) Co., Ltd
Titles, mineral rights, leases or options and acreage	The project covers 13,200 hectares southern and eastern parts of the Pastos Grandes hydrological basin
Key permit conditions	Working in progress to change the environmental impact permit from production to exploration
Mine types and mineralization styles	Lithium brine
Processing plants and other facilities	None, Exploration Phase

Antofalla Project	
Location	Catamarca Province, Argentina
Type and amount of ownership interests	100% interest in the project
Titles, mineral rights, leases or options and acreage	The project covers covering approximately 5,800 hectares of the Antofalla salar and basin in the Province of Catamarca, Argentina
Key permit conditions	Valid permit for surface water extraction. The Exploration DIA has been submitted to proceed with drilling, and it is under evaluation by the authorities
Mine types and mineralization styles	Lithium brine
Processing plants and other facilities	None, Exploration Phase

Cauchari-Olaroz Operation

Project Overview

Cauchari-Olarozis owned by Exar, a company incorporated under the laws of Argentina. Exar, in turn, is 44.8% owned by the Company, 46.7% by Ganfeng and 8.5% by JEMSE, a mining investment company owned by the government of Jujuy Province in Argentina.

The book value for our investment in the Cauchari-Olaroz Operation is $Nil as of December 31, 2024. As of December 31, 2024, the total outstanding loans advanced by the Company to Cauchari-Olaroz, including accrued interest, was $448 million (including $380.5 million provided to Exar through Exar Capital and $67.5 million provided directly to Exar).

Detailed Property Description

Technical Information

All capitalized terms used in the disclosure below that are not otherwise defined shall have the meanings ascribed thereto in the Cauchari TRS.

Information contained in the Cauchari TRS, including (but not limited to) mineral extraction, processing and recovery operations, projected costs, and project economics for the Cauchari-Olaroz Operation (including, for greater certainty, revenue, net present value, cash flow and earnings) are presented as of the date of the Cauchari TRS based on criteria, assumptions, estimates and other information available at the time and therefore may not reflect actual results and outcomes, updated project economics, capital costs and/or operating costs for the project. As a result, actual results may differ from those presented. *See " Item 3.D - Risk Factors"*.

Property Description and Location

The Cauchari and Olaroz Salars are located in the Department of Susques in the Province of Jujuy in northwestern Argentina, approximately 250 km northwest of San Salvador de Jujuy, the provincial capital. The salars extend in a north-south direction from S23°18’ to S24°05’ and in an east-west direction from W66°34’ to W66°51’. The average elevation of the salars is 3,940 metres. The midpoint between the Olaroz and Cauchari Salars is located along National Highway 52, 55 km west of the Town of Susques. The nearest port is Antofagasta (Chile), located 530 km west of the Project by road.

Ownership

The Company holds its interest in the Cauchari-Olaroz Operation through a 44.8% interest in Exar, with Ganfeng holding a 46.7% interest. Exar acquired mining and exploration permits applications through acquisition of such permits applications, direct request of permits from the applicable provincial mining authority and/ or through brines usufruct agreements in the Province of Jujuy, Argentina, covering a total of 60,712 ha in the Department of Susques, of which 28,717 ha can support the entire project. The claims are contiguous and cover most of the Cauchari Salar and the eastern portion of the Olaroz Salar. The annual aggregate payment (canon rent) required by Exar to maintain the claims is US$268,346. Under Exar’s usufruct agreement with Borax Argentina S.A., Exar acquired Borax Argentina S.A.’s usufruct rights on properties in the area in exchange for an annual royalty of US$200,000 plus annual canon rent property payments to Jujuy Province. The area that contains the Mineral Resource and Mineral Reserve estimate is covered by mining concessions which grant the holder a perpetual mining right, subject to the payment of a fee and an agreed upon investment in accordance with the principal legislation that regulates the mining industry in Argentina, the *Código de Minería*.

On March 28, 2016, Exar entered into a purchase option agreement (“**Option Agreement**”) with Grupo Minero Los Boros (“**Los Boros**”) for the transfer of title to Exar for certain mining properties that comprised a portion of the Cauchari-Olaroz Operation. Under the terms of the Option Agreement, Exar paid US$100,000 upon signing, and obtained a right to exercise the purchase option at any time within 30 months for the total consideration of US$12M payable in sixty quarterly installments of US$200,000.

On November 12, 2018, Exar exercised the purchase option, acquired the properties by taking on the obligation to pay US$12,000,000 in 60 quarterly payments of US$200,000 and, as a result, the following royalties became payable to Los Boros:

- US$300,000 was paid on November 27, 2018 because the commercial plant construction started (purchase option established payment within 10 days of the commercial plant construction start date);
- Quarterly installments of US$200,000; and
- 3% net profit interest for 40 years, to be paid annually in Argentine pesos, within 10 business days after calendar year end.

Exar can cancel the first 20 years of net profit interest in exchange for a one-time payment of US$7M and the second 20-year period for an additional US$7M.

On March 28, 2016, Sociedad Química y Minera de Chile S.A. ("**SQM**") and Exar executed a shareholders agreement that established the terms by which the parties planned to develop the Cauchari-Olaroz Operation.

On October 31, 2018, the Company closed a transaction with Ganfeng and SQM. Ganfeng agreed to purchase SQM's interest in the Cauchari-Olaroz Operation. The Company increased its interest in the Cauchari-Olaroz Operation from 50% to 62.5% with Ganfeng holding the remaining 37.5% interest and the parties entered into a shareholder agreement to govern their ownership and business operations of Exar. Ganfeng also provided the Company with a US$100 million unsecured, limited recourse subordinated loan facility as part of funding its 62.5% share of the project expenditures.

On August 19, 2019, the Company and Ganfeng completed a transaction whereby Ganfeng contributed US$160 million in Exar and increased its participating interest in Exar to 50%. At such transaction closing, the Company and GFL International Co., Limited ("**GFL**") each owned a 50% equity interest in Exar. The parties made certain consequential amendments to the shareholders' agreement governing their relationship to refer to the new equity ownership structure in Exar. The Company and GFL authorized Exar to undertake a feasibility study on a development plan to increase the initial production capacity from 25,000 tpa to 40,000 tpa of lithium carbonate, as well as certain permitting and development work in advance of a decision to increase the project production rate.

On August 27, 2020, the Company and Ganfeng closed a transaction whereby Ganfeng increased its participating interest in Exar to 51% by completion of a US$16 million capital contribution to Exar. As part of this transaction, Ganfeng provided $40 million to Exar Capital in non-interest-bearing loans, repayable in 2029 (with a right for an additional one-year extension) and contributed $600,000 to Exar Capital's equity to increase its interest from 37.5% to 51%. Proceeds of the loans from Ganfeng were used by Exar Capital to repay $40 million of loans owed to Lithium Argentina. At such transaction closing, GFL owned a 51% equity interest in Exar and Lithium Argentina a 49%. The parties made certain consequential amendments to the shareholders' agreement governing their relationship to refer to the new equity ownership structure in Exar.

On August 26, 2020, GFL, the Company and Exar entered into a Share Acquisition Option Execution Agreement with JEMSE, a Province of Jujuy state company, setting the guidelines of JEMSE acquisition of an 8.5% participating interest in Exar, proportionally diluting GFL and the Company participating interest accordingly. JEMSE acquired the Exar shares for a consideration of US$1 plus an amount equal to 8.5% of the capital contributions in Exar. JEMSE will pay for the amount owed to the shareholders through the assignment of one-third of the dividends to be received by JEMSE from Exar after taxes. In accordance with the agreement, for future equity contributions GFL and the Company are obliged to loan to JEMSE 8.5% of the contributions necessary for JEMSE to avoid dilution, which loans also would be repayable from the same one-third dividends assignment, after taxes.

On October 3, 2023, the Company separated into two independent public companies, Lithium Americas (Argentina) Corp. and a new Lithium Americas Corp. The Company retained the Cauchari-Olaroz Operation as well as the Pastos Grandes Project and Sal de la Puna project in Argentina.

Current ownership of the Project is summarized in the following figure:

Ownership Structure

The surface rights of the area subject to exploitation are local aboriginal communities' land. Exar signed contracts with each aboriginal community to have the right to explore the property and for surface use, water use, transit, and building ponds and facilities. Most of these contracts also cover development and mining operations by Exar. For those contracts in which development and mining are not specifically addressed, Exar is working with the relevant community to extend the coverage of the contract to those areas. Exar has also agreed to support local communities through a number of infrastructure and education programs.

History

Mining activities on the western side of the Cauchari Salar by Rio Tinto and on the eastern side of the Olaroz Salar by Los Boros date back to the 1990s.

2009 to 2010	• Exar acquired mining and exploration permits across broad areas of the Cauchari and Olaroz Salars. • Exploration programs focused on lithium and potassium were completed, which resulted in the preparation of a measured, indicated and inferred mineral resource report for potassium and lithium.
2012	• An initial feasibility study was completed.
2016	• Exar acquired an option to acquire title to a portion of the mining properties comprising the project from Los Boros pursuant to the Option Agreement. • SQM acquired a 50% interest in Exar and the project.
2017	• A feasibility study with an updated Mineral Reserve estimate was prepared by the Company.
2018	• The option to acquire title to certain of the properties comprising the project from Los Boros was exercised. • Project construction began. • Ganfeng acquired a 37.5% interest in the project, and the Company acquired an additional 12.5% interest, for an aggregate 62.5% interest held by the Company.
2019	• Project construction continued. • The Cauchari-Olaroz Operation Investment closed, resulting in the Company and Ganfeng each holding 50% interests in Exar and the project. • A feasibility study with an updated Mineral Resource estimate was prepared by the Company.
2020	• Closing of a transaction by which Ganfeng holds 51% and the Company 49% interest, respectively in Cauchari-Olaroz. • JEMSE entered the JEMSE Option Agreement, replacing a prior letter of intent, in respect of its right to acquire an 8.5% interest in Exar and the Cauchari-Olaroz Operation. • Project construction continued with enhanced safety protocols in effect and a reduced workforce on site, following temporary shut-downs due to COVID-19. • Updates to the water and environmental permits were approved by applicable regulatory authorities.
2021	• Project construction continued to advance. • JEMSE exercised its right to acquire an 8.5% equity interest in Exar and Cauchari-Olaroz.
2022	• Project construction continued to progress towards production, with all key infrastructure completed, and key areas of the processing plant commencing commissioning. • Focus shifted to prioritizing production volume over completion of a portion of the purification process designed to achieve battery-grade lithium carbonate.
2023	• First lithium produced • Approximately 6,000 tonnes of lithium carbonate produce.
2024	• Achievement of commercial production. • Approximately 25,400 tonnes of lithium carbonate produced.

Geological Setting, Mineralization and Deposit Types

There are two dominant structural features in the region of the Cauchari and Olaroz Salars: north-south trending high-angle normal faults and northwest-southeast trending lineaments. The high-angle north-south trending faults form narrow and deep horst-and-graben basins which are accumulation sites for numerous salars, including Olaroz and Cauchari. Basement rock in this area is composed of Early Ordovician turbidites (shale and sandstone) intruded by Late Ordovician granitoids. It is exposed to the east, west and south of the two salars, and generally along the eastern boundary of the Puna Region.

The salars are in-filled with laminar deposits, dominated by the following five primary informal lithological units that have been identified in drill cores: (i) red silts with minor clay and sand; (ii) banded halite beds with clay, silt and minor sand; (iii) fine sands with minor silt and salt beds; (iv) massive halite and banded halite beds with minor sand; and (v) medium and fine sands.

Alluvial deposits intrude into these salar deposits to varying degrees, depending on location. The alluvium surfaces slope into the salar from outside the basin perimeter. Raised bedrock exposures occur outside the salar basin. The most extensive intrusion of alluvium into the basin is the Archibarca Fan, which partially separates the Olaroz and Cauchari Salars. Route 52 is constructed across this alluvial fan. In addition to this major fan, much of the perimeter zone of both salars exhibits encroachments of alluvial material associated with fans of varying sizes.

The brines from Cauchari are saturated in sodium chloride with total dissolved solids (“TDS”) on the order of 27% (324 to 335 grams per litre) and an average density of about 1.215 grams per cubic centimetre. The other primary components of these brines include potassium, lithium, magnesium, calcium, sulphate, bicarbonate, and boron as borates and free boric acid. Since the brine is saturated in sodium chloride, halite is expected to precipitate during evaporation. In addition, the Cauchari brine is predicted to initially precipitate halite and ternadite as well as a wide range of secondary salts that could include: astrakanite, schoenite, leonite, kainite, carnalite, epsomite and bischofite.

The Cauchari and Olaroz Salars are classified as “Silver Peak, Nevada” type terrigenous salars. Silver Peak, Nevada in the United States was the first lithium-bearing brine deposit in the world to be exploited. These deposits are characterized by restricted basins within deep structural depressions in-filled with sediments differentiated as inter-bedded units of clays, salt (halite), sands and gravels. In the Cauchari and Olaroz Salars, a lithium-bearing aquifer has developed during arid climatic periods. On the surface, the salars are presently covered by carbonate, borax, sulphate, clay and sodium chloride facies. Cauchari and Olaroz have relatively high sulphate contents and therefore both salars can be further classified as “sulphate type brine deposits”.

Exploration

The following exploration programs were conducted between 2009 and 2024 to evaluate the lithium development potential of the Cauchari-Olaroz Operation area:

- Surface Brine Program – 55 brine samples were collected from shallow pits throughout the salars to obtain a preliminary indication of lithium occurrence and distribution.
- Seismic Geophysical Program – Seismic surveying was conducted to support delineation of basin geometry, mapping of basin-fill sequences, and siting borehole locations.
- Gravity Survey - A limited gravity test survey was completed to evaluate the utility of this method for determining depths to basement rock.
- Time Domain Electromagnetic (“**TEM**”) Survey – TEM surveying was conducted to attempt to define fresh water and brine interfaces within the salar.
- Air Lift Testing Program – Testing was conducted within individual boreholes as a preliminary step in estimating aquifer properties related to brine recovery.
- Vertical Electrical Sounding (“**VES**”) Survey – A VES survey was conducted to attempt to identify fresh water and brine interfaces, and surrounding freshwater occurrences.

- Surface Water Sampling Program – A program was conducted to monitor the flow and chemistry of surface water entering the salars.
- Pumping Test Program 2011-2019 – Pumping wells were installed at eleven locations, to estimate aquifer parameters related to brine recovery. One of the locations was used to estimate the capacity of fresh water supply. Some tests were carried out using multiple wells on the same platform in order to estimate three-dimensional aquifer parameters.
- Boundary Investigation – A test pitting and borehole program was conducted to assess the configuration of the fresh water/brine interface at the salar surface and at depth, at selected locations on the salar perimeter.

Drilling

From September 2009 to August 2010, a total of 4,176 m of Reverse Circulation ("**RC**") Borehole drilling was conducted to develop vertical profiles of brine chemistry at depth in the salars and to provide geological and hydrogeological data. The program included installation of 24 boreholes and collection of 1,487 field brine samples (and additional Quality Control samples). The sampled brines have a relatively low magnesium-to-lithium ratio (lower than most sampling intervals), indicating that the brines would be amenable to a conventional lithium recovery process.

Diamond drilling at the Cauchari-Olaroz Operation was conducted between October 2009 and August 2010. This program was conducted to collect continuous cores for geotechnical testing and geological characterization. The program included 29 boreholes and collection of 127 field brine samples (and additional quality control samples).

A drilling and sampling program was conducted from July 2017 to June 2019. The program included a total of 49 boreholes and 9,703 meters of cores recovered. In 2019, 58 additional samples were sent for testing (this program also included a total of 1,006 samples sent to the laboratory for brine characterization, including quality assurance and quality control ("**QA/QC**") samples).

Information from the exploration drilling and pump tests was used to select the locations of the production wells that will be used to pump lithium brine to the evaporation ponds. Since 2011 a total of 10 production wells have been drilled on the Property.

The production well field uses three wells drilled in 2011. These wells had a smaller diameter of 8 inches. The wells drilled in 2018 and 2019 were drilled deeper and used a larger diameter based on the expected flow. The production wells were drilled with conventional rotary rigs and a surface casing at the top of the wells to ensure the stability of the well head over time. The design of the deeper wells used larger diameter casing in the upper 200/250 m, continuing with smaller diameter casing below.

Mineral Resource and Reserve Estimates

The Company has not previously disclosed mineral reserve or resource estimates in accordance with S-K 1300. The following is a brief discussion of the material assumptions and criteria underlying the mineral resource and reserve estimates. Please see Section 11 and 12 of the Cauchari TRS for more detail.

A Mineral Resource and Mineral Reserve estimate for the Cauchari-Olaroz Operation is summarized in the tables below.

Mineral Resources

The prior Mineral Resource estimate from 2019 was not prepared in accordance with S-K 1300. The Company has previously filed the NI 43-101 technical reports on the Cauchari-Olaroz Operation providing prior Mineral Resource estimates for lithium and the previous resource estimate was prepared in accordance with CIM standards under NI 43-101. The Mineral Resource estimate included in the Cauchari TRS complies with S-K 1300 and has an effective date of May 7, 2019. Mr. Daniel S. Weber, P.G., RM-SME for Cauchari-Olaroz, and a qualified person under S-K 1300, reviewed and confirmed that the Mineral Resource and Mineral Reserve estimates, along with the material assumptions related to them, as presented in the Cauchari TRS, remained current as of the effective report date of December 31, 2024.

Since the 2019 mineral estimates, the results of deeper drilling and sampling have allowed for partial conversion of the Inferred Resource aquifer volume in the updated HSU model to Measured and Indicated Resource aquifer volume of the deeper HSUs. This conversion of aquifer volume to more confident Mineral Resource estimate categories provided support for simulated wells in the Mineral Reserve estimate numerical model to be completed in the deeper and more permeable lower sand and basal sand HSUs in the southeast part of the model domain. This resulted in the Mineral Resource estimate included in the Cauchari TRS with an effective date of May 7, 2019.

The Mineral Resource estimate below is based on the total amount of lithium in brine that is theoretically drainable from the bulk aquifer volume. The Mineral Resource estimate is computed as the overall product of the Mineral Resource evaluation area and aquifer thickness resulting in an aquifer volume, lithium concentration dissolved in the brine and specific yield of the Mineral Resource aquifer volume. This framework is based on an expanded and updated hydro stratigraphic model incorporating bulk aquifer volume lithologies and specific yield estimates for block modeling of the Mineral Resource estimate. Radial basis function was performed as the main lithium distribution methodology using variogram modeling techniques; the interpolation method was verified with ordinary kriging. The Mineral Resource block model was validated by means of visual inspection, checks of composite versus model statistics and swath plots. No areas of significant bias were noted. The S-K 1300 regulations were followed for the Mineral Resource Estimate.

Summary of 2019 Mineral Resource Estimate For Lithium Exclusive Of Mineral Reserves – Current as of December 31, 2024

Category	Aquifer Volume (m3)	Drainable Brine Volume (m3)	Average Lithium Concentration (mg/L)	Lithium Metal (tonnes)	Lithium – Lithium Argentina's 44.8% Portion (tonnes)
Measured	1.07E+10	9.73E+08	587	571,150	255,875
Indicated	4.66E+10	4.20E+09	589	2,475,630	1,109,082
Measured & Indicated	**5.73E+10**	**5.18E+09**	**589**	**3,046,780**	**1,364,957**
Inferred	1.33E+10	1.50E+09	592	887,300	397,510

Notes:

(1) S-K §229.1300 definitions were followed for Mineral Resources and Mineral Reserves.

(2) The Qualified Person for these Mineral Resources and Mineral Reserves estimates for Cauchari-Olaroz, Mr. Daniel S. Weber, P.G., RM-SME, reviewed and confirmed that there have been changes to data since the effective date of the estimates, however such change are not material and the Mineral Resources and Mineral Reserves and the underlying material assumptions remain current as of December 31. 2024.

(3) The Mineral Resource estimate is reported in-situ and exclusive of Mineral Reserves, where the lithium mass is representative of what remains in the reservoir after the life of mine ("LOM"). To calculate Mineral Resources exclusive of Mineral Reserves, a direct correlation was assumed between Proven Reserves and Measured Resources, and similarly, between Probable Reserves and Indicated Resources. Proven Mineral Reserves (from the point of reference of brine pumped from the wellfield to the evaporation ponds) were subtracted.

(4) The Mineral Resource Estimate is not a Mineral Reserve Estimate and does not have demonstrated economic viability. There is no certainty that all or any part of the Mineral Resources will be converted to Mineral Reserves.

(5) Calculated brine volumes only include Measured, Indicated, and Inferred Mineral Resource volumes above cut-off grade of 300 mg/L.

(6) Comparisons of values may not add due to rounding of numbers and the differences caused by use of averaging methods.

(7) Processing efficiency is assumed to be 53.7%.
(8) The pricing, based on the estimates and the time frame for the economic viability, is described below in *Item 4. – Property, Plants and Equipment - Production Schedule*.

Summary of 2019 Mineral Resource Estimate for Lithium Represented as LCE, Exclusive of Mineral Reserves – Current as of December 31, 2024		
Classification	LCE (tonnes)	LCE – Lithium Argentina's 44.8% Portion (tonnes)
Measured Mineral Resources	3,040,109	1,361,969
Indicated Mineral Resources	13,177,246	5,903,406
Measured & Indicated Mineral Resources	**16,217,355**	**7,265,375**
Inferred Mineral Resources	4,722,700	2,115,769

Notes:
(1) S-K §229.1300 definitions were followed for Mineral Resources and Mineral Reserves.
(2) The Qualified Person for these Mineral Resources and Mineral Reserves estimates for Cauchari-Olaroz, Mr. Daniel S. Weber, P.G., RM-SME, reviewed and confirmed that there have been changes to prices and data since the effective date of the estimates, however such change are not material and the Mineral Resources and Mineral Reserves and the underlying material assumptions remain current as of December 31. 2024.
(3) The Mineral Resource estimate is reported in-situ and exclusive of Mineral Reserves, where the lithium mass is representative of what remains in the reservoir after the LOM. To calculate Mineral Resources exclusive of Mineral Reserves, a direct correlation was assumed between Proven Reserves and Measured Resources, and similarly, between Probable Reserves and Indicated Resources. Proven Mineral Reserves (from the point of reference of brine pumped from the wellfield to the evaporation ponds) were subtracted. The average grade for Measured and Indicated Resources exclusive of Mineral Reserves was back-calculated based on the remaining brine volume and lithium mass.
(4) Lithium carbonate equivalent ("**LCE**") is calculated using mass of LCE = 5.322785 multiplied by the mass of Lithium reported in Table 11.5.
(5) The Mineral Resource Estimate is not a Mineral Reserve Estimate and does not have demonstrated economic viability. There is no certainty that all or any part of the Mineral Resources will be converted to Mineral Reserves. Inferred Resources have great uncertainty as to their existence and whether they can be mined legally or economically.
(6) Calculated brine volumes only include Measured, Indicated, and Inferred Mineral Resource volumes above a lithium concentration cut-off grade of 300 mg/L.
(7) Comparisons of values may not add due to rounding of numbers and the differences caused by use of averaging methods.
(8) Processing efficiency is assumed to be 53.7%
(9) The pricing, based on the estimates and the time frame for the economic viability, is described below in *Item 4. – Property, Plants and Equipment - Production Schedule*.

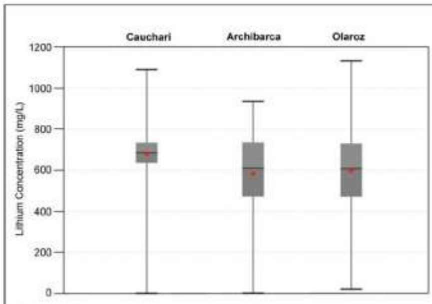
The following material assumptions and parameters were used for the mineral resource estimates. Also, this information is available in Cauchari TRS Section 11:

Table 11.2
Summary of Hydrostratigraphic Units and Assigned Specific Yield Estimates for the 2019 Mineral Resource Estimate (LAC, 2019)

Primary Unit	Minor Units	Specific Yield Estimate for Primary Unit (percent)
Alluvial Fan Sand and Gravel	Silt and Clay Lenses	24.9
Clay and Silt	Sand and Halite Lenses	5.6
Sand[a]	Clay/Silt, and Halite Lenses	24.9 / 16.0 / 12.1
Sand and Clay/Silt	Minor Halite Lenses	16.0
Halite	Clay/Silt and Sand Lenses	5.9
Basal Sand	Silt and Weathered Bedrock	13.7

(a) Sand unit modeled similarly to the LAC 2012 model where Sy generally decreases with depth: hydrostratigraphic model layers 4, 8, 11, and 16 were assigned values of specific yield of 24.9 percent; layer 13 was assigned 16.0 percent; layers 6, 19, and 21 were assigned 12.1 percent.

Figure 11.17 Box Plots of Lithium Concentrations – SdC, Archibarca, and SdO Areas



	Cauchari	Archibarca	Olaroz
Number of Data	1165	558	157
Mean	680	584	597
Maximum	1090	936	1133
Upper quartile	735	736	731
Median	686	609	607
Lower quartile	636	471	470
Minimum	0.2	1	19
Variance	15743	44766	26753
CV	0.18	0.36	0.27

Mineral Reserve

The prior Mineral Reserve estimate for lithium, which was not prepared in accordance with S-K 1300, incorporates the updated Mineral Resource estimate and additional drilling and testing through an effective date of May 7, 2019. The Company has previously filed the NI 43-101 technical reports on the Cauchari-Olaroz Operation providing prior Mineral Resource estimates for lithium and the previous resource estimate was prepared in accordance with CIM standards under NI 43-101. To obtain the updated Mineral Reserve estimate, the previous hydro stratigraphic and numerical models and the expanded database were analyzed and updated by LRE Water. Once formulated and calibrated, the updated numerical model used a simulated production wellfield to project extraction from the brine aquifer and verify the feasibility of producing sufficient brine for processing a minimum target of 40,000 tpa of lithium carbonate for a 40-year operational period. After verifying the capability of the simulated wellfield to produce sufficient brine for the minimum 40,000 tpa lithium carbonate process target, the model was then used to predict a maximum production rate for assessment of total Mineral Reserve estimate for a 40-year production and process period of lithium carbonate.

The Proven and Probable Mineral Reserve estimate is summarized without factoring estimated process efficiency (pre-processing). The Measured and Indicated Mineral Resources correspond to the total amount of lithium enriched brine estimated to be available within the aquifer while the Proven and Probable Mineral Reserves represent a portion of the Mineral Resource estimate that can be extracted under the proposed pumping schedule and wellfield configuration. Therefore, the Mineral Reserve estimation is not "in addition" to the Mineral Resource estimate, and instead, it simply represents a portion of the total Mineral Resource that is extracted during the life of mine plan. A cut-off value was not employed in the Mineral Reserve estimate because the average calculated lithium concentration after 40 years of simulated mine life was significantly above the processing constraint.

Summary of Estimated Proven and Probable Mineral Reserves (Without Processing Efficiency)

Reserve Classification	Production Period (Years)	Brine Pumped (m3)	Average Lithium Concentration (mg/L)	Lithium Metal (tonnes)	LCE (tonnes)	LCE – Lithium Argentina's 44.8% Portion (tonnes)
Proven	0 through 5	156,875,201	616	96,650	514,450	230,474
Probable	6 to 40	967,767,934	606	586,270	3,120,590	1,398,024
Total	**40**	**1,124,643,135**	**607**	**682,920**	**3,635,040**	**1,628,498**

Notes:

(1) The Mineral Reserve Estimate has an effective date of May 7, 2019. The Qualified Person for these Mineral Resources and Mineral Reserves estimates for Cauchari-Olaroz, Mr. Daniel S. Weber, P.G., RM-SME, reviewed and confirmed that the Mineral Reserves estimates, along with the material assumptions related to them, as presented in the Cauchari TRS, remained accurate as of the effective report date of December 31, 2024.
(2) LCE is calculated using mass of LCE = 5.322785 multiplied by the mass of Lithium Metal.
(3) The conversion to LCE is direct and does not account for estimated processing efficiency.
(4) The values in the columns for "Lithium Metal" and "LCE" above are expressed as total contained metals.
(5) The production period is inclusive of the start of the model simulation (Year 0).
(6) The average lithium concentration is weighted by per well simulated extraction rates.
(7) Tonnage is rounded to the nearest 10.
(8) Comparisons of values may not be equivalent due to rounding of numbers and the differences caused by use of averaging methods.
(9) Processing efficiency is assumed to be 53.7%.
(10) The pricing, based on the estimates and the time frame for the economic viability, is described below in *Item 4. – Property, Plants and Equipment - Production Schedule*.

The QPs believe the Mineral Reserve estimate has been conservatively modeled and represents a Proven Mineral Reserve for year one through five of full-scale extraction wellfield pumping and Probable Reserve for years six through 40 of extraction wellfield pumping. The division between Proven and Probable Mineral Reserves is based on: 1) sufficiently short duration of wellfield extraction to allow a higher degree of predictive confidence yet long enough to enable significant production; and 2) a duration long enough to enable accumulation of a strong data record to allow subsequent conversion of Probable to Proven Mineral Reserves.

During 2023 and 2024, the first years of operation, 39 wells were operative to support LCE production. During 2023, 496 l/s of brine were delivered to the wellfield and in 2024 an average of 706 l/s of brine were pumped.

Considering a conservative processing efficiency of 53.7%, the predicted results for the 40-year production period are as follows.

- Average production rate of 47,700 tpa LCE for the 40-year pumping period.
- Average production rate of 48,700 tpa LCE following the completion of the 40-year pumping period.
- Average lithium concentration of 609 mg/L for the 40-year pumping period, considering an average lithium grade assumption is 638 mg/l during the first years of operation.
- Minimum lithium concentration of 598 mg/L near the end of the pumping period in year 40.

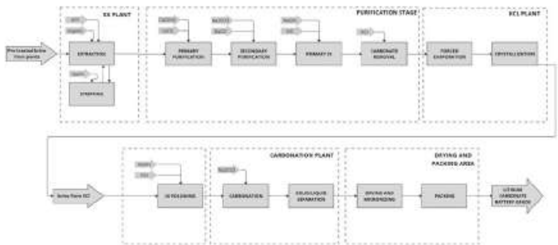
Overview of Mining and Production Operations

In 2019, Exar developed a process for converting brine to high- purity lithium carbonate. The proposed process follows industry standards: pumping brine from the salar, concentrating the brine through evaporation ponds, and taking the brine concentrate through a hydrometallurgical facility to produce high-grade lithium carbonate. While the 2012 process model employed proprietary, state-of-the-art physiochemical estimation methods and process simulation techniques for electrolyte phase equilibrium, the 2019 model uses a process model that has been further refined using the results of lab scale and pilot scale testing from Exar, Ganfeng, and equipment suppliers, the results of which were implemented in the detail engineering of the facilities. The basis of the process methods has been tested and supported by laboratory test work, pilot testing facilities, and equipment vendor testing and design to support equipment guarantees.

The process route simulated for the production of lithium carbonate from Cauchari brines resembles the flowsheet presented in shown in the “Overall Process Block Diagram” below.

Primary process inputs include evaporated brine, water, lime, soda ash, HCl, NaOH, and natural gas. The evaporation ponds produce salt tailings composed of Na, Mg, Ca, K, and borate salts. The brine concentrate from the terminal evaporation pond is further processed, through a series of polishing and impurity removal steps. Soda ash is then added with the purified brine concentrate to produce lithium carbonate that is dried, micronized, and packaged for shipping.

Overall Process Block Diagram



Operating criteria for the lithium carbonate plant is presented in the table below.

Lithium Carbonate Plant Operating Criteria		
Description	**Unit**	**Value**
Lithium carbonate production	tpa	40,000
Annual operation days	days	292
Annual operation hours	hours	7,008
Availability	%	80
Utilization (22 hours/day)	%	97.2
Plant Overall Efficiency	%	53.7

Mineral Extraction

It is contemplated that brine will be extracted from 56 production wells situated across the Mineral Reserve area. The wells comprising the brine extraction wellfield are spatially distributed in the Mineral Reserve evaluation area of the Cauchari-Olaroz Operation to optimize well performance and capture of brine enriched in lithium. Production was initiated in year one of the pumping schedule representing 23 Stage 1 wells. In years two through 40, 33 wells are added to the pumping schedule for the duration of the life of mine plan. During the "Stage 2" pumping period, the average nominal pumping rate per well is 16 L/s capacity, providing approximately 903 L/s of lithium enriched brine from the aquifer to the evaporation ponds.

The pond system consists of 28 evaporation ponds segregated into the following types: (i) 16 pre-concentration ponds; (ii) six ponds used as halite ponds; (iii) two ponds used as sylvinite ponds; (iv) two ponds used for control; and (v) two ponds used for lithium ponds.

An average evaporation rate of 6.05 mm per day (2,157 mm/year) was used as a criterion to design the pond system. This rate corresponds to measured evaporation rates observed at the site where the ponds will be located. Assuming the above-mentioned evaporation rate, the total evaporation area required for the production of 40,000 tpa of lithium carbonate is 1,200 hectares when including consideration for harvesting of salt deposited in the ponds. The ponds are lined with a multi-layer liner consisting of polymer-based material and engineered granular bedding. The ponds configuration includes provision for uninterrupted production during salt harvesting and maintenance work. Brine will be transferred between the successive evaporation ponds using self-priming pumps.

Along with lithium, the pumped brine is projected to contain significant quantities of potassium magnesium, sulfate and boron. These constituents will be removed from the brine during the extraction and evaporation process to enable effective retrieval of lithium.

Processing and Recovery Operations

Exar and its consultants subjected the brine chemistry of the deposits to a process simulation, using physicochemical properties estimation methods and process simulation techniques for phase equilibrium of solids in electrolytes (brine), specially prepared for this project. This work has been supported by the results of laboratory evaporation test work and test work at both the pilot plant and the pilot ponds.

The process route simulated for the production of lithium carbonate from Cauchari brines is outlined in a flowsheet in the Cauchari TRS. Primary process inputs include evaporated brine, water, lime, soda ash, hydrochloride, sodium hydroxide, steam, and natural gas. The evaporation ponds produce salt tailings composed of sodium, magnesium, potassium and borate salts. The brine concentrate from the terminal evaporation pond is further processed, through a series of polishing and impurity removal steps. Soda ash is then added with the purified brine concentrate to produce a lithium carbonate precipitate, that is dried, compacted/micronized and packaged for shipping.

The Company estimates that the required brine production rate should be achieved with 46 brine wells. An additional seven wells are planned for backup purposes. It is estimated that an additional one well per year of operation will be drilled throughout the 40-year operation to maintain brine productivity.

At start-up, 40 production wells were delivered for brine production, with an estimated average nominal capacity of 16.3 L/s, that will provide up to 652 L/s of brine to the ponds. Additionally, 13 wells will be completed during the first five years to have the operation fed by 53 wells. This flow rate assumes a yield of 53.7% on the whole lithium carbonate process

The wells will be screened across the most productive lithium and sealed against freshwater aquifers.

Site Infrastructure and Support Systems

Construction of the project commenced in 2018. Natural gas is obtained from the Rosario gas compression station, which is on the Gas Atacama pipeline, 52 km north of the project site. This pipeline is be capable of supplying natural gas at capacities that are sufficient for a 40,000 tpa lithium carbonate facility.

Electricity is provided by a 33 kV transmission line that interconnects with an existing 345 kV transmission line located approximately 60 km south of the Cauchari-Olaroz Operation. The interconnection involves a sub-station with a voltage transformer (345/138 kV) and associated switchgear. Another substation at the Cauchari-Olaroz Operation site consists of A stepdown 33/13.2 kV substation at the Project site, consist of two voltage transformers (33/13,2 kV, 15-20 MVA), one (1) 33 kV electrical room and one (1) 13.2 kV electrical room with suitable switchgears and auxiliary equipment for the 13.2 kV local distribution system.

The 13.2 kV local electrical distribution system provides power to the plant, camp, intermediate brine accumulation and homogenizing pools/lime pumps, wells and evaporation ponds. In general, all distribution is aerial unless there are major restrictions, in which case underground distribution is adopted. The estimated load for the Cauchari-Olaroz Operation is approximately 123,461 MWh/y or 16.4 MW/h, which includes a design safety factor of 1.2. The power line has sufficient capacity for this load plus the existing users A stand-by dual diesel/gas generating station, located close to the main substation, can power selected equipment during grid outages.

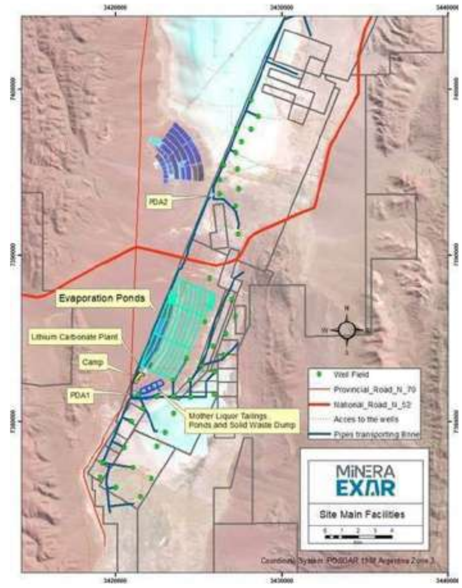
Water for industrial use is supplied by groundwater wells adjacent to the salar and a water pipeline from the north. The infrastructure for water handling includes wells, low-voltage transmission lines to power the wells, pipelines, storage tanks and reverse osmosis plants. Water is required by the process and both camps.

The construction and permanent camps are located approximately 8,000 m south of National Highway 52. The permanent camp is a full habitation and administrative complex to support all workforce activities, with a capacity for 634 people, and includes office buildings, bedrooms, dining facilities, medical room, and recreation areas, consisting of a gym, an indoor sports center, a recreation room and an outdoor soccer field. The permanent camp covers a footprint of 8,500 m^2 of buildings and 35,700 m^2 of external facilities. In the construction camp there are eight housing modules with a total capacity of 392 people, of which only three modules are currently in use. In addition, this camp includes the pilot plant facilities, water treatment plants, and contractor workshops.

Additional buildings in permanent camp include: lithium carbonate plant; spare parts and consumables warehouse building; soda ash storage building; final product – lithium carbonate – storage building; chemical laboratory; maintenance shop; and water treatment plants.

The figure below shows the location of the main facilities that are part of the Cauchari-Olaroz Operation, including:

- Well field;
- Evaporation ponds;
- Lithium carbonate plant;
- Salt and process residues disposal; and
- Camp.



Well Production Equipment Selection. Screened wells target the largest lithium brine aquifers. Submersible electric pumps are used for brine pumping. These pumps send the brine to evaporation ponds through a network of pipelines and mixing pools.

Evaporation Ponds. An average water evaporation rate of 6.26 mm per day was used as criterion to design the pond system. This rate corresponds to measured evaporation rates observed at the site where the ponds are located.

Assuming the above-mentioned evaporation rate, the total evaporation area required for the production of 40,000 tpa of lithium carbonate is 1,200 ha when including consideration for harvesting of salt deposited in the ponds. The ponds are lined with multi-layer liner consisting of a polymer-based material and engineered granular bedding. The ponds configuration includes provision for uninterrupted production during salt harvesting and maintenance work.

Brine is transferred between the successive evaporation ponds using self-priming pumps.

Salt Harvest Equipment. In order to recover pond volume taken up by precipitated salt and recover lithium values entrapped with the brine; salt is harvested. Harvesting began after the third year of steady pond operation.

The harvesting operation consists of draining the free brine from the pond, scraping the salt to a minimum depth, and making drainage trenches before removing salt.

Exar is allocating land to host waste salt deposits, which are expected to reach up to 15 m in height and cover 740 hectares over a 40-year mine life. These deposits are inert, with sodium chloride and sulphate making up approximately 87% of the material, and do not introduce foreign compounds to the environment. Cauchari-Olaroz has established an evaporation pond for its industrial liquid waste, and a 50 hectare area is allocated for this purpose.

Mining and Environmental Permits

Exar has developed a plan that promotes social and economic development within a sustainable framework. Exar began work on the Communities Relations Program with the Department of Susques in the Province of Jujuy in 2009. This plan was created to integrate local communities into the Cauchari-Olaroz Operation by implementing programs aimed at generating positive impacts on these communities.

Permitting processes for the Cauchari-Olaroz Operation are governed by Argentina's national and provincial laws, with oversight from the Jujuy provincial government. Recent updates under Decree No. 7,751- DEyP-2023 have modernized permitting standards, including enhanced consultation protocols and mandatory financial assurances for closure. The Cauchari-Olaroz Operation's permits for exploration and exploitation activities are in full compliance, with biannual updates submitted as required.

SUMMARY OF KEY PERMITTING MILESTONES		
Permit Type	Date Approved	Key Updates
Exploration	August 2009 (initial)	Regular biannual updates reflecting new activities.
Exploitation	November 2012 (initial)	Expand production capacity and operational adjustments.
Water Use	December 2020 (160 L/s)	Permanent concession granted; additional permits pending.

An additional water concession permit for a further 160 L/s from the south of the basin, for the exploitation phase for a 40 year terms, has been submitted and is currently under evaluation.

The Cauchari-Olaroz Operation has also obtained approvals for the provision of electricity to the Exar plant and for internal consumption by Resolution No. 406/2019 SCA, for natural gas by Resolution No. 350/2019 SCA and addendum approved by Resolution No. 215/2020 SCA, for water treatment plant at the construction camp by Resolution No. 327/2018 SCA, for water treatment plant at the operations camp by Resolution No. 226/2020 SCA and for aqueduct with environmental feasibility by Resolution No. 310/2020 SCA.

Operating Costs

The Cauchari TRS presents a cost estimate (±15% expected accuracy) for the Cauchari-Olaroz Operation of US$6,543 per tonne of lithium carbonate, based on 40,000 tpa lithium carbonate production. This estimate is based upon vendor purchase orders for main costs such as reagents, fuel (diesel and natural gas), electricity, maintenance, halite harvesting, transport, and catering and camp services. Reagents consumption rates were determined by pilot plant and laboratory work, as well as detailed process mass and energy balances. Energy consumption was determined on the basis of the specific equipment considered in each sector of the facilities and their utilization rate. Labour requirements are based on Exar's actual manpower used during the ramp up period.

Labour costs have been estimated using the results of a salary survey, carried out on behalf of Exar in Argentina, on mining companies with similar conditions and actual salaries paid by Exar. Consumables costs were estimated on the basis of existing supplier contracts and forecasted changes in future prices.

The exchange rate between the Argentine peso and the U.S. dollar has been assumed as AR$970/US$1. No provision for currency escalation has been included.

Operating Costs Summary			
Description	Total (US$ 000s/Year)	Lithium Carbonate (US$/Tonne)	Allocation of Total OPEX (%)
Direct Costs			
Reagents	100,981	2,525	38.60%
Maintenance	24,701	618	9.4%
Electric Power	9,283	232	3.5%
Pond Harvesting & Tailing Management	24,348	609	9.3%
Water Treatment System	0	0	0
Natural Gas	4,455	111	1.70%
Manpower	32,059	801	12.20%
Catering, Security & Third-Party Services	32,083	802	12.30%
Consumables	6,443	161	2.50%
Diesel	3,249	81	1.20%
Bus-In / Bus-Out Transportation	0	0	0
Product Transportation	9,200	230	3.5%
Direct Costs Subtotal	**246,803**	**6,170**	**94.30%**
Indirect Costs			
G&A	14,912	373	5.7%
Indirect Costs Subtotal	**14,912**	**373**	**5.7%**
Total Operating Costs	**261,714**	**6,543**	**100.0%**

Capital Costs

Capital costs for Cauchari-Olaroz (“CAPEX”) are based on the total engineering and construction work, having a design capacity of 40,000 tonnes per year of lithium carbonate. The CAPEX is expressed in current US dollars on a 100% project equity basis. The Company contributed 49% of these costs, matching its shareholding in Exar and excluding JEMSE’s 8.5% interest.

Capital costs include direct and indirect costs for:

- Brine production wells.
- Evaporation and concentration ponds.
- Lithium carbonate plant.
- General site areas, such as electric, gas, and water distribution.
- Stand-by power plant, roads, offices, laboratory and camp, and other items.
- Off-site infrastructure, including gas supply pipeline and high voltage power line and water pipeline; and
- Salaries, construction equipment mobilization, and other expenses.

The capital investment for the 40,000 tpa lithium carbonate project, including equipment, materials, indirect costs and contingencies after completion of the construction period is consolidated to US$979 million. This total excludes interest expense capitalized during the same period. Disbursements of these expenditures started in 2017 as part of the 25,000 tpa lithium carbonate project.

These capital expenditures are summarized in the table below:

Capital Costs Summary	
Item	**US$ M**
Direct Cost	
Salar Development	51.0
Evaporation Ponds	175.5
Lithium Carbonate Plant and Aux.	361.7
Reagents	26.2
On-Site Infrastructure	108.7
Off-Site Services	13.6
Total Direct Cost	**736.7**
Indirect Cost	
Total Indirect Cost	**224.5**
Total Direct and Indirect Cost	961.2
Others	17.8
Total Capital	**979**
Expended to date	**979**
Estimate to complete	**-**

Sustaining capital expenditures are estimated to total US$990.5 million over the 40-year evaluation period of the Cauchari-Olaroz Operation.

Capital costs include direct and indirect costs for:

- Brine production wells;
- Evaporation and concentration ponds;
- Lithium carbonate plant;
- General site areas, such as electric, gas and water distribution;
- Stand-by power plant, roads, offices, laboratory and camp and other items;
- Off-site infrastructure, including gas supply pipeline and high voltage power line and water pipeline; and
- Contingencies, salaries, construction equipment mobilization and other expenses.

The following items were not included in the estimate:

- Legal costs;
- Costs to implement the COVID Protocol and special incentives and allowances;
- Mineral license costs;
- Escalation; and
- Start-up costs beyond those specifically included.

Project Economics

An economic analysis was outlined in the Cauchari TRS considering that construction for the project commenced in 2018 and significant funds were spent since then. All capital expenditures prior to December 31, 2024 are considered sunk and are not included in the capital expenses in the economic model. Only capital expenditures from December 31, 2024, onwards are included. Investment decisions are made on a forward-looking basis. The purpose of the economic model is to assess whether future capital expenses and operations, with updated product price, production costs, and other assumptions, will bring a positive economic result. Positive economic results include future cash flows, generated from sales of the finished product, less related cost of sales and other expenses, excluding capital expenditures prior to December 31, 2024. The economic assessment ignores sunk costs in the determination of cash flows and economic indicators. However, these costs are considered as opening balances for the purpose of determining tax assets and liabilities. With the exclusion of the historic capital spent from the discounted cashflow, the presentation of an IRR value is not considered to be applicable.

Information contained in the Cauchari TRS, including (but not limited to) the project economics for the Cauchari-Olaroz Operation presented below (including, for greater certainty, revenue, net present value, cash flow and earnings) are presented as of the effective date of the Cauchari TRS based on criteria, assumptions, estimates and other information available at the time and therefore may not reflect actual results and outcomes, updated project economics, capital costs and/or operating costs for the project. As a result, actual results may differ from those presented. See “Item 3.D. - *Risk Factors*”.

The following criteria have been used to develop the economic model:

- Engineering and construction period is estimated at four years, while the life of mine is estimated to be 40 years;
- Pricing was obtained from a market study (see Section 16 of the Cauchari TRS). Deductions to the price related to the removal of trace levels of impurities to achieve battery quality lithium carbonate are described as tolling costs in the economic model and deducted from revenue;
- Production based on design capacity of 40,000 tpa of lithium carbonate;
- Valuation date of December 31, 2024;
- For project evaluation purposes, it has been assumed that 100% of capital expenditures, including pre-production expenses and working capital are financed with owners’ equity;
- Brine composition may be suitable for extraction and commercial production of other salts or other chemical compounds such as Boric Acid (H_3BO_3), potassium, etc. These options were not included in the Cauchari TRS;
- The economic evaluation was carried out on a constant money basis so there is no provision for escalation or inflation on costs or revenue;
- All values are expressed in current US dollars; the exchange rate between the Argentine peso and the US dollar as at October 31, 2024 was AR$970/US$. Argentine peso denominated costs follow the exchange rate as a result of inflation, and the impact of the exchange rate fluctuation on CAPEX and OPEX has been incorporated; no provision for currency escalation has been included; and
- The base-case assessment was carried out on a 100%-equity basis. Apart from the base case discount rate of 8.0%, two (2) variants of 6.0% and 10.0% were used to determine the NPV of the Cauchari-Olaroz Operation. These discount rates represent possible costs of equity capital.

In addition to capital and operating cost expenses as set forth in the Cauchari TRS, project economics are based on additional expenses and cash flow items including: Argentinean transaction tax, Jujuy provincial and private royalties, licenses and permits, export refunds, easement rights, equipment depreciation, sustaining capital, exploration expenses, amortization and remediation allowances.

Production Schedule

The Cauchari TRS production model outlines lithium carbonate production totaling 1,452,000 tonnes over period from 2025 to 2060. Overall efficiency of brine processing to produce lithium carbonate is reported to be 53.7%. To account for processing efficiency, the net amount of lithium carbonate produced was computed by multiplying the LCE extracted from the well field by 53.7%. The resulting values from each production well were then summed for each production year to determine the predicted annual lithium carbonate production. During the entire 40-year simulated production period the cumulative lithium carbonate, after accounting for processing efficiency, is projected to average 38,667 tonnes from the years 2025-2023 and 40,000 tonnes for years 2031-2060.

In the Cauchari TRS production model, it is assumed that in for years 2025-2030 average annual revenue will be US$709,000,000 and for years 2031-2060 average annual revenue will be US$780,000,000. The production model assumes a lithium carbonate price of US$20,757/tonne. The commodity price of $20,000/tn for lithium carbonate (2025) was used to assess the economic viability for the mineral estimates but was not used for cut-off purposes.

NPV

Set forth below is a table that illustrates the sensitivity of the project economics based on three lithium carbonate pricing scenarios and discount rates. The below is presented on a 100% project equity basis and measured from the end of the capital investment period. The Company owns 44.8% of the Cauchari-Olaroz Operation as of the date of this annual report.

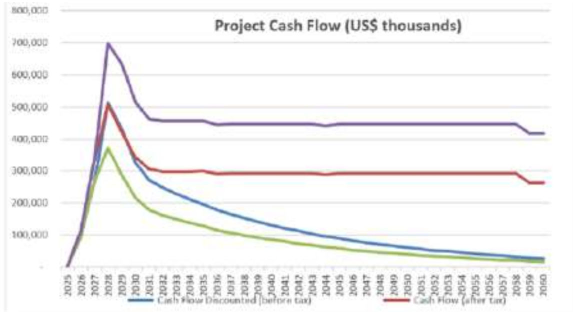
TABLE 19.6
PROJECT EVALUATION ECONOMIC SUMMARY

Price Case	Unit	High	Medium	Low
Average Lithium Price Li2CO3	US$/tonne	$21,645	$20,757	$19,641
Key Statistics				
Project capacity	tonnes	40,000	40,000	40,000
Sustaining CAPEX	US$ M	$990	$990	$990
OPEX	US$/tonne	$6,543	$6,543	$6,543
Max negative cash flows	US$ M	$-13	$2	$-87
Average Lithium price Li2CO3	US$/tonne	$21,645	$20,757	$19,641
Average yearly values				
Revenue	US$ M	$793	$758	$714
OPEX	US$ M	$-258	$-258	$-258
Other Expenses	US$ M	$-38	$-38	$-35
EBITDA[1]	US$ M	$497	$463	$421
Before taxes				
NPV (6%)	US$ M	$7,430	$6,538	$5,311
NPV (8%)	US$ M	$6,044	$5,230	$4,101
NPV (10%)	US$ M	$5,049	$4,305	$3,263
After taxes				
NPV (6%)	US$ M	$5,035	$4,466	$3,630
NPV (8%)	US$ M	$4,122	$3,603	$2,830
NPV (10%)	US$ M	$3,466	$2,992	$2,274

[1] EBITDA is non-GAAP financial measures and has no standardized meaning under IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) ("**IFRS Accounting Standards**") and may not be comparable to similar measures used by other issuers. The Company does not have historical non-GAAP financial measures nor historical comparable measures under IFRS, and therefore the foregoing prospective non-GAAP financial measure may not be reconciled to the nearest comparable measure under IFRS. Because the Company has provided these measures on a forward-looking basis, it is unable to present a quantitative reconciliation to the most directly comparable financial measure calculated and presented in accordance with IFRS without unreasonable efforts. This is due to the inherent difficulty of forecasting the timing or amount of various reconciling items that would impact the most directly comparable forward-looking IFRS measure that have not yet occurred, are outside of the Company's control and/or cannot be reasonably predicted.

Discounted Cash Flow

The figure below summarizes cash flows on a yearly basis for the period for the medium price scenario.



<u>Mineral Reserve and Resource Estimate Comparison Between December 31, 2023 and 2024</u>

For the year ended December 31, 2023, the Company was not subject to S-K 1300, and reported its mineral reserve and resources in accordance with NI 43-101. For ease of comparison, the estimates for the project are shown on a 100% basis. The Company's attributable interest is 44.8% of the tonnage stated in the tables.

Mineral Resources

The table below sets forth the comparison of the Mineral Resources as set forth in the Company's annual report on Form 40-F for the year ended December 31, 2023, and as set forth in the Company's annual report on Form 20-F for the year ended December 31, 2024. The decreases in the mineral resources are primarily due to the fact that under S-K 1300, mineral resources are estimated exclusive of mineral reserves.

Category	December 31, 2024(1)		December 31, 2023(2)		Percent Difference	
	Lithium Tonnes	LCE Tonnes	Lithium Tonnes	LCE Tonnes	Lithium	LCE
Measured	571,150	3,040,109	667,800	3,554,700	(14)%	(14)%
Indicated	2,475,630	13,177,246	3,061,900	16,298,000	(19)%	(19)%
Measured + Indicated	3,046,780	16,217,355	3,729,700	19,852,700	(18)%	(18)%
Inferred	887,300	4,722,700	887,300	4,722,700	**-%**	-%

Mineral Reserves

There has been no change in the proven and probable mineral reserves as set forth in the Company's annual report on Form 40-F for the year ended as of December 31, 2023, and as set forth in the Company's annual report on Form 20-F for the year ended December 31, 2024.

PASTOS GRANDES PROJECT

Project Overview

The Pastos Grandes Project was acquired by the Company in connection with the acquisition of 100% of the issued and outstanding shares of Millennial Lithium on January 25, 2022. The Pastos Grandes Project is a lithium brine mineral project located in the central portion of the Salar de Pastos Grandes basin in the Salta Province, Argentina.

The site of the Pastos Grandes Project is near Highway 129 which connects 40 km north with Highway 51. Highway 51 traverses from Salta to the international border with Chile at the Sico Pass and connects further west to the major mining center of Calama, as well as the ports of Antofagasta and Mejillones in northern Chile. Both ports are major transportation hubs for the importation of mining equipment and the exportation of mineral commodities.

The total book value of the Pastos Grandes Project is $351 million as of December 31, 2024.

The Company retained Atacama Water to prepare "NI 43-101 Technical Report: Lithium Resource Update Pastos Grandes Project, Salta Province, Argentina" with an effective date of April 30, 2023, with the objective of updating the resource estimate for lithium contained in brine for the Company's properties in the Pastos Grandes basin excluding the Sal de la Puna properties based on the consolidation and integration of available information. The resource estimation for the Pastos Grandes Project was developed using SgeMS and the geological model as a reliable representation of the local lithology. The principal author was closely involved with the block model development; all results have been reviewed and checked at various stages and are believed to be valid and appropriate for these resource estimates. CIM definitions were followed for Mineral Resources, and the works were certified by the "qualified person" Frederik Reidel, CPG. The effective date of the Mineral Resources estimate is April 30, 2023.

Recent Developments

In August 2024, the Company completed the transaction with a subsidiary of Ganfeng whereby Ganfeng Lithium acquired $70 million in newly issued shares of PGCo, the Company's indirect wholly-owned Argentinian subsidiary holding the Pastos Grandes Project, which represents an approximate 14.89% interest in PGCo and the project. Proceeds of the subscription were allocated to the advancement of the Company's lithium projects in Argentina. In connection with the subscription, the Company and Ganfeng executed a shareholders agreement that, among other terms, provides for limited term rights and obligations as between the parties, including the following: (i) from the closing date until December 31, 2024, a standstill on the sale of an interest in the Pastos Grandes Project; (ii) during the course of 2025, enhanced consent rights in favour of Ganfeng in respect of operational matters, as well as a right of first refusal in favour of Ganfeng over a sale of an interest in PGCo at the same valuation as that applicable to the Pastos Grandes Transaction (with the Company having a right of first refusal over a sale by Ganfeng of its interest); (iii) from closing through to December 31, 2025, a right in favour of Ganfeng to acquire an aggregate 50% interest in the Pastos Grandes Project upon a change of control of the Company by subscribing for share capital of PGCo in consideration for an incremental cash subscription price of US$330 million; and (v) from January 1, 2025 to September 30, 2025, an enhanced 'tag-along' right of Ganfeng to include its interest along with a sale by the Company of its interest in PGCo , and to realize a portion of the consideration that would otherwise be payable to the Company upon such sale in addition to the equivalent proportionate consideration payable for the interest of Ganfeng (after such period the "tag along right" will survive but will only include the proportionate consideration).

Ganfeng and Lithium Argentina had have begun advancing thepreparation of a regional development plan for the Pastos Grandes basin, which includes the Company's Pastos Grandes Project and the Sal de la Puna project, and Ganfeng's adjacent Pozuelos project. The development plan will include significant technical collaboration to explore the best technologies, including direct lithium extraction ("**DLE**") technology to complement the existing conventional solar evaporation process. The Company and Ganfeng have conducted significant early works studies at the Pastos Grandes Project and Ganfeng's adjacent Pozuelos project, respectively. As a result, there is a rich data set that can be used to produce a comprehensive development plan. The Company also continues to investigate measures by which it can leverage the Company's experience and learnings from development of the Cauchari-Olaroz Operation.

The offtake rights for the Pastos Grandes Project remain uncommitted, which will allow the Company to explore opportunities to bring in new customers and financing to accelerate and support development of the global lithium chemical supply chain.

Detailed Property Description

Technical Information

More detailed scientific and technical information on the Pastos Grandes Project can be found in "NI 43-101 Technical Report: Lithium Resource Update Pastos Grandes Project, Salta Province, Argentina" with an effective date of April 30, 2023, that was filed with the securities regulatory authorities in each of the provinces and territories of Canada, and was prepared by Frederik Reidel, CPG, of Atacama Water, who is a "qualified person" for the purposes of NI 43-101 and S-K 1300 by virtue of his experience, education, and professional association and who is independent of the Company. Reference should be made to the full text of the "NI 43-101 Technical Report: Lithium Resource Update Pastos Grandes Project, Salta Province, Argentina" with an effective date of April 30, 2023, which is available for viewing under the Company's profile on SEDAR+ at www.sedarplus. com. All capitalized terms used in the disclosure below that are not otherwise defined shall have the meanings ascribed thereto in "NI 43-101 Technical Report: Lithium Resource Update Pastos Grandes Project, Salta Province, Argentina" with an effective date of April 30, 2023.

Property Description and Location

The Company acquired the Pastos Grandes Project from Millennial Lithium in January 2022. The Company subsequently acquired additional mining concessions (LAC Norte and Sur) during 2022.

The Pastos Grandes Project is situated within the Department of Los Andes, approximately 10 km south of the village of Santa Rosa de Los Pastos Grandes, and 130 km west of the city of Salta, the capital of the Salta Province in Argentina. The center point of the Pastos Grandes Project is situated at approximately 3,428,966 mE, 7,283,194 mN (POSGAR 04 / Argentina zone 3). The Pastos Grandes Project encompasses a surface area of more than 24,000 hectares in the hydrographic basin of Salar de Pastos Grandes at an elevation of roughly 3,785 masl.

The Pastos Grandes Project site is situated near Highway 129 which connects 40 km north with Highway 51. Highway 51 traverses from Salta to the international border with Chile at the Sico Pass and connects further west to the major mining center of Calama, as well as the ports of Antofagasta and Mejillones in northern Chile. Both ports are major transportation hubs for the importation of mining equipment and the exportation of mineral commodities. The Pastos Grandes Project is in the vicinity of the existing railroad between Salta and Antofagasta that is administrated by two different companies: The Chilean Ferrocarril Antofagasta – Bolivia (Luksic Group) and the Argentinean state owned Ferrocarril Belgrano. It consists of a narrow-gauge railway connecting Antofagasta (Chile) on the Pacific coast to the northern part of Argentina with connections to Buenos Aires on the Atlantic coast. The connection between Pocitos – Antofagasta has been reinstated in cooperation between the regional governments and is currently active shipping product for a lithium operation in Salar del Hombre Muerto. A natural gas line (Gas de la Puna) with a distribution terminal is in the village of Pocitos. Here gas is redistributed to lithium operations in the Puna currently being developed. It is planned that the Pastos Grandes Project will connect to this terminal with a dedicated pipeline for the supply of natural gas during operations. It is expected that all industrial water supply requirements for the Pastos Grandes Project can be developed from groundwater resources hosted in the alluvial fans surrounding Salar de Pastos Grandes. The Pastos Grandes Project controls sufficient surface rights to execute the contemplated mining and processing activities.

Mineral Tenure

Argentine Tenure Regime

The Argentine mining regulations recognize two types of tenements. Cateos, also known as Exploration Permits, grant permission to explore the tenement for a period that is proportional to its size. The other type of tenement is known as "Mines" or "Claims". This kind of permit grants authorization to exploit the tenement, subject to regulatory environmental approval. These licenses have no time limit, provided that the property holder fulfils their obligations under the Mining Code. These obligations include:

- Paying the annual rent (canon);

- Completing a survey of the property boundaries;
- Submitting a mining investment plan; and
- Meeting the minimum investment commitment.

The mining concessions comprising the Pastos Grandes Project is registered as “Mines” under the file numbers listed in the table below in the Department of Los Andes (Salta Province). The properties the Company recently acquired through the acquisition of Arena Minerals are not included in this list.

Through its 85.1% percent ownership of PGCo (which ownership interest is subject to the Pastos Grandes Transaction; see “Item 4. – Property, Plants and Equipment - *Recent Developments*”), the Company controls the Pastos Grandes Project. There are no known obstacles to PGCo maintaining ownership on these titles, with the caveat (i) on those areas that were claimed by multiple parties that a lottery may be held, and that area be awarded to a third party (Title 37). All patent (canon) payments are up to date on all those claims where the patent is due. All claims are free from any evidence of mortgages, encumbrances, prohibitions, interdictions, or litigation.

Mining Tenements of the Pastos Grandes Project

PROYECTO PASTOS GRANDES S.A.						
Salta	**Loc**	**Name**	**File Nº**	**Granted Area**	**Under Application**	**Royalties**
1	PG	El Milagro	17588	99		1,5% Gross
2	PG	Neptali II	18403	165		1,5% Gross
3	PG	Norte Argentino	18550	356		1,5% Gross
4	PG	Jorge Eduardo	18693	599		1,5% Gross
5	PG	Aguamarga 15	19097	1,298.00		-
6	PG	TabaPG	20016	317		-
7	PG	Papadopulos LXXIV	20247	3,038.00		-
8	PG	REMSA Investigation Area	22765			-
9	PG	Ignacio	17606	500.05		-
10	PG	Ignacio IV	17630	1,026.84		-
11	PG	Daniel Ramon	18571	1,833.48		-
12	PG	Aguamarga 10	19092	3,087.28		-
13	PG	Nueva Sijesyta 01	23736	109.4423		-
14	PG	Papadopulos XXXII	19667	300		-
15	PG	Easement - Ponds (L_U)	23763		935.56	-
16	PG	Easement - Ponds (A)	23764		486.07	-
	PG	Easement - Ponds (B)	23764		264.36	-
	PG	Easement - Ponds (C)	23764		459.16	-
	PG	Easement - Camp (D)	23764		91.38	-
17	PG	Easement - Ponds (Tar)	23765		83.58	-
	PG	Easement - Water (A)	23767		7.85	-
	PG	Easement - Water (B)	23767		57.11	-
18	PG	Easement - Water (A)	23767		64.27	-
	PG	Easement - Water (B)	23767		60.67	-
	PG	Easement - Water (A)	23767		23.63	-
19	PG	Easement - Road(A)	23768			-
	PG	Easement - Road(B)	23768			-
20	POC	Easement - Storage (Pocitos)	24186		10.00	-
21	PG	Easement - Gas Pipeline	24423			-
22	PG	Easement - Road	20277			-
23	PG	Easement - Brine Duct 01	723917			-
24	PG	Easement - Brine Duct /Pil. Plant 02	723921			-
25	PG	Easement - Ponds 03	723923		422.53	-
26	PG	Easement - Brine Duct /Camp 04	723927		24.11	-
27	PG	PGCo 01	24231		968.66	-
28	PG	PGCo 02	24255		3,317.50	-
29	POZ	PGCo 03	24256		394.80	-
30	PG	Quarry - Agregates - Corral Colorado	24333		50.00	-
31	PG	PGCo 04	734830		94.00	-
32	PG	Easement - Brine Duct	740242			-
33	PG	Easement - Brine Duct	740243			-
34	PG	Easement - Ponds (Cas)	741366		100.00	-
35	PG	PGCo 05 (Ulx)	741363		245.80	-
36	POZ	Amancay VIII	748926		1,447.56	
37	PG	Centenario 208	20259		1,411.25	-

Note:

(1) Tenement coordinates are given in the Argentine coordinate system which uses the Gauss Krueger Transverse Mercator projection and the Argentine Posgar 94 datum.

The following considerations regarding the status of the mining titles follow the sequence in the table above.

1. **Titles 01 to 04**: the files are fully owned by PGCo and in good standing. PGCo owns 100% interest in these core properties in Salta Province, Argentina. The Pastos Grandes Project mineral rights, acquired from Mr. Moreno and Mrs. Salas, are subject to a royalty due to the vendors equal to 1.5% of the gross annual sales

of lithium from the project, which PGCo had the option to purchase for US$3,000,000 until October 6, 2019, but did not exercise.

2. **<u>Titles 05 to 07</u>**: the files are fully owned by PGCo and in good standing. PGCo acquired these additional, contiguous mining licences of 4,653 hectares from the Rojas family-controlled company, Argentina Mining S.A.

3. **<u>Title 08</u>**: this is the file started by REMSA (defined below) in which the tender process for the REMSA area was conducted. This file reflects all the events of the tender which concluded in the signing of an agreement with REMSA aiming at the acquisition and exploration of the area comprised in this file. In August 2017, PGCo successfully participated in the tender process and was awarded the opportunity to acquire 2,492 hectares of claims (the "**Additional Property**") from the Salta Provincial Energy and Mining Company ("**REMSA**"). In December 2017, PGCo entered into a definitive agreement ("**Final Agreement**") with REMSA. On May 29, 2020, PGCo and REMSA signed the closing deed, in which REMSA confirmed that PGCo had strictly complied with each and every one of the obligations derived from the contract and the 1st and 2nd addendum agreements, not having any claim against PGCo, and that, consequently, once the remaining payments were made, the contractual relationship that united them would be extinguished, thus extinguishing all the obligations of PGCo towards REMSA. Final payment was executed on June 1, 2020, issuing REMSA a receipt for it on June 2, 2020. The Additional Property is strategically located contiguous to PGCo's current claims.

   As per the Final Agreement, PGCo's commitment to REMSA for the Additional Property included the following:

   (i) a stage 1 spending commitment of US$15.54 million to maintain its interests and rights in the Additional Properties within twelve months of obtaining the Environmental Impact Report (obtained April 2018). This spending commitment was exceeded within the time frame stipulated in the Final Agreement;

   (ii) a guarantee for the US$1.55 million required bond (obtained); and

   (iii) US$3,000 per hectare for a total purchase price of US$7,476,150 to be paid as:

      a. an initial payment of US$1,869,038 to REMSA (C$2,362,153 paid); and

      b. payments of US$1,869,038 to REMSA on each of the first (C$2,522,864 paid), second, and third anniversary of the signing date of the Final Agreement. On December 18, 2019, REMSA agreed to suspend the terms of the agreement until five mining licences were registered to PGCo. The five licences were registered with PGCo in June 2020; as such, PGCo paid the remaining US$3,738,076 (C$5,019,862) upon registration of the licences.

   To secure a guarantee for the US$1.55 million bond required for the stage 1 spending commitment per the terms of the Final Agreement, PGCo entered into an insurance contract in August 2017, which was renewed in August 2018 for an annual premium of approximately US$7,800 (C$10,365), and provided a guarantee to the insurance company over a bank deposit in the amount of US$300,000 (C$398,671), which was included in restricted cash. Having fulfilled the spending commitments, the US$300,000 deposit was returned to PGCo in December 2019.

   With PGCo having completed all its obligations under the Final Agreement, the same was mutually terminated between PGCo SA and REMSA on 29, May 2020.

4. **<u>Titles 09 to 13</u>**: these claims were filed within the REMSA area, which contained vacant mines and free areas. The award of the area on title 08 gave PGCo a priority right to claim those vacant mines and free areas. As a result, titles 09 to 13 were claimed by PGCo. All these titles have been fully granted to PGCo.

5. **<u>Title 14</u>**: PGCo secured an additional 300 hectares of core salar mining rights at Pastos Grandes. Mining rights to the central salar property, Papadopulos XXXII are contiguous to PGCo's holdings, and were fully granted by the Provincial mining authority, the Mining Court of Salta, to PGCo.

6. **Titles 15 to 26 and 32 to 34**: these easements were claimed to obtain (i) surface usage rights on areas beyond the boundaries of PGCo's claims and (ii) as well within PGCo's mining concessions. In the case of Title 20, it was claimed in order to secure a stocking area next to the railway station in Pocitos. Even though PGCo's mining concessions legally grant PGCo priority to the use of the surface, a discussion with a potential claimant of easements within PGCo's concessions wanted to be avoided. The easements are currently in the process of being granted. There is a possibility that those easements claimed on the surface of mining concessions that belong to third parties might be challenged by those third parties, since the Mining Court will notify them of the existence of PGCo's claims. These notifications will open, if a challenge arises, a formal round of negotiations supervised by the Court, after which the Court will rule whether it grants the easement to PGCo or not.
7. **Titles 27 to 31**: these claims were filed upon the liberation of these areas by the Mining Court. These are adjacent to the Pastos Grandes Project and awaiting the granting in full by the Mining Court. In the case of Title 30, it was claimed to secure the provision of aggregates during the construction and production stages of the Pastos Grandes Project.
8. **Title 35**: this mine was filled overlapping a camp easement that belongs to ULEX S.A. and a water easement that belongs to Borax, both borates companies, aiming to obtain the mineral rights under the surface, without disturbance to ULEX S.A.'s nor Borax's operations. The Court has notified the companies of PGCo's claims. PGCo has not received to date notice of any submission made by these two companies. In case of opposition to our claim, the Court may notify a hearing to all parties in order to negotiate, or it could plainly reject PGCo's claim.
9. **Title 36**: this claim was acquired from Mr. Castañeda on August 2, 2022, pursuant to an agreement which provides for the following instalments:

	DATE	USD	DUE
1	Signing	US$250,000	02/08/2022
2	4 Months	US$125,000	02/12/2022
3	4 Months	US$125,000	02/12/2022
4	8 Months	US$250,000	02/04/2023
5	12 Months	US$250,000	02/08/2023
	Total	**US$1,000,000**	

   Instalments 3, 4 and 5 are subject to the condition that a deed of transfer from Mrs. Romero to Mr. Castañeda is registered on title at the Court. This registration took place on February 9, 2023. Following this transfer, PGCo is starting the process to sign the deed and have the title registered to it. This title is in a very early stage of the process, awaiting its full granting by the Court.
10. **Title 37**: this claim was filed upon the liberation of this area by the Mining Court. Many claimants filled for this area on the same date and time as PGCo. Consequently, the Court will eventually notice all claimants to a hearing where a lottery of the area will be conducted, and the area awarded to the drafted claimant.

Royalties

In addition to certain royalties mentioned above, the Argentine federal government regulates ownership of mineral resources, although mineral properties are administered by the provinces. In 1993 the federal government established a limit of 3% on mining royalties to be paid to the provinces as a percentage of the "pit head" value of extracted minerals. ANG is expecting a 3% royalty payable to the Salta Province based on earnings before income tax if a brine mining operation is established.

History

Borate mining has taken place in the general vicinity of Salar de Pastos Grandes since the early 1960s. Borax Argentina, recently divested by Allkem Limited, extracts colemanite, hydroboracite, and ulexite from the Sijes Formation located on tenements situated on the southern and eastern edges of the Pastos Grandes basin. These minerals are processed at the Sijes borates plant.

In 1979, DGFM (a state-owned Argentine arms manufacturer) conducted a lithium exploration program that covered several salars in north-western Argentina, including Salar de Pastos Grandes. The exploration included surface mapping and sampling of six brine samples from surface, eight from hand-dug pits, and four from streams around the Salar de Pastos Grandes. The sampling campaign found lithium and potassium concentration anomalies with average values of 384 parts per million (ppm) Li and 4,066 ppm K for the pit samples, and 327 ppm Li and 3,518 ppm K for the surface samples. The stream samples reported lithium concentration below detection limits.

In 1987, ULEX S.A. began borate production at the Sol de Mañana Mine in the south-eastern portion of the Salar near the Rio Sijes reaching a production of near 1,000 tonnes of colemanitehydroboracite- ulexite per year (Hains et al., 2018). Tramo SRL has mined borates (colemanite) at the Quebracho property on the southern border of Salar de Pastos Grandes and common salt (halite, NaCl) on the salar's surface since 2006. Other smaller mining companies have also carried out salt exploitation over various properties in the Salar.

During 2011 and 2012, Eramet SA ("Eramet") through its subsidiary Eramine Sudamerica SA ("Eramine") carried out exploration activities in the Salar de Pastos Grandes including geophysical surveys (VES, TEM and Controlled Source Audio Magnetotellurics survey ("CSAMT") campaigns, all as defined below), drilling (exploration and production wells to maximum depth of 160 m), testing, and geochemical sampling. This work has been referred to as the Stage One of investigation of the Pastos Grandes Project and identified a lithium-enriched brine aquifer with lithium concentrations ranging between 330-560 mg/L and a ratio Mg:Li of between 5.35 – 7.87.

LSC Lithium Corporation ("LSC Lithium") undertook an exploration program between 2016 and 2018 focused on the western and central portion of Salar de Pastos Grandes.

Millennial Lithium conducted an extensive program of field work across the Salar de Pastos Grandes from 2016 to 2021 known as the Stage Two and Three investigations of the Pastos Grandes Project. In January of 2022, the Company completed the acquisition of Millennial Lithium including the Pastos Grandes Project. The Company is currently carrying out additional works, engineering and other optimization studies. In addition, in connection with the Pastos Grandes Transaction, the Company announced that Ganfeng, with support of the Company, will undertake preparation of a regional development plan for the Pastos Grandes basin, which includes the Pastos Grandes Project and the Sal de la Puna project and Ganfeng's adjacent Pozuelos project, and which is expected to be finalized in 2025.

Centaur Resources Ltd. ("Centaur") carried out lithium exploration activities on the 'Alma Fuerte' mining claim of its Sal de la Puna project immediate to the south and east of the Company mining claims during 2018/2019. This program included drilling of three boreholes including a pumping well to around 600 m depth, pumping tests, and seismic & TEM geophysical surveys.

Geological Setting, Mineralization and Deposit Types

Regional Geology

<u>Tectonic Context</u>

The main lithium-containing region of South America is in the Puna Plateau of the central Andes. The Puna Plateau is approximately 2,000 km long, 300 km wide and has an average elevation of 3,700 masl. The eastern volcanic arc and centres have been active from the Miocene to the present and are the source of mineralized fluids throughout the plateau. The uplift of the Puna Plateau is the result of the crustal shortening that occurred in the Tertiary and magmatic accumulation.

The section of the Puna which developed in Argentina shows distinct features of the Altiplano than those seen in Bolivia and Peru. This zone can be divided into Southern Puna and Northern Puna according to their relative position with respect to the Olacapato lineament. This lineament corresponds to a regional megafracture on a WNW-ESE course that crosses other geological provinces of the Andean axis. The observed geological differentiation in the upper crust is a response to the deep segmentation of the subducted Nazca plate which would condition a different metallogenic development. The southern Puna is considered the plateau region associated with the volcanic arc developed between 24" and 27" S and the Northern Puna to the region between 24" and 22" S.

The volcanic arc limits the Puna hydrological basin to the west while the Eastern Cordillera limits this basin to the east. Towards the Puna Austral (Southern Puna), a combination of east-west striking volcanic chains with uplifted blocks caused by north-south striking reverse faults limit numerous hydrological sub-basins, with numerous and extensive salt flats covering their bases, frequently surrounded by important alluvial systems. Thick sections of Neogene strata (up to 5 km) are present within depositional basins, which contain evaporites (mainly halite, gypsum, and borates) and alluvial clastic material with smaller tuff horizons. Exposed Neogene strata is present along the margins of the salars due to reverse faulting or as intra-basin uplift within the salt flats.

Stratigraphy

The units that outcrop in the region correspond only to rocks of Ordovician and Cenozoic age. The Ordovician outcrops are represented by leptometamorphic shales and greywackes, green to grey, strongly folded and fractured that make up the Cordón de Copalayo, on the western flank of the depression, as well as its basement. Additionally, Ordovician plutonites and metamorphites assigned to the Oire Eruptive Complex are found in a conspicuous northern prolongation of the Oire ridge and on the eastern edge of the depression.

In strong angular unconformity and with an inclination towards the east, a thick sequence of tertiary continental sedimentary rocks developed which outcrop across the width of the basin (17 km), although in many cases without continuity. Based on chromatic and lithological differences, these tertiary sedimentary rocks can be subdivided into Fm Geste, Fm. Pozuelos and Fm. Sijes, components of what are called the Pastos Grandes Group. Alonso and Gutierrez (1986) identified the Fm. Singuel and separated it from the top originally assigned to the Fm. Sijes of this thick sequence of sparsely consolidated conglomerates with increasing gradation.

Structures

The dominant structures in the Puna trending N-S to NNE-SSW are generally compressional or transgressive in nature formed mainly during the Neogene. Other structures are lineaments of regional magnitude, transversal to the Andean strike with a northeast and northwest direction along with displacements that occur in the strike direction and changes in the orientation of the Neogene folds and faults as well aligned volcanic flows of Cretaceous, Miocene-Pliocene and Quaternary ages. Some of the transversal lineaments have a well-documented pre-Cenozoic history, such as the Calama-El Toro- Olacapato lineament. South of this lineament, the deepest levels of the crust are exposed in both the Puna and Calchaquenia suggesting that the pre-Neogene deformation was dominated by vertical movements, descending towards the north. In addition, immediately north of the lineament, the western edge of the Cretaceous rift basin undergoes a marked westward displacement.

Local Geology

Based on the lithological descriptions of the drill core and cuttings together with the interpretation of the available geophysical information and field observations five major geological units were defined and correlated, these units were incorporated into a 3-D geological model of the Pastos Grandes sub-basin. The geological units are described hereafter:

Fluvial/Alluvial Unit

The Fluvial/Alluvial Unit is characterized by a heterogeneous sequence of alluvial and fluvial sediments of variable texture, dominated by clastic sediments formed by gravel and sand that surround the Salar de Pastos Grandes. These fractions may present low proportions of fine sediments (sands or clays) which develop mainly along the northern and southern edges of the Salar de Pastos Grandes, prograding in depth towards the center, to interdigitate with finer silt sediments formed by clay and sandy clays from the Central Clastics Unit.

Upper Clay Unit (Blanca Lila Formation)

Formed by a superficial sequence of clays with a wide distribution in the center-south of the basin, as well as in the western margins where, according to field observations, it occurs in outcrop. This clay dominated unit intercalates with layers of evaporites, halites and borates, while in the bibliography travertine and tuff horizons were also described.

Saline/Lacustrine Unit

Immediately below the Blanca Lila Fm and in the north-central sector from the surface, a thick halite sequence is recognized. This Unit is characterized by a massive and compact halite body with the presence of interstitial clastic material and occasional intercalations of finer levels of clay. The average thickness of this Unit is ranges between 200 m and 300 m, reaching maximum thicknesses of 700 m in the central- eastern sector of the basin, which is interpreted as an ancient depocenter.

Central Clastic Unit

This Unit consists of clay and clayey sands and occurs within the central sector of the basin underneath the halite deposits. This Unit is poorly characterized due to limited and low-quality borehole information, but seems to represent a distal sector of an alluvial fan and its interaction with marginal lacustrine deposits of the Salar de Pastos Grandes. Additional core drilling is planned to improve the hydrogeological characterization of this Unit.

Base Breccia/Gravels Unit

Based on Millennial Lithium's lithological description, a sedimentary breccia unit of coarse fragments of silicified conglomerate and ignimbrites was recognized in borehole PGMW19-21. This Unit corresponds to intermixed levels of sand and gravel with a thickness of 200 m on the western edge of the basin and deepening towards the north-central limit of the model where due to limited information its thickness becomes uncertain.

Mineralization

The brines from Pastos Grandes are solutions saturated in sodium chloride with an average concentration of TDS of 302 g/L and an average density of 1.19 g/cm3. The other components present in the Pastos Grandes brine are K, Li, Mg, SO4, Cl and B with relatively low Ca. The brine can be classified as a sulphate-chloride type with anomalous lithium. Lithium concentrations in Salar de Pastos Grandes have an average value of 392 mg/L, with some samples reaching up to 700 mg/L.

The table below shows a breakdown of the principal chemical constituents in the Pastos Grandes brine including maximum, average, and minimum values, based on 605 primary brine samples collected between 2017 and 2022.

Maximum, average and minimum elemental concentrations of the Pastos Grandes brine

	B	Ca	Cl	Li	Mg	K	Na	SO4	Density
Units	mg/L	mg/L	mg/L	mg/L	mg/L	mg/L	mg/L	mg/L	g/cm^3
Maximum	938,00	1707	196.869	701.00	5.130	6.660	130.032	13.998	1.22
Average	557,62	821	169.838	391,76	2.257	3.733	102.381	7.547	1.19
Minimum	20,20	11,00	116,00	8,75	23,20	18,00	196,00	12,00	1,00

Brine quality is evaluated through the relationship of the elements of commercial interest, such as lithium and potassium, with those components that constitute impurities, such as Mg, Ca and SO4.

The calculated ratios for the averaged chemical composition are presented in the table below.

Average values (g/L) of key components and ratios for the Pastos Grandes brine

K	Li	Mg	Ca	SO4	B	Mg/Li	K/Li
3,730	390	2,260	820	7,550	560	5.76	9.53

Hydrogeology

Salar de Pastos Grandes is a mature salt flat with a well-developed halite crust. In the central portion of the salar, the crust can reach a thickness of several hundred meters with a thin clay layer that is constantly being generated through evaporation in the shallower beds. The Salar de Pastos Grandes is the lowest topographic point in the Pastos Grandes basin. The salt flat itself is surrounded by alluvial fans which drain into the Salar de Pastos Grandes and tertiary rocks that may act as impermeable boundaries, although further hydrogeological characterization work of the Tertiary is recommended. The surface of the Salar de Pastos Grandes in the north is composed of mainly chloride facies (halite crust) with active evaporation occurring since the brine level occurs within 5 cm from the surface. The Salar de Pastos Grandes surface in the south is covered by the Blanca Lila Fm with an average thickness of 3 m. Depth to brine in the southern part of the Salar de Pastos Grandes is between 3 m and to 4 m, below the evaporation extinction depth that is estimated around 2.5 m.

Based on the interpretation of drilling and testing work in the basin, four hydrogeological units have been identified and are described below:

1. **UH-1 Fine Grained Shallow Deposits**: These sediments belong to the Blanca Lila formation and are in conformity with the underlying Saline Lacustrine Unit, reaching a maximum thickness of 30 m in the northeast of the Salar de Pastos Grandes. Because of the fine texture, permeability and storage properties for this Unit are estimated to be low with a hydraulic conductivity (K) ranging between 0.1 – 0.01 m/d, a specific storage (Ss) of 1x10-6 1/m and drainable porosity below 2%. Geophysics and field sampling suggests that this Unit is saturated with brine inside the Salar de Pastos Grandes and with brackish water around the margins.
2. **UH-2 Evaporitic Deposits**: Massive evaporitic unit intercalated with lenses of fine-grained sediments that can have a thickness up to 700 m. This relatively homogeneous Unit includes the saline lacustrine material that forms the surface of the salar nucleus and is overlain by the Blanca Lila Fm (UH-1) in the south. Based on drilling and testing results this Unit has a relatively low permeability and could limit hydraulic connectivity between the upper and deeper hydrogeological units in the basin. The hydraulic conductivity of this Unit is estimated to be lower than 0.01 m/d, the specific storage is estimated to be near 10-6 1/m and the specific yield could reach 4%. Geophysics and field sampling suggests that this Unit is saturated with brine.
3. **UH-3 Alluvial and Colluvial Deposits**: This hydrogeological unit includes the alluvial fans identified at the margins of the Salar de Pastos Grandes which are composed of unconsolidated gravels and sand. This Unit overlies and is in lateral contact with UH-2 and locally interfingers with UH-4. The hydraulic conductivity ranges between 30 m/d and 50 m/d. The average drainable porosity is 14%. Groundwater flow in the Alluvial and Colluvial Deposits is generally unconfined; however, locally semi-confined to confined flow conditions occur where this unit is overlain by UH-1 and UH-2. The unit hosts freshwater resources in the alluvial fans on higher ground above the margin of the Salar de Pastos Grandes and significant brine resources in the southern portion of the salar where it is partially overlain by UH-1.
4. **UH-4 Lower Deposits**: Overlaying basement rock, this hydrogeological unit includes the Central Clastics and Base Gravels. It is composed of sandy gravels with a high fraction of fine material in a sedimentary matrix and some clayey to silty lenses that decrease the bulk vertical hydraulic conductivity. This unit is constrained to the central portion of the basin, underlies UH-2, and is in lateral contact with the unconsolidated deposits of UH-3. The hydraulic conductivity of this unit is estimated to range between 0.1 – 1 m/d, the specific storage at 10-6 1/m, and the drainable porosity near 8%. This unit forms part of the confined lower brine aquifer from which future brine production will likely not affect the freshwater resources hosted in the alluvial system due to the overlying low-permeability halite unit.

Exploration

Various exploration programs were completed in Salar de Pastos Grandes between 2011 and 2021 by various owners prior to the Company.

Surface brine sampling

In 2011, Eramet took a total of nine samples from shallow hand-dug auger holes within the eastern section of the Salar de Pastos Grandes and the wetlands. Three brine samples toward the west of the Salar de Pastos Grandes had lithium concentrations near 600 mg/L and potassium concentrations near 7,000 mg/L while samples at the centre of the Salar de Pastos Grandes had lithium and potassium concentrations near 200 and 2,000 mg/L, respectively. LSC completed a second surface sampling program in 2016 which included 11 sampling sites (shallow brine bodies and hand dug pits) with similar results as Eramet in 2011.

Geophysical studies

Eramet (2011-2013)

Eramine carried out a TEM, VES, and CSAMT surveys in Salar de Pastos Grandes between 2011 and 2013. No information is available for the TEM survey. The objectives of these surveys were to map the occurrence of brine versus freshwater, and the distribution and relative continuity of lithological units.

Millennial exploration (2017 – 2019)

VES survey (2017)

Millennial Lithium conducted a VES survey in 2017 focused on the alluvial deposits in the northern portions of the Salar de Pastos Grandes. This study included 10 VES stations which were interpreted into 3 vertical sections to map the saline interphase, identify potential brine resources in the north, and help define new exploration drilling sites.

Seismic survey (2018 - 2019)

Millennial Lithium carried out a two-phase seismic investigation program during 2018-2019 to help refine the understanding of the lithology in the Salar de Pastos Grandes and help define new exploration targets. The seismic tomography survey provided valuable information on the vertical distinction and lateral continuity of lithological layers. Additionally, several structures were interpreted, especially in the north to south profile, suggesting north to northwest dipping beds.

Downhole temperature and electrical conductivity surveys

Down-hole electrical conductivity profiling was conducted in boreholes PGMW16-02, PGMW17-04b, PGMW17-05c, PGMW17-07d, and PGMW17-11 which were completed with 2-inch diameter PVC casing on completion of drilling. Temperature and electrical conductivity were recorded at 3 m intervals using an In-Situ brand Aquatroll 100 downhole probe and brine samples were taken to measure laboratory density.

The results showed a reasonably good correlation between the Aquatroll specific conductivity and the laboratory density measurements on the depth-specific samples.

LSC exploration (2017 – 2018)

VES survey (2017b)

LSC Lithium carried out a VES study in 2017 to map lithology and the freshwater/ brine interface. The survey consisted of 13 soundings. The results of this survey identified five geoelectrical units: 1) conductive gravels and sands; 2) a semi-conductive fine grained unit (silt and clays and/or halite gypsum and borates), probably related to the Blanca Lila Fm; 3) a highly conductive zone of evaporates and mixed halite/clastics saturated with brine; 4) a more resistive layer representing again the Blanca Lila Fm or other Tertiary sequences and; 5) a resistive zone interpreted as the hydrogeological basement composed of thick clastic facies (conglomerates) and/or facies of volcanic rocks (andesites).

Seismic survey (2018)

LSC undertook a seismic tomography survey consisting of six lines for a total of 15 km. The interpretation of the results of this survey was based on a combination of literature values, regional geological information and specific correlation to boreholes SPG-2017-02B and SPG-2017-04A and is summarized below.

To the west of the Salar de Pastos Grandes seven seismic units were identified without structure to a depth of 600 m: 1) dry alluvial deposits; 2) halite crust; 3) saturated sand, clay and/or organic material; 4) crystalline halite; 5) saturated sand, clay and/or organic material; 6) gravels and 7) breccia.

To the center and east of the Salar de Pastos Grandes 11 seismic units were identified without structure to a depth of 600 m, from top to bottom: 1) dry to partially saturated sediments and alluvial material (saturated sand, clay and/or organic material); 2) halite crust; 3) saturated sand, clay and/or organic material; 4) halite with scarce matrix; 5) halite with abundant matrix; 6) halite with scarce matrix; 7) sand; 8) alternation of halite and sand bands; 9) gravel, sand and/or clay; 10) halite with interbedded sand; 11) gravel and/or sand.

Centaur/Arena Minerals exploration (2018 – 2022)

TEM survey (2018)

Centaur conducted several TEM surveys to evaluate the presence of brine beyond the margins of the Salar de Pastos Grandes in the Corral Colorado river valley, the Sijes subbasin, and in the southern portion of the salar. The TEM lines in the north and east confirmed the existence of a deeper conductive anomaly associated with brine and the overlaying freshwater hosted in the alluvial sediments. The southern lines over the Blanca Lila Fm showed a conductive unit close to the surface interpreted as the halite unit saturated with brine, based on drilling.

Passive seismic survey (2019)

A passive seismic survey was conducted by Centaur in 2019 to map basement and confirm interpreted fractures to the south and east of the Salar de Pastos Grandes. This study consisted of 78 stations arranged in 10 east-west orientated lines (see figure directly above). The survey did not consistently identify basement rocks due to depth and the poor seismic contrast between the massive halite body and basement rocks.

TEM survey (2022a)

Arena Minerals carried out a TEM survey during 2022 along the eastern boundary of the Salar de Pastos Grandes to refine the delineation of the overburden and hydrogeological basement, and to further investigate the freshwater/brine interface in this portion of the Salar de Pastos Grandes based on Centaur's 2018 survey. The survey helped identify the limit between the unconsolidated sediments and basement rock. These results and interpretations were correlated to lithological information of boreholes DD-01, DD-02 and DD-03.

Company exploration (2022)

ERT survey (2022 b)

The Company conducted an ERT survey to refine the delineation of freshwater resources suitable for industrial water supply in the alluvial deposits in the north-eastern portion of the Pastos Grandes Project. The survey consisted of 12 lines with a vertical maximum resolution of 160 m - 200 m.

Three geoelectrical units were identified 1) fine grained sediments with abundant interstitial clay and saturated with brine of high electrical conductivity; 2) fine to coarse grained sediments saturated with water; and 3) medium to coarse grained sediments partially or not saturated.

Drilling

Three drilling campaigns have been carried out since 2011. Eramet conducted the first exploration program in 2011 including 11 shallow exploration boreholes (SW series), two diamond drill holes (DW01PGDDH and DW02PGDDH), four shallow exploration holes completed with 6-inch diameter casing (PMP series), and three exploration wells of varying depths completed with 6-inch diameter casing (DW03PG, DW04PG, DW05PG). Detailed information of these boreholes has not been published and is mostly unavailable, although maximum depths reached at this stage rarely exceeded 100 m. The second and third campaign conducted by Millennial Lithium included 32 brine exploration boreholes (PGMW16-01 through PGMW19-22), 6 freshwater exploration wells (PGWW18-01 to PGWW19-06) and 4 brine production wells (PGPW16-01 to PGPW18-17) with drilling depths of up to 600 m. Most of the monitoring wells were completed as piezometers with 2-inch diameter PVC slotted casing, while production wells were constructed with 6 to 8- inch diameter screened casing.

Arena Minerals and Centaur carried out drilling programs on the Sal de la Puna project in between 2018 and 2022. These programs consisted of two diamond core holes (DD-01 and DD-02), five combination core /rotary holes (PP-01-2018, PP-02-2018 and R-01 through R-03), two production wells (PP-03-2019 and PW-1), and several piezometer installations.

The objectives of the drilling program can be broken down into three general categories:

1. **Exploration drilling to allow the estimation of "in-situ" brine resources**: The drilling methods were selected to allow for 1) the collection of continuous cores to prepare "undisturbed" samples from specified depth intervals for laboratory porosity analyses and 2) the collection of depth- representative brine samples at specified intervals.
2. **Test well installations**: 8 rotary holes (PGPW16-01 to PGPW18-17; PGWW18-01 to PGWW19- 03, and PW-1) which were drilled and completed as production wells to carry out pumping tests and additional selective brine sampling. Monitoring wells were installed adjacent to most of these production wells for use during the pumping tests as observation points.
3. **Pumping tests**: Eight pumping tests have been completed in the Salar of Pastos Grandes. These tests included three short-term tests (PGWW18-02, PGWW19-02 and PGWW19-03), each lasting about one day and conducted on freshwater wells; three three-day tests conducted on brine wells (PGPW16-01, PGPW18-15 and PGPW18-17); and two long-term pumping tests (PGPW16-01 and PGPW17-04) with 23- and 30-day duration.

The table below provides summary information of the completed boreholes from 2016-2022.

Summary boreholes information

Borehole	East (m)	North (m)	Elevation (masl)	TD (m)	Method	Year	Completion	
							Diameter (inches)	Screened interval (m)
PGMW16-01	3,429,218	7,283,662	3,775.60	190	DDH	2016	2”	8.6-91.7
PGMW16-01b	3,429,221	7,283,655	3,775.60	355	MR	2016	2”	0-283.6
PGMW16-02	3,427,731	7,283,257	3,785	400	DDH/MR	2016	2”	8.5-386.9
PGMW17-03	3,428,367	7,283,805	3,773.6	154	DDH	2017	-	-
PGMW17-04	3,427,853	7,280,921	3,789.80	245,5	DDH	2017	-	-
PGMW17-04b	3,427,849	7,280,949	3,786.90	564	DDH/MR	2017	2”	4.2-206.0 211.6-389.4 395.0-519.5
PGMW17-05	3,428,922	7,281,677	3,773.9	121	DDH	2017	-	-
PGMW17-05b	3,428,927	7,281,683	3,773.9	387	DDH	2017	-	-
PGMW17-05c	3,428,918	7,281,672	3,773.9	601	MR	2017	2”	14.2-180.6 186.6-371
PGMW17-06	3,429,497	7,281,016	3,785	455	DDH/MR	2017	-	-
PGMW17-06b	3,429,497	7,281,016	3,785	424	MR	2017	-	-
PGMW17-06c	3,429,497	7,281,016	3,785	571	MR	2017	-	-
PGMW17-07	3,426,888	7,282,228	3,763.1	203,3	DDH	2017	-	-
PGMW17-07b	3,426,888	7,282,228	3,763.1	203,3	MR	2017	-	-
PGMW17-07c	3,426,888	7,282,228	3,763.1	412	DDH/MR	2017	-	-
PGMW17-07d	3,426,901	7,282,217	3,763.1	510	MR	2017	2”	12-17.95 29.70-249.88 261.64-499.73
PGMW17-08	3,429,941	7,281,596	3,785	425,5	DDH	2017	-	-
PGMW17-08b	3,429,941	7,281,596	3,785	446	MR	2017	-	-
PGMW17-09	3,428,156	7,283,107	3,785	595	DDH/MR	2017	2”	11.7-198.8 204.7-397.3 403.3-583.0
PGMW17-10	3,429,822	7,283,569	3,773.7	601	DDH/MR	2017	-	-
PGMW17-11	3,429,826	7,285,591	3,817.60	568	MR	2017	2”	278.95-546.66
PGMW18-12	3,428,224	7,280,087	3,787.70	554	MR	2018	2”	71.61-543.61
PGMW18-13	3,428,223	7,278,696	3,795.30	559	DDH/MR	2018	2”	82.49-314.85 320.81-553.16
PGMW18-14	3,428,234	7,277,357	3,797.10	635	MR	2018	2”	70.79-313.69 319.66-628.57
PGMW18-15	3,426,687	7,278,678	3,792.70	594	MR	2018	2”	74.23-321.96 327.85-587.38
PGMW18-16	3,429,618	7,279,568	3,790.40	641	MR	2018	2”	73.19-321.38 327.28-629.08
PGMW18-17	3,426,685	7,280,094	3,767.50	605	MR	2018	2”	17.63-129.24 135.21-170.61 200.43-306.32 312.28-595.05
PGMW18-18	3,426,656	7,277,421	3,798.70	605	MR	2018	2”	8.35-273.46
PGMW18-19	3,429,083	7,280,529	3,787.70	602	MR	2018	-	
PGMW18-20b	3,430,661	7,279,511	3,777.30	575	MR	2018	2”	0.40-64.79 111.99-336.11
PGMW19-21	3,426,079	7,279,867	3,784.50	574,3	DDH/MR	2019	2”	26.15-285.16 291.01-567.71
PGMW19-22	3,431,009	7,288,304	3,832.50	464,5	DDH/MR	2019	2”	37.8-363
PGPW16-01	3,429,204	7,283,655	3,775.60	351	MR	2016	6”	20-351
PGPW17-04	3,427,842	7,280,941	3,788.50	475	MR	2017	6”	113.37-464.31
PGPW18-15	3,426,687	7,278,707	3,792.70	610	MR	2018	6”	76.88-592.8
PGPW18-17	3,426,666	7,280,153	3,767.50	606	MR	2018	8”	50.43-594.4
PGWW18-01	3,428,857	7,286,244	3,781.20	42	MR	2018	6”	4-34
PGWW19-02	3,431,200	7,288,950	3,874.70	62	MR	2019	6”	29.53
PGWW19-03	3,431,279	7,287,953	3,821.70	62	MR	2019	6”	17-53
PGWW19-04	3,431,032	7,288,305	3,831.50	62	MR	2019	-	-
PGWW19-05	3,430,916	7,287,889	3,844	62	MR	2019	-	-

Borehole	East (m)	North (m)	Elevation (masl)	TD (m)	Method	Year	Completion	
							Diameter (inches)	Screened interval (m)
PGWW19-06	3,430,545	7,288,054	3,842.50	62	MR	2019	-	-
PP-01-2018	3,427,028	7,275,405	3,805,70	611	MR	2019	2”	No data
PP-02-2019	3,427,171	7,273,819	3,772,50	650	MR	2019	2”	No data
PP-03-2019	3,428,251	7,276,673	3,803,2	542	MR	2019	10”-212-8”	No data
DD-01	3,429,329	7,278,639	3,793,5	700	DDH	2022	2”	6m every 12m
DD-02	3,427,651	7,275,815	3,802,50	646	DDH	2022	2”	380-440
R-01	3,434,507	7,279,732	3,794,70	601	MR	2022	2”	497-515
R-02	3,435,359	7,283,016	3,813	411	DDH/MR	2022	2”	6m every 12m
R-03	3,435,050	7,288,856	3,836	617	MR	2022	2”	18m every 18m
PW-01	3,427,651	7,275,815	3,802,50	503	MR	2022	10”-200-8”	350-500

Hydraulic Testing

Millennial Lithium completed eight pumping tests between 2017 and 2019. These tests included three one-day tests on the freshwater wells; three three-day tests on brine wells; and two long-term pumping tests (23- and 30-day duration) also on brine wells.

Brine Well Pumping Tests

<u>PGPW 16-01 (2017)</u>

A 3-day pumping test was carried out on well PGPW16-01 at an average pumping rate of 27.7 L/s. The configuration of the test and its results are shown in the table immediately below. The production well is screened across the saline halite unit and the underlying brine aquifer. This test included four observation wells but only SW03PG-1 (without completion information) reacted to pumping. Drawdown and recovery data were interpreted, respectively with Cooper & Jacob (1946) and Theis (1935) recovery solutions leading to a hydraulic conductivity (K) estimate of about 3 m/d.

Summary of pumping test PGPW16-01 (2017)

PGPW16-01 (2017)									
Well	Type	Q (L/s)	Duration (days)	Lithology	Minimum saturated thickness (m)	Maximum drawdown (m)	Fit	T (m^2/d)	K (m/d)
PGPW16-01	P	27.7	3	Mixed halite, sand, silt	224	9.04	C&J	1.100	4.91
							Theis Rec.	500	2.23
SW03PG-1	O			Mixed halite, sand, silt	#N/D	1.19	C&J	1.100	#N/D
							Theis Rec.	1	#N/D

<u>PGPW 17-04</u>

A 23-day pumping test was completed on PGPW17-04 at a pumping rate of 15.23 L/s in 2019. The production well is screened across halite, sand, and silt; because of the low permeability of the halite it is believed that the drawdown response is mainly related to the unconsolidated clastic sediments beneath it. Drawdown data during the pumping stage was discarded due to an apparent non-related water level recovery observed during test. Therefore, only recovery data were adjusted to the Theis (1935) recovery solution, leading to a transmissivity estimate of 40 m2/d, or a hydraulic conductivity 0.12 m/d assuming a saturated thickness of 329 m. The configuration of the test and its results are shown in the table immediately below.

Summary of pumping test PGPW17-04

PGPW17-04									
Well	Type	Q (L/s)	Duration (days)	Lithology	Minimum saturated thickness (m)	Maximum drawdown (m)	Fit	T (m^2/d)	K (m/d)
PGPW17-04	P	15.23	23	Mixed halite, sand, silt	329	57.11	Theis Rec.	40	0.12

PGPW 18-15

A pumping test (variable and constant rate, and recovery) was carried out in PGPW18-15 during April of 2019. The well was screened in the same lithological unit as PGPW-17-04. The configuration of this test and its results are shown in the table immediately below. Water levels during the test were also monitored in PGMW18-15. The hydraulic conductivity was estimated to range between 0.15 - 0.22 m/d.

Summary of pumping test PGPW18-15

PGPW18-15									
Well	**Type**	**Q (L/s)**	**Duration (days)**	**Lithology**	**Minimum saturated thickness (m)**	**Maximum drawdown (m)**	**Fit**	**T (m^2/d)**	**K (m/d)**
PGPW18-15	P	24.1	3	Mixed halite, sand, silt	456	38.7	C&J Theis Rec.	90 70	0.2 0.15
PGMW18-15	O			Mixed halite, sand, silt	453	6.5	Theis	100	0.22

PGPW 18-17

A three-day pumping test was conducted on well PGPW18-17 well with an average pumping rate of 19.4 L/s. The configuration of the test and its results are shown in the table immediately below. Drawdown data was measured only in the pumping well and was adjusted to the Cooper and Jacob (1946) and Theis (1935) recovery solutions. The estimated hydraulic conductivity ranges between 0.17 – 0.22 m/d, which is consistent with previous results for the same lithologies in the Salar de Pastos Grandes.

Summary of pumping test PGPW18-17

PGPW18-17									
Well	**Type**	**Q (L/s)**	**Duration (days)**	**Lithology**	**Minimum saturated thickness (m)**	**Maximum drawdown (m)**	**Fit**	**T (m^2/d)**	**K (m/d)**
PGPW18-17	P	19.4	3	Mixed halite, sand, silt	589	30.31	C&J Theis Rec.	130 100	0.22 0.17

PGPW 16-01 (2019)

A 15-day pumping test was conducted on well PGPW16-01 at an average pumping rate of 23.2 L/s during Mau 2019. The results of this 2019 test are summarized in the table immediately below and are quite similar to the results of the 2017 test. Drawdown and recovery data were interpreted with the Theis (1935) recovery solution, leading to a hydraulic conductivity estimate of about 2 m/d.

Summary of pumping test PGPW16-01 (2019)

PGPW16-01 (2019)									
Well	**Type**	**Q (L/s)**	**Duration (days)**	**Lithology**	**Minimum saturated thickness (m)**	**Maximum drawdown (m)**	**Fit**	**T (m^2/d)**	**K (m/d)**
PGPW16-01	P	23.2	15	Mixed halite, sand, silt	224	15.15	Theis Rec.	400	1.79

Pumping Tests Conducted in Freshwater Wells

PGWW18-01

A variable rate and a 1-day constant rate tests with an average flow rate of 0.85 L/s was carried out on well PGWW18-01 in May 2019. No hydraulic parameters could be obtained from this test because of the short test duration and the low pumping rate as shown in the table immediately below.

Summary of pumping test PGWW18-01

PGWW18-01									
Well	Type	Q (L/s)	Duration (days)	Target lithology	Minimum saturated thickness (m)	Maximum drawdown (m)	Adjust	T (m^2/d)	K (m/d)
PGWW18-01	P	0.85	1	Gravels and sands	10.96	5.13	-	-	-

<u>PGWW 19-02</u>

Well PGWW19-02 was pump tested in 2019 (a variable rate, a constant rate and a recovery). The layout of this test and results are shown in the table immediately below. Drawdown and recovery trends were adjusted with the Cooper and Jacob (1946) and Theis (1935) recovery solutions, respectively. Estimated hydraulic conductivity values ranged from 20 to 60 m/d which is considered reasonable for these types of coarse-grained unconsolidated sediments. The pumping test configuration didn't include observation wells; therefore, no storage estimates could be obtained.

Summary of pumping test PGWW19-02

PGWW19-02 Well	Type	Q (L/s)	Duration (days)	Lithology	Minimum saturated thickness (m)	Maximum drawdown (m)	Fit	T (m^2/d)	K (m/d)
							C&J	1.6	66.67
PGWW19-02	P	24	0.8	Gravels and sands	15.5	5.32	Theis Rec.	500	20.83

<u>PGWW 19-03</u>

A variable rate, constant rate test and recovery test were carried out on Well PGWW19-03. The layout of this test and main results are shown in the table immediately below. Drawdown and recovery trends were adjusted with the Cooper and Jacob (1946) and Theis (1935) recovery solutions, respectively. Estimated hydraulic conductivity ranges from 6 to 11 m/d, which is reasonable for this type of coarse-grained unconsolidated sediments with a higher fine fraction. The pumping test configuration didn't include any observation wells; therefore, no storage estimates could be obtained from this test.

<u>Summary of pumping test PGWW19-03</u>

PGWW19-03									
Well	Type	Q (L/s)	Duration (days)	Lithology	Minimum saturated thickness (m)	Maximum drawdown (m)	Fit	T (m^2/d)	K (m/d)
							C&J	250	6.94
PGWW19-03	P	3.41	1	Gravels and sands	36	3.46	Theis Rec.	400	11.11

Sampling, Analysis and Data Verification

Millennial Lithium drainable porosity analysis (2016-2019)

Samples were obtained from 'undisturbed' core during the 2016-2019 Millennial Lithium drilling programs and analysed for drainable porosity by Core Laboratories-Petroleum Services ("**Corelabs**") in Houston, Texas. In addition, rotary drill cuttings were sent to Geosystems Analysis ("**GSA**") in Tucson, Arizona for repacking, triaxial testing, and drainable porosity analysis.

Both Corelabs and GSA offer advanced petrophysical and geological analysis and interpretation services for core samples. These laboratories operate in compliance with ISO 9001:2008 Certification ensuring that processes and procedures adhere to internationally recognized quality standards. The analytical procedures for determining drainable porosity for each laboratory are further described below.

1. Corelabs drainable porosity analysis are based on centrifuge methodology and involve the following:
2. 38 mm (1.5-inch) diameter cylindrical plugs were cut from the sample material.
3. Samples were frozen with dry ice to maintain their integrity, if required.
4. Sample weight and thickness were measured.
5. The plugs were encapsulated in Teflon and nickel foil as required, and nickel screens were placed on the ends of the plugs. The encapsulated samples were then weighed.
6. Bulk density was calculated as: (Mass of plug before encapsulation) / (Calliper bulk volume).
7. The plugs were placed in brine and saturated under vacuum to ensure full saturation. Corelabs utilized a standard sodium chloride brine with a NaCl concentration of 244,000 ppm with a density of 1.184 gm/cm3.
8. The weight of the saturated cores was recorded.
9. The samples were desaturated in a high-speed centrifuge for 4 hours. Spin rates were calculated to provide a drainage pressure of 1 pound per square inch (psi) for poorly cemented or loose sands and 5 psi for clay and halite.
10. The drainage was collected, and the volume was recorded. The effluent was saved for possible analysis. However, it should be noted that the fluid collected from these cores may not be representative of in situ brines if re-saturation with NaCl was required.
11. Plugs were removed from the centrifuge and weight was recorded. Drained fluid volume was calculated as: (saturated plug weight - drained plug weight) /1.184. Drainable porosity was calculated as (Drained fluid volume) / (Calliper bulk volume).
12. Total porosity was calculated after drying the samples for 5 days at 115.6 degrees Celsius to record dry weight.
13. All weight loss is assumed to be water lost from pore space where volume of water loss is calculated as: ((Drained plug weight) – (Oven-dried plug weight))/ (Water density of 1 g/cc).
14. Total porosity is calculated as ((Drained fluid volume) + (Oven drying fluid loss))/ (Calliper bulk volume).

GSA drainable porosity analysis procedures for repacked sediment samples include the following steps:

1. All loose and sandy samples were packed into test cells with moderate effort without prior knowledge of bulk density or other consolidation tests. Additional repacking was performed on some samples with minimum and maximum effort to evaluate the effectiveness and variation of hand-packing at higher and lower densities. Bulk densities approximately 0.1 g/cm3 lower and higher than the initial density were achieved, respectively.
2. The sandy material was packed into a stainless-steel ring in several small lifts. The weight and packing height of the first lift were used to guide the subsequent lifts to ensure consistent density packing. Scales were used to track the equipment, cell, and sample weights throughout the process, and the final packed and assembled core weight was recorded.
3. Plastic air tubing, approximately 6 inches in length, was inserted into the top of each core to monitor saturation and prevent brine solution spillage. The cores were then assembled and saturated slowly from the bottom up using provided brine. A combination of gravity feed and vacuum suction was used to achieve the target saturation. If the target saturation could not be reached using gravity feed alone, vacuum suction was applied. The saturation process lasted for up to 24 hours. Once fully saturated, the cores were closed at the bottom with a hose clamp to prevent brine solution loss and disconnected from the saturation setup.

4. Each cell assembly underwent three pressure steps after being transferred to a test rack. The first step, at 0 mbar pressure, lasted for 24 hours and was applied to remove excess saturation solution. To approximate the release of brine solution at 120 mbar and 1/3 bar of the brine solution, two sequential pressure steps were used at 120 mbar and 1/3 bar, respectively. The 120-mbar pressure step was maintained for 2 days, and the 1/3 bar was continued for another 2 to 4 days. Weight measurements were taken twice a day to determine the loss of brine solution over time. After the final step the cores were disassembled and samples were oven dried to determine total porosity following the procedure described in MOSA, 2002, Part 4 Ch. 2, 2.3.2.1.

5. To estimate the brine solution release volumes at the 120 millibar and 1/3 bar pressure steps, the difference was calculated between the measured total porosity and the moisture retained after the pressure plate measurements as outlined in MOSA (2002), Part 4, Chapter 3, Section 3.3.3.5. The solution's release volume obtained at 1/3 bar was regarded as an approximation of the maximum solution drainage that could occur under gravity or pumping conditions, and hence was used to determine the specific yield.

   After completing the tests, the estimated particle density and weight data from core samples at various pressure steps were entered into a spreadsheet. The spreadsheet was programmed to automatically calculate the salt weight left in the sample after drying, estimated porosity, and water content change. Furthermore, particle density was optimized during data processing by utilizing all prior test measurements and using a solver in Microsoft Excel. The laboratory report presented the calculated particle density for each sample.

Arena Minerals drainable porosity samples (2021-2022)

36 samples from the Arena Minerals 2021-2022 drilling program were sent to GSA for drainable porosity analysis. All samples were tested using the 'Rapid Brine Release' method to measure specific yield ("**Sy**") and total porosity ("**Pt.**") Brine release drainable porosity was measured at 120 mbar and 333 mbar of pressure, where:

- Brine release at 120 mbar represents drainable porosity from sand dominated sediments and Rapid Brine Release ("RBR") from macropores.
- Brine release at 333 mbar represents the Sy for intermediate to finer texture sediments.

Brine release values at 120 mbar were provided for reference and 333 mbar values were presented as the estimated Sy (drainable porosity). A subset of paired samples representative of the range in lithology types were selected by Atacama Water and GSA for testing using the Relative Brine Release Capacity ("RBRC") method by Daniel B. Stephens & Associates, Inc. ("DBSA") in Albuquerque, NM. The goals of the test work were to provide Sy and Pt values for each sample, summary statistics of Sy and Pt by lithological group, and to compare the Sy and Pt values derived for paired core samples using the RBR and RBRC methods.

The table immediately below lists the physical properties analyses carried out by GSA. In addition to the RBR testing, physical property tests were run by GSA to assist in lithologic characterization and interpretation of results including bulk density testing (ASTM D2937-17e2) on all RBR samples.

<u>Summary of laboratory tests conducted by GSA</u>

Test Type	Sample Type and Number	Test Method	Testing Laboratory	Standard
Physical	36 core samples	Bulk density	GSA Laboratory (Tucson, AZ)	ASTM D2937-17e2
	36 core samples	Estimated Particle Density	GSA Laboratory (Tucson, AZ)	MOSA Part 4 Ch. 2, 2.2
Hydraulic	5 core samples	RBRC	DBSA (Albuquerque, NM)	Stormont et. al., 2011
	36 core samples	Estimated Total Porosity	GSA Laboratory (Tucson, AZ)	MOSA Part 4 Ch. 2, 2.3.2.1
		Estimated Field Water Capacity		MOSA Part 4 Ch. 3, 3.3.3.2
		RBR		Modified ASTM D6836-16
				MOSA Part 4 Ch. 3, 3.3.3.5

Three packing methods were used to prepare RBR core samples:

1. Stainless steel rings were pushed into intact sediment cores to preserve the structure and retain the original bulk density and porosity distribution in the sample.
2. Sediment cores with loose sediment and/or disturbed samples were extruded, and voids were filled in using moderate packing effort to eliminate voids in the test samples.
3. Most solid halite and/or rock cores were cut with a rock saw to fit GSA's RBR test cells and then fit into a 6.35 cm diameter ring and sealed as discussed below.

RBR test cells were prepared by placing a pre-wetted micro-pore membrane (rated 1,200 mbar air entry value) into the bottom PVC cap. This membrane maintains a permeable saturated bottom boundary for solution flow and prevents air entry under the target air pressures applied during RBR testing. The PVC caps contain gaskets to create an air-tight test cell that maintains constant air pressure and allows continuous solution outflow through the membrane.

The RBR method is based on the moisture retention characteristic method using the Tempe cell design (Modified ASTM D6836-16), whereby Sy is determined by applying pressures equivalent to gravity drainage to the Test Cell and measuring the amount of brine solution released. Pt is also measured in the RBR method, and is equal to the sum of Sy and Sr.

Each saturated RBR test cell was transferred to a test rack for the pressure extraction procedure where no pressure was applied for one day to remove any excess brine solution due to core over-saturation. Two sequential pressure steps were used to approximate brine solution release at 120 mbar and 333 mbar of matric potential (MOSA Part 4 Ch. 3, 3.3.3.2).

The 120-mbar pressure step was maintained for at least two days, and the 333-mbar pressure step was continued for another two to four days. Core assemblies were weighed prior to saturation, after saturation, and then two times daily to determine brine solution loss over time.

All samples were oven dried for three days at 60°C and one day at 105°C after the final step to determine the specific retention ("**Sr**"), dry bulk density, and Pt (MOSA Part 4 Ch. 2, 2.3.2.1), where Sr is the volume of water retained by the sample under 333 mbar soil water potential. This drying approach allowed for quantification of the amount of moisture lost due to crystalline water present in gypsum.

Brine solution release volumes at the 120 mbar and at 333 mbar pressure steps were estimated by the weight of brine lost between the initial cell assembly mass and the mass after each pressure plate step divided by the brine specific gravity (Equation 2, MOSA Part 4 Ch3, 3.3.3.5):

$$S_y = \frac{w_s - w_{333\,mbar}}{A * L * Bsg}$$

where *ws* is the saturated weight, *w333 mbar* is the weight at 333 mbar, A is the sample core area, L is sample length, and Bsg is the specific gravity of the brine solution. The Sy is assumed to approximate the solution release volume from saturation to 333 mbar. Particle density was estimated from the measured porosity and bulk density according to:

$$1 = \frac{Bulk\ Density}{Particle\ Density}$$

Brine samples

Depth-specific brine samples were collected during core and rotary drilling by packer-system, bailing, or drive-point sampling. Bulk (compound) brine samples were obtained during pumping tests on selected exploration wells.

- Depth-specific packer sampling was the primary method used to collect brine samples during the drilling programs for Phase II and III (2016-2020). Most samples were obtained during drilling, although some were also taken after drilling had concluded. Samples were considered acceptable and representative of the depth interval only if they showed no, or minimal traces of drilling mud. The intervals were typically 3 m long and determined by the site geologist after inspecting drill cores or at predetermined depths. However, the interval length may vary depending on the specific circumstances of a given hole or interval, such as borehole stability. To ensure accurate sampling, intervals were flushed out multiple times before collecting the actual sample. The flushed brine was then collected in a barrel, and the time taken to fill the barrel was recorded.
- Drive-point sampling: five brine samples were collected using this method where a drive-point was installed onto BT-sized drill rods after removing the core barrel. The drive-point was then lowered past the drill bit with the help of a drop hammer and an impermeable diaphragm was used to prevent filling of the drill rods during the descent. Once the desired depth was reached, an electric water level sounder was used to confirm that the interior was dry before perforating the diaphragm using a weighted pin lowered with the wireline. This piercing allowed the brine to flow into the drive point and fill the BT rods and collect the samples with the use of a bailer.
- Bailing: the borehole was purged by bailing up to three well volumes of brine from the drill casing as calculated from the water level measurement, prior to collecting the final brine sample from the bottom of the hole. The final brine sample was discharged from the bailer into a 20-liter clean bucket from which one-litre sample bottles were rinsed and filled with brine. Each bottle was taped and marked with the borehole number and depth interval. A small sub-sample from the bucket was used to measure field parameters (density, electric conductivity, pH and temperature) at the wellhead.
- Samples from pumping tests: This method involved collecting samples directly from the discharge pipe at regular intervals during pumping tests. Temperature and density were recorded on internal field sheets.

Regardless of the sampling method, samples were collected in 20-litre containers that were washed with distilled water and rinsed with brine several times prior to filling. The temperature and density were recorded before filling 1-litre sample bottles which were also flushed with brine from the 20-litre container. The sample bottles were then sealed with a secure screw top to prevent leakage and labelled clearly with their identification number. Samples did not undergo any further preparation before being shipped to their respective laboratories.

After the sampling process the site geologist would retain possession of the brine samples until they were delivered to the office for shipment to the assay laboratory. Once at the office, duplicates, blanks, and standards were inserted into the assay batches before being sent to the laboratory. Prior to shipment all samples were kept under controlled temperature conditions.

The chemical analysis of brines was conducted by two reputable laboratories: SGS Argentina S.A ("SGS") and Norlab S.R.L, the later partnered with Alex Stewart Assayers ("**ASA**"). The mentioned laboratories have extensive experience analysing lithium-bearing brines and hold accreditation to ISO 9001 standards and follow the ISO 17025 guidelines.

For the primary constituents of interest, including boron, calcium, potassium, lithium, and magnesium, both Alex Stewart and SGS utilized Inductively Coupled Plasma Analysis as the analytical technique, with samples diluted 100:1 prior to analysis. A summary of the analytical methods employed by each laboratory for each physicochemical parameter and analyte is shown in the table immediately below.

Analytical methods used by Alex Stewart and SGS for brine assays

Analysis	ASA Code	ASA Method	SGS Code	SGS Method
Physicochemical Parameters				
Alkalinity	LMFQ167	Volumetric	SM 2320B	Titration
Conductivity	LMFQ01	Potentiometric	SM 2510 B	Resistor Network
Density	LMFQ19	Pycnometer	ASTM D4052-16	Digital Density Meter
Hardness (CaCO3)	LMFQ13	Volumetric	SM 2320B	Titration
PH	LMC128	Potentiometric	SM 4500 H B	Potentiometric
TDS	LMFQ08	Gravimetric	SM 2540C	Gravimetric
Inorganic Parameters				
Chlorides (Cl)	LMC101	Argentometric	SGS.ME.108	Ion Chromatography
Sulphates (SO4)	**LMC107**	**Gravimetric**	**SGS.ME.108**	**Ion Chromatography**

Drainable porosity QA/QC

Five duplicate samples were sent to Daniel B. Stephens & Associates, Inc ("DBSA") to serve as check samples to test for accuracy within the drainable porosity analysis. Summary statistics for paired samples by GSA lithologic category for Pt and Sy are provided in the two tables below. QA/QC testing was run on subsamples from the same core, but not on identical samples. Minor differences in material type (sand/silt/clay content) and core physical structure (bulk density, degree of cementation, rock content, macropore content) may result in discrepancies between laboratory measured values.

Variations can likely be attributed to sample heterogeneity within cores which result in subsamples with slightly to significantly different material properties, and differences in laboratory methods such as testing duration. The Sy values measured by GSA were often considerably higher than the Sy values measured by DBSA, particularly for the 333 mbar RBR measurement (see table below). Differences were most pronounced for halite samples due to lithological variability within the group (one crystalline sample with large crystals and one massive to crystalline sample with very scarce matrix).

In the absence of sample heterogeneity, differences are likely attributable to testing equilibration time and testing method. DBSA's RBRC method only applied 333 mbar of equivalent pressure for 24 hours and did not use a filter paper to prevent air moving through samples, whereas GSA's RBR testing was run at 120 mb for two days and then 333 mbar for two to four days no air was allowed to move through samples. Therefore, the lower Sy values reported by DBSA may be due to the samples not reaching equilibrium over the testing period. This may be most pronounced in materials with a greater predominance of macropores such as sands. It should be noted that Sy values measured at 120 mbar were generally in better agreement with DBSA's measured Sy values for all sediment lithological groups (see table below).

Specific gravity was higher for the RBR DD-01 451-451,2 sample (SG = 2.29) compared to the RBRC sample (SG = 2.13). Comparison of average values by lithological group was also limited due to small sample number. Average Pt values measured using the RBRC method (DBSA) were 7% lower for the clastic material group and 129% lower for the halite group. Average Pt values were considerably higher for the clastic group (0.24), with the halite group having a mean Pt value of 0.02.

There was general agreement between the total porosity data (R2 = 0.85). Correlation was slightly lower for the specific yield data (R2 = 0.80). The slope of the line was relatively high, indicating that GSA Sy values were approximately 35% higher than those reported by DBSA. The adjusted correlation coefficient between RBRC Sy and the drainable porosity at 120 mbar was R2 = 0.80.

All the samples tested for Sy fell below the 1:1 line indicating that GSA measured Sy values were typically higher than DBSA measured Sy values. In contrast, while three Pt points were scattered below the 1:1 line, two clastic material samples were plotted on the 1:1 line meaning the measured Pt values were similar for both laboratories.

There is acceptable variation between the laboratories for samples in the clastic material classification, but unacceptable variation for samples in the halite classification.

Total porosity results for paired samples using GSA lithologic classification

Total Porosity Statistics	Clastic material		Halite	
	RBR	**RBRC**	**RBR**	**RBRC**
N	3		2	
Avg	0.26	0.24	0.11	0.02
StdDev	0.02	0.02	0.07	0.02
Average Relative Percent Difference	7%		129%	

Specific yield results for paired samples using GSA lithological classification

Specific Yield Statistics	Clastic material			Halite		
	RDR @ 120	**RBR @ 333**	**RBRC**	**RBR @ 120**	**RBR @ 333**	**RBRC**
N	3			2		
Avg	0.10	0.14	0.10	0.02	0.07	0.00
StdDev	0.05	0.04	0.03	0.00	0.01	0.00
Average Relative Percent Difference(1)	2% (120 mbar), 29% (333 mbar)			123% (120 mbar), 177% (333 mbar)		

Note:
(1) Calculated as 2*absolute value of (RBR-External Lab)/(RBR+External Lab), expressed as a percentage.

Brine QA/QC

QA/QC procedures were implemented for laboratory chemistry analysis of brine samples obtained during drilling and pumping activities by Millennial Lithium, Arena Minerals, and Centaur. Each QA/QC program involved randomly inserting duplicates, check samples, field blank, and standards, with the following percent of quality control samples for each party: 21% for Millennial Lithium, 21% for Arena Minerals and 17% for Centaur. The purpose each QA/QC program was to confirm the accuracy and precision of the analysis, as well as to detect any potential contamination of the samples.

Norlabs was the primary laboratory used by Millennial Lithium while SGS was used as the secondary lab for check samples. This arrangement was in place until August 21, 2017, when Alex Stewart was replaced by SGS as the main laboratory. No registered secondary lab was used for check samples. Arena Minerals used SGS as their primary laboratory throughout the 2021/2 campaign, while Norlab was used as the main lab for Centaur throughout the 2018/9 campaign.

Accuracy which is the closeness of measurements to the “true” or accepted value was monitored by the random insertion of standards, and the implementation of check samples analysed by a secondary, independent laboratory.

Precision, the ability to consistently reproduce a measurement in similar conditions, was monitored by submitting blind field duplicates to the laboratory, monitoring any variability in the sampling and analytical program. Contamination which is the transference of material from one sample to another was measured by inserting blank samples into the sample stream. By implementing a QA/QC program that monitors these three factors, it is possible to ensure the reliability and accuracy of the laboratory results.

Millennial Lithium duplicate brine samples

To ensure the laboratory's precision, duplicate brine samples were submitted to the same facility. Millennial Lithium's Phase II and Phase III exploration programs included a total of 51 duplicate samples, some of these also used as check samples. 16 duplicates and their original samples were submitted to Norlab (Alex Stewart), while 35 were submitted to SGS. The following two tables list the main statistics regarding the duplicates versus their original samples for lithium and potassium for each laboratory.

Statistical analysis of duplicate samples – Norlab

Statistic	Li (mg/L)	Duplicate Li (mg/L)	K (mg/L)	Duplicate K (mg/L)
Count	16	16	16	16
Min	247.1	273.8	2783.2	3300.5
Max	579.4	570.7	6092.0	6367.8
Mean	478.5	471.8	5147.9	5047.5
Std Dev	92.0	85.6	926.4	817.1
RPD	1.4		2.0	

Statistical analysis of duplicate samples – SGS

Statistic	Li (mg/L)	Duplicate Li (mg/L)	K (mg/L)	Duplicate K (mg/L)
Count	35	35	35	35
Min	10.0	10.0	15.0	15.0
Max	701.0	758.0	6,660.0	7,170.0
Mean	415.6	416.2	4,340.5	4,362.1
Std Dev	155.4	162.1	1,574.4	1,653.4
RPD	0.2		0.5	

The assay results for duplicate samples at both Norlab and SGS laboratories demonstrate a high degree of precision and consistency for key parameters of lithium and potassium. The highest Relative Percent Difference ("RPD") is only 2% for Norlab and 0.5% for SGS. This is significantly lower than the commonly accepted 10% cut-off and suggests that the laboratory's analytical procedures are consistently producing results that are in close agreement with each other.

Millennial Lithium check samples

To test the laboratory's accuracy, samples were randomly selected and analysed at a secondary and independent laboratory - SGS. It's important to note that this only occurred before August 21, 2017, when SGS replaced Alex Stewart as the main laboratory. Since that date, no secondary laboratory has been registered for check samples. Millennial Lithium's Phase II and III exploration programs included 29 check samples to both primary and secondary labs. The main statistics regarding the check samples for lithium and potassium are listed in the table below:

Statistical analysis of check samples – Norlab & SGS

Statistic	Norlab-Li (mg/L)	SGS-Li (mg/L)	Norlab-K (mg/L)	SGS-K (mg/L)
Count	29.0	29.0	29.0	29.0
Min	0.5	10.0	2.5	10.0
Max	554.4	714.0	5424.3	7740.0
Mean	468.8	543.9	4779.2	5916.2
Std Dev	104.1	123.8	970.3	1248.8
RPD	14.8		21.3	

The assay results for check samples between Norlab and SGS fall within a 20% relative difference for lithium, but slightly over 20% for potassium. A RPD over 20% indicate that there may be an issue with the accuracy of one or both laboratories testing methods, but this cannot be determined solely by the RPD value, and further investigation is needed to identify the cause of the discrepancy. The RPD value for lithium of 14.8% is within the accepted 20% cut-off, but still suggests there is some difference between the results obtained by the two labs.

The check samples for both lithium and potassium show a failure rate that exceeds the accepted 10% cut- off. However, one of the three failures for lithium falls only marginally beyond the failure line which, if considered acceptable, would result in a failure rate of 6.9%. In contrast, the failure rate for potassium is 58.6%, with several samples falling beyond the failure line, indicating an unacceptable level of variation.

Millennial Lithium field blanks

To measure potential contamination 32 blank samples consisting of distilled water were inserted into the sample stream and sent to the laboratories for analysis. Norlab received 10 blanks, while SGS received 22. Neither laboratory detected any lithium in the samples, although traces of potassium were detected by Norlab. It is important to note that the detected potassium concentrations were below the standard safe limit, which is generally considered to be three times the detection limit.

Millennial Lithium standard samples

The Millennial Lithium sampling program utilized two types of standards. The first standard, 'RR', consisted of a large sample of brine collected from the Salar de Pastos Grandes during testing at well PGPW16-01 with the concentrations being obtained from a round robin style quality control check. Five RR standards were sent to Norlab for analysis while 26 samples were sent to SGS. The concentrations (best values) of the standard obtained through the round robin are shown in the table below.

Element concentrations (best values) for Standard RR – Millennial Lithium

Sample	Li (mg/L)	Ca (mg/L)	Mg (mg/L)	B (mg/L)	Na (mg/L)	K (mg/L)	Density (g/mL)	EC (mS/cm)	TDS (mg/L)
PGS17153	450.2	618.8	3,033.9	774.9	107,255.0	4,890.0	1.2	189.0	334,800.0

The second type of standard, 'INBEMI', consisted of a synthetic solution prepared by the National University of Salta. INBEMI standards were only sent to SGS for analysis, amounting to a total of six samples. The concentration values for this standard are reported in the table below.

Element concentrations for Standard INBEMI ML

Sample	Li (mg/L)	Ca (mg/L)	Mg (mg/L)	B (mg/L)	Na (mg/L)	K (mg/L)	SO4 (mg/L)	Density (g/mL)
PGS17153	295.0	440.0	189.0	532.0	75,518.0	3,188.0	189.0	1.2

The RR standards analysed by Norlab show that none of the lithium nor potassium values fall outside the ± 2 standard deviations from the mean. Additionally, all lithium values fall within the ± 5% range of the reference values while only one potassium value falls outside this range. There were not enough INBEMI standard samples analysed by Norlab to conduct a graphical analysis as the moving average does not have enough data.

Notably, a bias check for the assay results revealed a negative bias ranging from -3.1% for Li to -5.7% for potassium indicating that the measured values are consistently lower than the expected or reference values. However, this detected bias is well below the accepted 10% and is not considered to be significant.

The RR standards analysed by SGS show that 6 out of 26 samples had a bias over the accepted limit of 10% bias lithium with no outliers and a total relative bias of -1.9% which is considered acceptable. Similarly, the potassium samples present 4 out of 26 values over 10% bias with one outlier, and a total relative bias of -3.1%, also deemed acceptable.

Regarding the INBEMI standards analysed by SGS, 2 out of 6 lithium samples showed a bias over 10% with no outliers and a total relative bias of 0%. For potassium samples show 1 out of a total of 6 had a bias over 10%, with no outliers and a total relative bias of 0%.

In summary, while some individual samples showed a bias beyond the generally accepted 10% limit, the overall bias for both lithium and potassium within the standard samples analysed by both laboratories is considered acceptable with the highest being -5.7% for lithium within the RR standards assayed by Norlab.

<u>Arena Minerals duplicate brine samples</u>

SGS was used as the main assay laboratory by Arena Minerals and to ensure that the precision of the lab was acceptable, a total of 9 duplicate brine samples were submitted. There were no check samples used during the Arena Minerals drilling campaign due to COVID-19 related issues. The table below lists the main statistics regarding the duplicates for lithium and potassium.

Statistical analysis of duplicate samples – SGS

Statistic	Li (mg/L)	Duplicate Li (mg/L)	K (mg/L)	Duplicate K (mg/L)
Count	9.0	9.0	9.0	9.0
Min	33.6	31.9	197.0	177.9
Max	658.8	657.8	6022.9	6075.6
Mean	419.1	413.8	3726.1	3686.1
Std Dev	185.0	183.3	1788.9	1757.4
RPD	1.3		1.1	

The assay results for duplicate samples at SGS demonstrate a high degree of precision and consistency for key parameters of lithium and potassium. The RPD is low, with values of only 1.3% for lithium and 1.1% for potassium. These are significantly lower than the commonly accepted 10% cut-off and suggests that the laboratory's analytical procedures are consistently producing results that are in close agreement with each other.

There were no failures for neither lithium nor potassium within duplicates analysed by SGS. The generally accepted threshold for failure rates is 10%, so duplicates are not only considered acceptable, but the lack of failures suggests high precision within the SGS laboratory for the current project.

<u>Arena Minerals field blanks</u>

To measure potential contamination within the sampling process a total of six blank samples consisting of distilled water were inserted into the sample stream and sent to the SGS laboratory for analysis. Neither lithium nor potassium were detected in any samples, therefore all concentrations were below the standard safe limit, which is generally considered to be three times the detection limit.

Arena Minerals standard samples

The Arena sampling program utilized two different standards, both obtained from brine within Salar de Pastos Grandes and named STD-1 and STD-2. Six samples were sent to SGS for analysis for each standard, amounting to a total of 12 standard samples. Their respective concentrations (best values) were obtained from a round robin style quality control check and are shown in the table below:

Element concentrations (best values) for Standards 1 & 2 – Arena Minerals

Sample	Li (mg/L)	Mg (mg/L)	Na (mg/L)	K (mg/L)
STD-1	645.7	2,395.5	55,435.8	6,709.8
STD-2	352.6	1,292.0	29,825	3,682.5

The STD-1 standard has no outliers nor values with a bias higher than 10% for neither lithium nor potassium, which suggests high accuracy and precision. Two lithium values fall outside the ± 5% variation from the reference value which still can be considered acceptable. The total relative bias for lithium is 6.7% and 2.6% for potassium, indicating that the measured values are consistently higher than the reference values, but are both within the acceptable 10% threshold. Finally, no values of lithium nor potassium fall outside the ± 2 standard deviations from the mean.

The STD-2 standard has no outliers but has one value with a bias higher than 10% for both lithium and potassium. Additionally, the same lithium and potassium value falls outside the ± 5% variation from the reference value, although can still be considered acceptable. The total relative bias for lithium is 7.3% and 3.6% for potassium indicating that the measured values are consistently higher than the reference values but are both within the acceptable 10% threshold. Finally, no values of lithium nor potassium fall outside the ± 2 standard deviations from the mean.

In summary, while some individual samples showed a bias beyond the generally accepted 10% limit, the overall bias for both lithium and potassium within the standard samples analysed by both laboratories is considered acceptable, with the highest being 7.3% for lithium within the STD-2 standard.

Centaur duplicate brine samples

Norlab was used as the main laboratory by Centaur and to ensure acceptable precision within the lab, a total of six duplicate brine samples were submitted to the same facility. To date, there is no data regarding the use of check samples for the Pastos Grandes Project developed under Centaur. The table below lists the main statistics regarding the duplicates for lithium and potassium.

Statistical analysis of duplicate samples – Norlab

Statistic	Li (mg/L)	Duplicate Li (mg/L)	K (mg/L)	Duplicate K (mg/L)
Count	6.0	6.0	6.0	6.0
Min	409.6	411.5	2,894.1	2,886.7
Max	548.3	627.9	5,093.1	5,213.7
Mean	507.3	543.2	4257.6	4617.1
Std Dev	52.5	65.8	880.1	824.0
RPD	6.8		8.1	

The assay results for duplicate samples at Norlab demonstrate a high degree of precision and consistency for key parameters of lithium and potassium. The Relative Percent Difference (RPD) is below the commonly accepted 10% cut-off for lithium and potassium, with values of 6.8% and 8.1% respectively. This suggests that the laboratory's analytical procedures are consistently producing results that are in close agreement with each other.

Out of the six duplicates tested, only one failure occurred for lithium while there were no failures for potassium. This translates to a 16.7% failure rate for lithium and 0% for potassium. The generally accepted failure rate threshold is 10% which means that duplicates are considered acceptable for potassium but unacceptable for lithium. However, it is important to note that the sample size taken under Centaur is limited, with only six duplicates assayed.

Therefore, in this case, a single failure surpasses the 10% threshold. Taking this into consideration a 16.7% failure rate is deemed to be acceptable.

Centaur field blanks

To measure potential contamination a total of five blank samples consisting of distilled water were inserted into the sample stream and sent to Norlab for analysis. Neither lithium nor potassium were detected in any samples, which means that all concentrations were below the standard safe limit, generally considered to be three times the detection limit.

Centaur standard samples

The Centaur sampling program utilized two different standards both obtained from brine within Salar de Pastos Grandes with their respective concentrations being obtained from a round robin style quality control check. These standards were named STD-A and STD-B, and three samples of the former were sent to the lab for analysis while only two of the latter were assayed. The concentrations (best values) for each standard obtained through the round robin are shown in the table below:

Element concentrations (best values) for Standards A & B – CR

STD-A	707.0	4,641.9	111,699.2	7,041.9
STD-B	370.5	2,444.3	58,074.0	3,543.1

The STD-A standard has no outliers nor values with a bias higher than 10% for neither lithium nor potassium, which suggests high accuracy and precision. Similarly, no lithium nor potassium values fall outside the ± 5% variation from the reference value, which is also a good indicator of accuracy and precision. The total relative bias for lithium and potassium is 0% indicating that the measured values are in accordance with the reference values. No lithium nor potassium values fall outside the ± 2 standard deviations from the mean.

Mining Operations

Based on the results of the pumping tests carried out for the Pastos Grandes Project (as described above) brine abstraction from the Salar de Pastos Grandes will take place by installing and operating a conventional production wellfield. Pumping rates of individual wells could range between 20 l/s and 45 l/s. Well completion depths will vary between 200 m and 600 m (lower brine aquifer). The brine wellfield configuration will be finalized as part of the on-going Project optimization.

Planned Exploration and Development

The following technical work may further advance the Pastos Grandes Project towards construction and into production.

- Incorporate the lithium resources hosted on the Arena Minerals properties into the resource estimate for the Pastos Grandes Project so that these resources can be properly incorporated in the numerical groundwater flow and transport modeling for final brine production wellfield design, evaluation of potential environmental constraints, and the estimation of updated reserves.
- Carry out a 30-day pumping test on Arena Minerals production well PW-1 to characterize the southern extent of the lower brine aquifer.
- Drill three deep core holes into the lower brine aquifer to improve the confidence level of geological and drainable porosity parameters in the central clastics and basal gravel /breccia units. These holes should be completed as deep monitoring wells for additional observations point during the additional pumping tests recommended.
- Carry out 30-day pumping tests in existing brine production wells PGPW18-15 and PGPW18-17 with water level monitoring in the above-mentioned new observations points.

- Carry out 7-day pumping test on water production wells PGMW19-2 and PGPW19-3; along with additional groundwater exploration work to secure future water supply requirements from freshwater resources within the Pastos Grandes and Sijes basins.
- Numerical modelling should be resumed with the Arena Minerals developed 3D FEFLOW groundwater flow and transport model for the basin to carry out predictive simulations for the design and layout of the future brine production wellfield, evaluation of potential environmental effects, and the preparation of updated lithium reserves for the Pastos Grandes Project.
- Based on the results of the predictive model simulations, install three additional brine production wells in the lower brine aquifer.
- Implement systematic hydro(geo)logical monitoring programs of surface water and groundwater features to reinforce the baseline characterization of the Pastos Grandes basin. Continue with the surveys and studies to improve the quantification of the water balance components of the basin.
- Drill 7-10 deep exploration core holes aimed at increasing the lithium resource base of the Pastos Grandes Project.
- Drill four industrial water exploration wells to evaluate the resources and optimize the production strategy, including Arena Minerals' blocks to the North and East of the basin.

The estimated budget to complete and implement the above recommendations are shown in the table below:

Item	Cost
Pumping tests on existing wells (3)	US$360,000
Infill resource drilling (3 holes)	US$6,300,000
Resource exploration drilling (7 holes)	US$16,800,000
Production drilling (8 holes)	US$32,800,000
Hydrogeological monitoring programs	US$775,000

Internal Controls Over Mineral Resource and Reserve Estimates.

The Company has internal controls for reviewing and documenting the information supporting the Mineral Resource and Mineral Reserve estimates, describing the methods used, and ensuring the validity of the estimates. Information that is used to compile mineral resources and reserves is prepared and certified by appropriately qualified persons at the project sites and is subject to our internal review process which includes review by appropriate management. An independent Qualified Person is contracted by the Company to certify resources and reserves estimates according to S-K 1300 standards.

ITEM 4A. UNRESOLVED STAFF COMMENTS

None.

ITEM 5. OPERATING AND FINANCIAL REVIEW AND PROSPECTS

A. Operating Results

See the Management's Discussion and Analysis of the Company for the year ended December 31, 2024 incorporated by reference into this annual report as Exhibit 15.1.

B. Liquidity And Capital Resources

See the Management's Discussion and Analysis of the Company for the year ended December 31, 2024 incorporated by reference into this annual report as Exhibit 15.1.

C. Research and Development, Patents and Licenses, etc.

The Company does not hold any patents.

D. Trend Information

Lithium has unique properties that enables its use in many applications. It is the lightest metal and has a high electrochemical potential. Lithium-ion batteries are the most suitable technology for energy storage and the most electrochemically mature due to their high energy capacity. The largest applications for lithium chemicals are rechargeable batteries, but lithium chemicals are also used in the glass, lubricating greases, metallurgy, pharmaceutical, and polymer industries.

The outlook for lithium demand is positive, driven by the development of electromobility and the growing need for batteries in the electronics industry. Lithium has been listed as one of the critical elements by the U.S. Department of Energy based largely on its importance in rechargeable batteries. Lithium-ion battery is the preferred form for high-density applications like EVs and portable electronics. A full-electric EV can require over 50 kg of LCE in the battery. By 2033, it is estimated that energy storage could represent 95% of global lithium demand. Lithium consumption is expected to increase significantly in the coming years driven by an increase in demand for EVs. According to Lithium Quarterly Market review from iLiMarkets issued on October 2024, EV sales have grown by 3.5 -4.0 million EVs per year over the last three years, which represents between 150-200 kMT-LCE incremental demand year on year.

Lithium occurs in the structure of pegmatitic minerals, the most important of which is spodumene (hard rock) and due to its solubility as an ion, is also commonly found in brines and clays. Pure lithium does not occur freely in nature, only in compounds. Starting in the 1980s, brine-based lithium chemicals provided most of the supply; however, in recent years' hardrock forms have surpassed brine as the largest feedstock for lithium chemical production. The US Geological Survey estimates global lithium reserves of 147 MT of LCE (USGS, January 2024). The world's largest known lithium reserves are in Chile, which accounts for 34% of lithium reserves, followed by Australia with 22%, and Argentina in third place, accounting for 13% of global reserves. China is a global leader in lithium refining and battery production, with a highly advanced and integrated supply chain. It imports raw lithium minerals, mainly from Australia and South America, and then processes it into battery-grade lithium compounds, such as lithium hydroxide and lithium carbonate.

As the transition towards sustainable energy solutions accelerates, lithium has become a critical raw material. Over the past decade, supply constraints and oversupply at different times have contributed to significant price fluctuations. In recent years, prices saw dramatic increases between 2021 and 2023, peaking for a short period of time at around US$80 per kg, before seeing a significant decline and downward trend continue through 2024. Investments in lithium extraction technologies, such as DLE, and the expansion of mining capacity could impact the future supply/demand balance and pricing landscape. Market analysts predict that lithium prices may stabilize in the coming years as supply chains adapt to growing demand and new production methods are developed.

E. Critical Accounting Estimates

See Note 3 of the Company's financial statements for the year ended December 31, 2024 in this annual report for a description of our critical estimates and accounting judgements and material accounting policies.

ITEM 6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

A. Directors and Senior Management

The following are the directors and Named Executives (as defined below) of the Company:

Name	Age(1)	Position	Date of Appointment as Director
John Kanellitsas	63	Executive Chair	September 4, 2015
Samuel Pigott	41	President and Chief Executive Officer	March 19, 2024
George Ireland*	68	Lead Director	November 13, 2015
Diego Lopez Casanello*	51	Director	October 3, 2023
Robert Doyle*	56	Director	October 3, 2023
Franco Mignacco	42	Chair of the Shareholder Committee of Exar and Director**	September 4, 2015
Monica Moretto*	59	Director	March 19, 2024
Calum Morrison*	45	Director	October 3, 2023
Alec Meikle	36	Executive Vice President, Corporate Development	N/A
Alex Shulga	42	Vice President and Chief Financial Officer	N/A
Mariano Chiappori	55	Vice President and Chief Operating Officer	N/A

Note:

* Independent Director

** Mr. Mignacco was formerly President of Exar until December 6, 2024, at which time he became Chair of the Shareholder Committee of Exar.

(1)As of March 14, 2025

Biographical information with respect to each of our directors and our Named Executives is set forth below.

John Kanellitsas, Executive Chair

Mr. Kanellitsas is the Executive Chair of the Company. He joined the Company (when formerly known as Lithium Americas Corp.) in June 2013 and has been a director of the Company and has served in various executive roles with the Company since September 2015. He also served as the Interim CEO from October 2023 until March 2024. Mr. Kanellitsas also serves as a director of Largo Physical Vanadium Corp. and Lithium Royalty Corp.

He has over 25 years of experience in the investment banking and asset management industries. He co-founded and was a partner of Geologic Resource Partners, LLP, where he served as its Chief Operating Officer from 2004 to 2014. Prior to Geologic, Mr. Kanellitsas was employed by Sun Valley Gold, LLC and Morgan Stanley & Co. in New York and San Francisco.

Mr. Kanellitsas has a Bachelor of Science in Mechanical Engineering from Michigan State University and a Master of Business Administration from the University of California in Los Angeles.

Samuel Pigott, President and Chief Executive Officer

Mr. Pigott joined the Company as President and Chief Executive Officer on March 18, 2024 and as a director on March 19, 2024. Prior to this, he served as Head of Business Development, of Ganfeng from October 2018 to March 2024. Before joining Ganfeng in 2018, Mr. Pigott worked in several financial and investment banking institutions in a variety of senior roles.

Mr. Pigott holds a Master of Business Administration from Oxford University and a Bachelor of Arts in Economics and History from McGill University.

George Ireland, Lead Director

Mr. Ireland joined the Company as a director in November 2015. He has over forty years of experience in the mining and metals industry in positions ranging from field geologist and operations, to banking and venture capital. In 2004, Mr. Ireland founded Geologic Resource Partners LLP and serves as Chief Investment Officer and CEO. He previously held various roles as an analyst and partner with investment firms including Knott Partners LP, Cleveland Cliffs Inc., the Chase Manhattan Bank, ASARCO Inc. and Ventures Trident LP.

He graduated from the University of Michigan with a BSc degree from the School of Natural Resources and is a Fellow in the Society of Economic Geologists.

Diego Lopez Casanello, Director

Mr. Casanello joined the Company as a director in October 2023 with the Separation Transaction. He has served as Chief Executive Officer of Farmers Business Network, Inc. (farmer-to-farmer network and e-commerce platform) since March 2024; Managing Partner of Vidavo Ventures (venture capital firm focused on decarbonization technologies) since March 2022; and Executive Advisor to New Mountain Capital LLC (private equity firm) since June 2021. Prior to this he served as President and Chief Operating Officer of UPL Limited (global agricultural and specialty chemicals manufacturer) from March 2019 to May 2021 and as the Chief Executive Officer of Arysta LifeScience Corporation (global agricultural chemicals manufacturer) from February 2016 to February 2019, following its sale in July 2018 to UPL. He currently serves on the board of Profile Products LLC since November 2021 (environmental solutions).

Mr. Casanello started his career at chemical manufacturer BASF SE and worked in senior executive positions in Europe, Asia, South and North America, including as Managing Director of BASF Argentina S.A. and leading the Oilfield and Mining Chemicals business in North America. He has extensive M&A experience and holds a BA in Business Administration from the University of Hagen.

Robert Doyle, Director

Mr. Doyle joined the Company as a director in October 2023 with the Separation Transaction. He has been a corporate director since June 2016, serving on the boards of Faraday Copper Corp. (development-stage copper company) since April 2022, OreZone Gold Corp. (TSX-listed gold producer) since June 2022 and Maverix Metals Inc. (royalty streaming company) from June 2016 until its acquisition by Triple Flag Precious Metals Corp. in January 2023. He previously served as CFO of Pan American Silver Corp. (TSX and NASDAQ-listed, leading producer of silver) from January 2004 until retiring in March 2022.

Mr. Doyle has over 20 years of international experience in corporate finance, functional management and capital markets roles. Mr. Doyle holds a BSc of Finance from the University of Cape Town and is a Chartered Accountant in South Africa and Chartered Financial Analyst in Canada.

Franco Mignacco, Director

Mr. Mignacco has been a director of the Company since September 2015 and has been serving on the board of Full Circle Lithium Corp. since April 21, 2023. He served as President of Exar from June 2013 – December 2024, overseeing operations and development of the Cauchari-Olaroz mineral project. Previously, he was the Vice Chair of the former Lithium Americas Corp. from June 2013 to September 2015 prior to its merger with Western Lithium USA Corp.

Mr. Mignacco holds an MBA from San Andres University in Buenos Aires, Argentina and a mining degree with honours from Universidad Austral, Buenos Aires, Argentina.

Monica Moretto, Director

Ms. Moretto joined the Company as a director in March 2024. She has served as Vice President, Social Sustainability, Diversity, and Inclusion of Pan American Silver Corp. (TSX and NASDAQ-listed, leading producer of silver) since April 2008.

Ms. Moretto is a seasoned senior executive with vast experience in the mining industry who has provided leadership and strategic advice to industry boards and international committees in North America for almost two decades. She currently chairs the International Social Responsibility committee at the Mining Association of Canada. Ms. Moretto holds a Bachelor of Art in communications from Argentina and holds an ESG designation from Competent Boards. She was the recipient of the Robert H. Hedley Sustainability Award of Excellence, given by the prestigious Association for Mineral Exploration of British Columbia in January 2019, and more recently, the 2021 Trailblazer Award given by Women in Mining Canada.

Calum Morrison, Director

Mr. Morrison joined the Company as a director in October 2023 with the Separation Transaction. He has served as a corporate director since February 2023, serving on the board of Snowline Gold Corp. He previously served as President and Chief Executive Officer of Great Bear Royalties Corp. (royalty company) from January 2020 to September 2022 until its sale to Royal Gold Inc.; VP Business Development and CFO of Great Bear Resources Ltd. (precious metals company) from November 2019 to February 2022 until its sale to Kinross Gold Corporation; and Senior Commercial Lead, Corporate Development of Teck Resources Ltd. (leading copper, zinc, coal and energy producer) from June 2013 to October 2019.

Mr. Morrison has over 20 years of experience in the mining industry, having worked both in corporate development and investment banking roles. He has managed and led negotiations on numerous transactions with aggregate value in excess $5 billion; including acquisitions, divestments, joint ventures, and other strategic initiatives. Mr. Morrison currently resides in Vancouver, Canada, holds a BSc from Dalhousie University and is a Chartered Professional Accountant in British Columbia and Chartered Financial Analyst in Canada.

Alec Meikle, Executive Vice President, Corporate Development

Mr. Meikle has over 15 years experience in capital markets and the resource industry. Prior to joining the Company (formerly Lithium Americas Corp.) in 2016, Alec was a research analyst at Cormark Securities covering base metals and lithium companies. In his various capacities with the Company, Alec has been responsible for over $2 billion in M&A and financing transactions. He holds a Bachelor of Commerce from University of Toronto. Mr. Meikle currently resides in Europe.

Alex Shulga, Vice President and Chief Financial Officer

Mr. Shulga is a Chartered Professional Accountant (CPA-CGA) and a member of the Association of Chartered Certified Accountants (FCCA, UK). He has 20 years of experience in the mining sector focusing on finance management, corporate finance, financial reporting and compliance and mergers & acquisitions. Prior to joining the Company (formerly Lithium Americas Corp.) in 2018, Mr. Shulga held senior roles in audit and assurance practice at PricewaterhouseCoopers LLP. Currently, Mr. Shulga is a Director and Sponsorship Committee Chair for the Vancouver Chapter of Financial Executives International. He was Vice-President of Finance for Lithium Americas Corp. prior to assuming his current role at Lithium Argentina. Mr. Shulga earned an accounting degree and Master of Finance from Taras Shevchenko National University in Kyiv.

Mariano Chiappori, Vice President and Chief Operating Officer

Mr. Chiappori is a mechanical engineer with extensive expertise and experience managing complex businesses and projects at national and international levels. Before his eight-year tenure with lithium producer FMC Corp. (now Livent USA Corp.), where he held several senior roles including Global Director of Manufacturing and Supply Chain, Mr. Chiappori was Operations Manager for United Phosphorus Ltd. and managed both construction and industrial operations for Bunge Argentina. He was Vice-President of Lithium Americas' Latin American Operations from July 2022 until October 2023, when he assumed his current role with Lithium Argentina. Mr. Chiappori holds a mechanical engineering degree from Universidad Nacional de la Plata, and a postgraduate degree in management development from the IAE Business School.

B. Compensation

Director Compensation

As a result of the Separation Transaction, the Company's Board was reconstituted in October 2023 to be comprised of John Kanellitsas, George Ireland, Diego Lopez Casanello, Robert Doyle, Franco Mignacco and Calum Morrison. On March 19, 2024, Sam Pigott and Monica Moretto were appointed to the Board.

The Company's director compensation program been redesigned to be competitive with the market in which we compete for qualified directors. The program is reviewed with the assistance of an independent compensation consultant from time to time to allow the Company to keep attracting and retaining qualified directors to serve on our Board.

The fee schedule for independent directors was updated subsequent to the Separation Transaction, on recommendation of Lane Caputo Compensation Inc. (**Lane Caputo**"), an independent compensation advisor to the Company, based on a benchmarking exercise to the peer group outlined below:

Compensation Peer Group		
Aris Mining Corp.	Fortuna Silver Mines Inc.	Lithium Americas Corp.
Aya Gold & Silver Inc.	Hudbay Minerals Inc.	MAG Silver Corp.
Capstone Mining Corp.	IGO Limited	MP Materials Corp.
Ero Copper Corp.	Ioneer Ltd.	Piedmont Lithium Inc.
First Majestic Silver Corp.	Liontown Resources Ltd.	Standard Lithium Ltd.

Note that this peer group is the same peer group used to benchmark the Company's executive compensation practices (see "*Compensation Benchmarking*" and ***"Compensation Peer Group"*** on page 98 and 99 for details on the compensation peer group development process).

Compensation paid to our independent directors is comprised of an annual cash retainer for serving on the Board and committees, payable in arrears in four quarterly installments, and an equity retainer in the form of annual deferred share unit ("**DSU**") grants in accordance with the Company's current Incentive Plan. Upon appointment to the Board, a pro-rated initial equity award will be made based on the amount of time until the next annual equity award.

Services by Independent Directors	**Cash Retainer**	**Equity Retainer**
Annual Base Fees ***(payable in arrears in four quarterly installments)***		
Lead Director	US$70,000 per year	US$150,000 in the form of an annual DSU grant under the Incentive Plan
Independent Director Fee (for all independent directors other than the Lead Director)	US$50,000 per year	US$150,000 in the form of an annual DSU grant under the Incentive Plan
Additional Fees for Serving on Committees ***(payable in arrears in four quarterly installments)***		
Annual Fee for acting as Chair of the Audit and Risk Committee	US$20,000 per year	-
Annual Fee for acting as Chair of the Governance, Nomination, Compensation and Leadership Committee	US$15,000 per year	-
Annual Fee for serving as a Chair of any other committee	US$10,000 per year	-

Special Committee Meeting Fees	To be set by the Board concurrent with establishing the special committee, and dependent upon the expected workload

Director Compensation Table

The table below summarizes the compensation earned by all directors other than directors who are also Named Executives for the year ended December 31, 2024.

In 2024, we paid a total of US$1,052,912 in director compensation to independent directors. This includes fees paid to current directors but excludes compensation paid to Mr. Pigott, Mr. Kanellitsas and Mr. Mignacco who were not compensated for their services as directors.

Director Name	Fees Earned (US$) (1)	Share-Based Awards (US$) (2)	Option-Based Awards (US$)	Non-Equity Incentive Plan Compensation (US$)	Pension Value (US$)	All Other Compensation (US$)	Total (US$)
George Ireland	$70,000	$150,000	-	-	-	-	$220,000
Diego Lopez Casanello	$60,000	$150,000	-	-	-	-	$210,000
Robert Doyle	$70,000	$150,000	-	-	-	-	$220,000
Monica Moretto (3)	$37,912	$150,000	-	-	-	-	$187,912
Calum Morrison	$65,000	$150,000	-	-	-	-	$215,000
Franco Mignacco (4)	$287,500	$465,623	-	-	-	250,000	$1,003,123

Notes:

(1) Cash portion of fees paid to each director.

(2) DSU portion of fees paid to each director. Amounts presented are based on the estimated grant date fair value of the DSUs being US$3.85 per DSU awarded in Q2 2024.

(3) Ms. Moretto joined the Board in March 2024

(4) Mr. Mignacco's role as President of Exar ended on December 6, 2024, however, he continues to serve as a director of the Company and as Chair of the Shareholder Committee of Exar. In 2024, as compensation for serving as President of Exar, Mr. Mignacco received fees of $287,500. In connection with his retirement as President of Exar, Mr. Mignacco received a retirement payment of an aggregate of $500,000, comprised of a cash payment of $250,000 and the issuance of $250,000 of restricted share units ("**RSUs**"). Mr. Mignacco was not paid any fees to serve as a director of the Company in 2024, however, in 2025 Mr. Mignacco will be paid director fees.

The following table provides a breakdown of the fees earned by non-employee directors in the table above:

Director Name		Board Retainer (US$)	Committee Retainer (US$)	Total (US$)
	Cash	$50,000	$20,000	$70,000
	DSUs	$150,000	-	$150,000
George Ireland	Options	-	-	-
	Cash	$50,000	$10,000	$60,000
	DSUs	$150,000	-	$150,000
Diego Lopez Casanello	Options	-	-	-
	Cash	$50,000	$20,000	$70,000
	DSUs	$150,000	-	$150,000
Robert Doyle	Options	-	-	-
	Cash	$37,912	-	$37,912
	DSUs	$150,000	-	$150,000
Monica Moretto (1)	Options	-	-	-
	Cash	$50,000	$15,000	$65,000
	DSUs	$150,000	-	$150,000
Calum Morrison	Options	-	-	-
	Cash	$537,500	-	$537,500
	RSUs	$465,623	-	$465,623
Franco Mignacco (2)	Options	-	-	-

Notes:

(1) Ms. Moretto joined the Board in March 2024.

(2) Mr. Mignacco's role as President of Exar ended on December 6, 2024, however, continues to serve as a director of the Company and as Chair of the Shareholder Committee of Exar. In 2024, as compensation for serving as President of Exar, Mr. Mignacco received fees of $287,500. In connection with his retirement as President of Exar, Mr. Mignacco received a retirement payment of an aggregate of $500,000, comprised of a cash payment of $250,000 and the issuance of $250,000 of RSUs. Mr. Mignacco was not paid any fees to serve as a director of the Company in 2024, however, in 2025 Mr. Mignacco will be paid director fees.

Outstanding Share-Based Awards and Option-Based Awards

Set out below is the value of all outstanding equity incentive awards under our incentive plans as of December 31, 2024 held by directors other than directors who are also disclosed as Named Executives.

Name	Option-based Awards				Share-based Awards, DSUs and RSUs		
	Number of securities underlying unexercised Options (#)	Options exercise price (US$)	Options expiration date	Value of unexercised in-the-money Options (US$) (1)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (US$) (2)	Market or payout value of share-based awards not paid out or distributed (US$)
George Ireland	150,000	$ 5.56	3-Dec-30	-	251,861	$ 659,876	-
Diego Lopez Casanello	150,000	$ 5.56	3-Dec-30	-	113,961	$ 298,578	-
Robert Doyle	150,000	$ 5.4	3-Dec-30	-	113,961	$ 298,578	-
Monica Moretto (3)	-	-	-	-	46,683	$ 122,309	-
Calum Morrison	150,000	$ 5.4	3-Dec-30	-	113,961	$ 298,578	-
Franco Mignacco (4)	150,000	$ 5.4	3-Dec-30	-	233,077	610,662	-
	60,000	$ 3.85	20-Jun-29	-	-	-	-

Notes:

1. (1) The value of unexercised "in-the-money options" is calculated on the basis of the difference between the closing price of the Shares on the NYSE on December 31, 2024 of US$2.62 and the exercise price of the Options.
2. (2) The market value of unexercised share-based awards is calculated on the basis of the closing price of the Shares on the NYSE on December 31, 2024 of US$2.62. DSUs cannot be redeemed until after the director ceases to hold a position with the Company.
3. (3) Ms. Moretto joined the Board in March 2024.
4. (4) Franco Mignacco retired from his role as President of Exar on December 6, 2024, however, continues to serve as a director of the Company and as Chair of the Shareholder Committee of Exar.

Anti-hedging requirements are set out in our Securities Trading Policy and apply to all directors.

Incentive Plan Awards-Value Vested or Earned During the Year

The following table sets out the value vested or earned under incentive plans during the year ended December 31, 2024, for all directors other than directors who are also disclosed as Named Executives:

Name	Option-based awards value vested during the year (US$)	Share-based awards value vested during the year (US$) (1)	Non-equity incentive plan compensation value earned during the year (US$)
George Ireland	0	0	0
Diego Lopez Casanello	0	0	0
Robert Doyle	0	0	0
Monica Moretto (2)	0	0	0
Calum Morrison	0	0	0
Franco Mignacco (3)		$23,896	

Notes:

1. (1) Value vested during the year" means the aggregate dollar value of the Shares that are issued on the vesting of DSUs and RSUs. This amount is calculated using the closing market price of the Shares on the dates on which the DSUs and RSUs vested during the year ended December 31, 2024. DSUs cannot be redeemed until after the director ceases to hold a position with the Company.
2. (2) Ms. Moretto joined the Board in March 2024.
3. (3) Franco Mignacco retired from President of Exar position on December 6, 2024 and continued being a director of the company.

Indebtedness of Directors and Executive Officers

None of the current or former directors, executive officers, employees of the Company or its subsidiaries or their respective associates or affiliates, are or have been indebted to the Company or its subsidiaries since the beginning of the last completed financial year of the Company.

Executive Compensation

As a result of the Separation Transaction, our executive management was reconstituted in October 2023 to be comprised, among others, of John Kanellitsas, Executive Chair, President and Interim CEO, and Alex Shulga, Vice President and CFO. On March 18, 2024, Sam Pigott joined the Company as President and CEO. This section includes historical information with respect to executive compensation prior to the Separation Transaction as well as information regarding our practices post-Separation Transaction.

The Governance, Nomination, Compensation and Leadership Committee, on behalf of the Board, is responsible for overseeing the Company's executive compensation program.

In 2023, the Board adopted an Incentive Compensation Recovery Policy, which provides for the recovery of erroneously awarded incentive compensation from covered executives in the event that the Company is required to prepare an accounting restatement due to material non-compliance of the Company with any financial reporting requirements under United States securities laws and NYSE requirements. A copy of the Incentive Compensation Recovery Policy can be found on the Company's website at www.lithium-argentina.com.

Executive Compensation Philosophy

The Company's goal is to offer a compensation program that is competitive within the median range of a select group of industry peers for executive compensation comparison purposes, with the overall focus of our program being to offer competitive base compensation to executives and pay for strong performance through an annual performance management program, with a particular emphasis on compensating executives through equity securities to better align executives' financial interests with the interests of shareholders. The goals of our executive compensation program are:

- To attract, motivate and retain high performing executives through market competitive base salaries and employee benefits, which are offered throughout the organization;
- To pay for performance of our executives through our performance management program, which includes performance reviews and awards based on a combination of individual performance and the attainment of corporate and individual goals and objective each year, thereby furthering the interests of the Company, and adding an at-risk component to executive compensation;
- To recognize the contribution of our executives to our profitability and long-term growth through the award of short-term and long-term equity incentives based on executive and corporate performance; and
- To align the financial interests of executives with the interests of our shareholders and the Company's overall performance through the award of equity incentives that expose executives to the risks and rewards of ownership of our Company's equity securities.

As an operational stage lithium mining and processing company that recently commenced production of battery grade lithium products, we are dependent on individuals with specialized skills and knowledge related to mining exploration, development and operations, capital projects management, chemical processing for lithium products, corporate finance, legal, human resources, and other areas of business or management expertise. We operate in regions where competition for talent is increasingly strong, the number of opportunities for job seekers is growing and where it is increasingly important for companies to have competitive compensation programs and practices in place to retain and attract talent.

For the year ended December 31, 2024, our compensation program included the following components: base salary, short-term incentive ("**STI**") annual performance award generally payable 100% in short-term vesting RSUs, long-term incentive ("**LTI**") performance award payable 100% in three year vesting RSUs , and employee benefits such as retirement savings plan contributions, extended health, dental, life and disability insurance, and a health and wellness benefit to encourage a healthy lifestyle for our executives and staff generally.

2024 was another transformational year for the Company with the achievement of commercial production at Cauchari-Olaroz, the Pastos Grandes Transaction, the successful advancement of the Company following the Separation Transaction and the strategic continuation of the Company to Switzerland, which are accomplishments for which our executives deployed significant time and efforts. Management and the Governance, Nomination, Compensation and Leadership Committee worked with Lane Caputo, an independent compensation advisor to the Company, to evaluate and refine a new executive compensation program for 2024 and beyond in line with the new attributes specific to the Company post-Separation Transaction.

Compensation Governance

Compensation matters are overseen by the Governance, Nomination, Compensation and Leadership Committee. All members of the committee are current or former executive officers/directors of public or private companies, providing them with an understanding of executive compensation policies and practices, along with practical experience as to the workings of such programs and policies. The committee also has the ability to engage external advisors to support committee members in fulfilling the mandate of the committee.

Compensation Advisor and Peer Group Benchmarking Review

To offer market competitive levels of compensation, we previously engaged Willis Towers Watson ("**WTW**") in 2017 to provide independent compensation advisory services to the Governance, Nomination, Compensation and Leadership Committee and management on our compensation program. The benchmark compensation review completed by WTW, management and the Governance, Nomination, Compensation and Leadership Committee involved the development of a compensation peer group comprised of public lithium mining companies, other diversified mining companies, and lithium and other specialty chemical producers in Canada, the United States and Australia who publicly disclose their compensation practices. After developing the compensation peer group, a comparison of target total direct compensation of our executives with that of the peer group was assessed, together with other industry compensation reports. From there increases to executive compensation were determined, taking effect in 2023.

Following the Separation Transaction, the Company engaged Lane Caputo to assist with developing a new fee schedule for independent directors based on a benchmarking exercise to a revised peer group.Lane Caputo also assisted in developing a new executive compensation program for 2024 in line with the new attributes specific to the Company post-Separation Transaction as described below.

There is no requirement for the Governance, Nomination, Compensation and Leadership Committee to pre-approve other services the independent compensation advisor or any of its affiliates provides to the Company at the request of management.

Fees we paid to our independent compensation advisors, Lane Caputo for the 2024 fiscal year and WTW for the 2023 fiscal year are set out below.

Compensation Advisory Fees	For the years ended December 31,	
	2024 (US$)	2023 (US$)
Executive compensation related-fees	$55,606	$20,353
All other fees	$3,381	$20,666
Total fees	$58,987	$41,019

Performance Evaluation and Compensation Process

The Company follows an internal compensation planning process. Parties participating in the process include management, the Governance, Nomination, Compensation and Leadership Committee and an independent compensation advisor as engaged from time to time. Executive compensation decisions and recommendations by management are made by our CEO and Executive Chair (the "**Management Compensation Committee**"). The Management Compensation Committee evaluates annual performance reviews and make recommendations to the Governance, Nomination, Compensation and Leadership Committee on performance awards for executives other than the CEO and Executive Chair. The Governance, Nomination, Compensation and Leadership Committee then reviews the recommendations in light of the Company's compensation and retention strategy to ensure proposed awards are aligned with the overall design of the compensation program and the Company's business needs, and seeks input from the independent compensation consultant as needed. Annual performance evaluations for the CEO and Executive Chair are assessed by the Governance, Nomination, Compensation and Leadership Committee, which as a committee determines performance awards for these executives. Once the Governance, Nomination, Compensation and Leadership Committee and the Management Compensation Committee have agreed on final performance awards and any changes to executive compensation, these are submitted by the Governance, Nomination, Compensation and Leadership Committee with a committee recommendation for Board consideration. Board approval is required for items such as equity compensation grants, including STI and LTI equity awards, and salary changes for the CEO, Executive Chair and other senior officers of the Company.

The Company historically engaged an independent compensation consultant to conduct a bi-annual review of executive compensation, benchmarked to compensation of a selected peer group. This process is overseen by the Governance, Nomination, Compensation and Leadership Committee, which receives recommendations from the consultant and determines if any changes are needed to our executive compensation program and levels of compensation. In non-review years, the Management Compensation Committee will consider cost-of-living adjustments to base salary for executives along with other staff and provide a recommendation for consideration by the Governance, Nomination, Compensation and Leadership Committee based on changes to indices measuring inflationary conditions in the regions where our executives and staff work.

Compensation Benchmarking

Benchmarking of executive compensation compares actual and target compensation against a peer group to benchmark for the position, organizational role and scope of responsibility. The peer group for 2024 was recommended by Lane Caputo and selected based on the criteria set out below .

Criteria for Selection as Compensation Peers in 2024	
Industry	Companies operating in industries that will overlap with the Company's business targeting battery-grade lithium products, being the diversified metals and mining industry (including lithium)
Geographic Location	Publicly traded companies headquartered in North America were selected as many of the Company's executives are based there and the Company is listed on the NYSE and TSX, along with Australia where many global, public lithium companies are headquartered
Size	Comparable size to the Company based on market capitalization, enterprise value and projected revenues, with the Company falling near the median point compared to peers

Compensation Peer Group

The criteria set out above were applied to develop the following compensation peer group of 15 companies, recommended by Lane Caputo the Governance, Nomination, Compensation and Leadership Committee, and approved by the Board.

Compensation Peer Group		
Aris Mining Corp.	Fortuna Silver Mines Inc.	Lithium Americas Corp.
Aya Gold & Silver Inc.	Hudbay Minerals Inc.	MAG Silver Corp.
Capstone Mining Corp.	IGO Limited	MP Materials Corp.
Ero Copper Corp.	Ioneer Ltd.	Piedmont Lithium Inc.

First Majestic Silver Corp.	Liontown Resources Ltd.	Standard Lithium Ltd.

Named Executive Officers

The named executive officers ("**Named Executives**") set out below are the Company's CEO, CFO, Executive Chair and the two other highest paid executive officers for the 2024 fiscal year.

Named Executive	Officer's Title
John Kanellitsas	Executive Chair
Sam Pigott	Executive Director, President and Chief Executive Officer
Alex Shulga	Vice President and Chief Financial Officer
Mariano Chiappori	Vice President and Chief Operating Officer
Alec Meikle	Executive Vice President, Corporate Development

Elements of Executive Compensation

The Company generally utilizes a combination of both fixed and variable compensation to motivate executives to achieve overall corporate goals. The Board, acting on the recommendation of the Governance, Nomination, Compensation and Leadership Committee, has implemented a compensation structure intended to align the interests of the executive officers with those of the Shareholders. The elements of the Company's historical executive compensation program are summarized in the table below.

Compensation Elements	Features	Objectives
Base Salary	Evaluated annually, alternating with a bi-annual benchmarking executive compensation review, and in non-benchmarking years a bi-annual cost-of-living adjustment.	Fixed compensation, recognizing individual experience, performance and responsibilities. Targeting salary to the median range of compensation peers promotes retention of talented individuals as executive officers, and facilitates recruitment of new talent in a competitive job market landscape.
STI Awards	RSUs with one-year vesting conditions. STI award = Base Salary x STI Target % x (Corporate Performance based on % weight by position + Individual Performance based on % weight by position).	Rewards performance by executives for achieving annual individual goals and corporate strategic goals. Designed to motivate executives, recognize annual contributions by individuals, and align executive performance with corporate strategic priorities.
LTI Awards	RSUs with three-year vesting conditions. LTI = Base Salary x LTI retention factor.	Promotes longer-term retention and aligns long-term interests of our executives with those of shareholders. At risk award that links long-term equity plan payouts to relative total share price performance over a three-year period Rewards executives for industry out-performance.
Retirement Savings Plan Contributions	Annual contribution matching by the Company to a retirement savings plan, up to 3% of base salary, subject to a contribution ceiling established annually (2024 - US$23,000 for ages below 50; US$30,500 for ages 50 and over).	Market competitive benefit. Encourages retirement savings by our executives.

Health, Wellness and Other Benefits	Health, dental, life, critical illness and disability insurance. Health and wellness spending account.	Market competitive benefits. Encourages and supports health and wellness for our executives.

The Governance, Nomination, Compensation and Leadership Committee reviews each element of compensation for market competitiveness, and it may weigh a particular element more heavily based on the respective executive's role and responsibilities within the Company. The committee's focus is on remaining competitive in the market with respect to the Company's total compensation program, in addition to certain components of executive compensation such as base salary and our performance-based compensation program.

Base Salary

Base salaries are set with the goal of being competitive with corporations of a comparable size and stage of development, thereby enabling the Company to compete for and retain executive officers critical to the Company's long-term success. The Governance, Nomination, Compensation and Leadership Committee and the Board approve the salary ranges for executives based on the peer group compensation benchmarking review generally occurring bi-annually. Salary determinations for executives by the committee and management are made with consideration of the Company's financial resources and the following criteria, among others:

- The particular responsibilities related to the position;
- Salaries paid by comparable businesses and factoring in market conditions for talent;
- The experience level of the executive; and
- The executive's overall performance or expected performance (in the case of a newly hired executive).

An assessment of these criteria is made by the Governance, Nomination, Compensation and Leadership Committee for the CEO and Executive Chair. For other Named Executives excluding the CEO and Executive Chair, the assessment is made by management, and a recommendation is made to the committee for feedback and recommendation to the Board. Final recommendations are then made to the Board to approve base salary adjustments.

Short-Term Incentive Compensation

The Company awards annual STI compensation to executives based on the achievement of corporate and individual goals for the year. STI awards have the objective of motivating executives to achieve performance objectives that are aligned with the overall strategic objectives of the Company during the period.

A target range for an STI award as a percentage of salary is generally set for each executive position. Actual bonuses awarded are subject to a multiplier depending on actual performance for the year. STI compensation is discretionary and generally consists of a grant of RSUs. RSUs are awarded under the Incentive Plan.

Management determines recommendations for STI awards based on the outcome of annual performance reviews for each executive other than the CEO and Executive Chair. New grants take into consideration corporate and individual performance for the annual period and generally do not factor in prior grants made to an individual except if we are nearing the maximum number of Shares issuable under the Incentive Plan. Recommendations are submitted by management to the Governance, Nomination, Compensation and Leadership Committee for consideration and approval. The Governance, Nomination, Compensation and Leadership Committee determines STI awards for the CEO and Executive Chair, while all other awards are recommended by management with the Governance, Nomination, Compensation and Leadership Committee providing feedback as needed on the recommended amount of such awards. All grants for equity STI awards are approved by the Board.

During the year ended December 31, 2024, the Company utilized a corporate performance scorecard with objectives and various range weights based on position level as well as performance achieving individual goals for the year. Corporate goals and objectives were then cascaded down throughout the organization, after being approved by the Governance, Nomination, Compensation and Leadership Committee. These goals and objectives are generally reflected in five broad categories as set out in the table below. Each category was assigned a particular weighting, with performance weighted on a scale of 1 to 5.

Category	Weighting	Rating	Payout
Safety & ESG	10%	3	100%
Operations at Cauchari-Olaroz	35%	5	200%
Finance	25%	5	200%
Growth Initiatives	10%	3	100%
Corporate Functions	20%	4	150%
Total Payout	100%		170%
Management Recommendation			**150%**

Management recommended, and the Governance, Nomination, Compensation and Leadership Committee accepted, a payout of 150% for overall corporate performance.

The individual performance and weighting of individual performance in respect of each named executive is set out in the table below.

Named Executive Officer	Individual Weighting	Individual Rating	Payout
John Kanellitsas, Executive Chair	0%	4	150%
Sam Pigott, President and Chief Executive Officer	0%	4	150%
Alec Meikle, Executive Vice President, Corporate Development	40%	5	200%
Alex Shulga, Vice President and Chief Financial Officer	35%	3.25	130%
Mariano Chiappori , Vice President and Chief Operating Officer	40%	3.25	130%

For 2024, the minimum, the STI target and maximum payout opportunity for each named executive is set out below, as a percentage of base salary. The STI award may be revised above or below the target set for any of our senior management, including named executives, in the Board's discretion on recommendation from the Governance, Nomination, Compensation and Leadership Committee within the minimum and maximum ranges provided in the table.

Named Executive Officer	Minimum Payout	% of Base Salary Target	Maximum Payout	Actual Payout
John Kanellitsas, Executive Chair	0%	100%	200%	75%
Sam Pigott, President and Chief Executive Officer*	0%	100%	200%	117%
Alec Meikle, Executive Vice President, Corporate Development*	0%	75%	150%	62%
Alex Shulga, Vice President and Chief Financial Officer	0%	75%	150%	110%
Mariano Chiappori , Vice President and Chief Operating Officer	0%	75%	150%	100%

* Sam Pigott's STI was pro rated to reflect his employment with the Company starting on March 18, 2024 and Alec Meikle's STI was pro rated to reflect his employment with the Company starting on July 31, 2024.

Long-Term Incentive Compensation

LTI compensation is another key component of the Company's executive compensation program. LTI compensation is awarded to motivate performance by executives and promote retention with a strong focus on long-term alignment of executives' interests with those of shareholders. Executives are also provided with an opportunity to share in the rewards of the Company's performance, together with the associated risks of ownership of the Company's securities.

For the year ended December 31, 2024, the Company awarded RSUs to executives as LTI awards under the Incentive Plan. The RSUs have a three-year vesting period. The Company has the discretion to award Options under the Incentive Plan, however, did not grant any Options as part of LTI.

LTI awards for the CEO and Executive Chair are determined by the Governance, Nomination, Compensation and Leadership Committee, and for other executives are determined by the CEO and reviewed by the Management Compensation Committee prior to their recommendation to the Governance, Nomination, Compensation and Leadership Committee, with all awards being determined based on a combination of individual performance and consideration of long-term retention. The Governance, Nomination, Compensation and Leadership Committee then makes a recommendation for Board approval of all LTI awards to be granted as equity compensation.

The LTI awarded to each named executive for 2024 is set out below, as a percentage of base salary. Similar to STI awards, a LTI award may be revised for any of our senior management, including named executives, in the Board's discretion on recommendation from the Governance, Nomination, Compensation and Leadership Committee.

Named Executive Officer	Minimum Payout	Maximum Payout	Actual 2024 Award
John Kanellitsas, Executive Chair	0%	200%	100%
Sam Pigott, President and Chief Executive Officer	0%	200%	163%
Alec Meikle, Executive Vice President, Corporate Development	0%	200%	153%
Alex Shulga, Vice President and Chief Financial Officer	0%	200%	175%
Mariano Chiappori , Vice President and Chief Operating Officer	0%	200%	147%

Benefits

We provide a benefits program, including health, dental, life, critical illness and disability insurance, employee and family assistance program, and a health and wellness spending account to encourage a healthy lifestyle for our employees, including Named Executives.

Management Risks

The Governance, Nomination, Compensation and Leadership Committee and the Board periodically assess the implications of the risks associated with the Company's compensation policies and practices.

The committee maintains sufficient discretion and flexibility in implementing compensation decisions such that unintended consequences in remuneration can be minimized, while still being responsive to market influences in a competitive environment. Through the Governance, Nomination, Compensation and Leadership Committee Charter, the Governance, Nomination, Compensation and Leadership Committee has sole authority to retain consultants to assist it in the evaluation of compensation of senior management and directors. The Company has policies in place to mitigate compensation policies and practices that could encourage Named Executives to take inappropriate and excessive risk. All material contracts and agreements require Board approval. The Board also approves annual and capital budgets.

The Company has a Securities Trading Policy, which applies to employees, officers, directors and consultants ("**Covered Persons**") of the Company, its subsidiaries and joint venture interests, and also extends to any trading by trusts and holding companies controlled by Covered Persons. The Company also expects Covered Persons will ensure compliance by family and other members of their household.

The Securities Trading Policy stipulates that the Company and its Covered Persons are subject to restrictions against trading in securities of the Company while in possession of material information that has not been publicly disclosed. The Securities Trading Policy also prohibits hedging and derivatives trading, engaging in short sales and trading on margin or pledging the Company's securities. The Securities Trading Policy is posted on our website.

Performance Graph

The graph and table compares the cumulative shareholder return on a C$100 investment in Shares to a similar investment in companies comprising the S&P/TSX Composite Total Return Index, including dividend reinvestment, for the period from January 1, 2019 to December 31, 2024:

Notes:

(1) The cumulative return of the Company's Shares is based on the closing prices of the Shares on the TSX on December 31, 2019, 2020, 2021, 2022 and 2023 or, if there was no trading on such date, the closing price on the last trading day prior to such date. It has been assumed that upon completion of the Separation Transaction, Lithium Americas Corp. common shares received were sold on October 4, 2023, and that the proceeds were reinvested in the Shares.

(2) The S&P/TSX Composite Total Return Index is a total return index (C$), the calculation of which includes dividends and distributions reinvested.

As shown in the graph above, during the fiscal year ended December 31, 2024, the Company's Share price declined relative to the S&P/TSX Composite Total Return Index for the 2024 calendar year, however, has increased relative to the S&P/TSX Composite Total Return Index over the 5-year timeframe. The Company believes that the share price performance has been impacted primarily by declining lithium commodity prices and macroeconomic factors affecting electric vehicle sales, such as high interest rates and high inflation. Over the same period, the price of lithium declined by approximately 40%.

The trend in overall compensation paid to the Company's executive officers over this period has not directly tracked the performance of the market price of the Shares or the S&P/TSX Composite Total Return Index, however, as the majority of executive compensation is the form of equity-based compensation, executive compensation is substantially aligned with market performance. The unique circumstances of the Company in 2023 required a major reconfiguration of our management team and significant efforts of our management which was reflected in our compensation profile, with the development and commencement of production at the Cauchari-Olaroz, the successful acquisition of Arena Minerals, the completion of the Separation Transaction and the financing with GM for the development of the Thacker Pass project. Given the Company's stage of development, the Company's Share price can be volatile and is currently not a significant factor in cash compensation considerations. The value of LTI compensation in the form of preferred share units ("**PSUs**") and RSUs is influenced by our Share price performance.

Summary Compensation Table

The table below sets out all compensation for Named Executives for our 2024, 2023 and 2022 fiscal years, including direct and indirect compensation. Named Executives who are also directors of our Company are not compensated for their services as directors. Incentive securities issued by the Company in the Separation Transaction in replacement of old incentive securities of the Company are not factored into the calculation of the amounts disclosed in the tables below.

Named Executive and Principal Position	Year (1)	Salary (US$)	Equity-Based Compensation (US$)		Non-Equity Incentive Plan Compensation (US$)	Pension Value (US$)	All Other Compensation (US$)	Total Compensation (US$)
			Share-Based Awards (US$) (2)(3)	Option-Based Awards (US$)	Annual Incentive Plans (3)			
John	2024	420,000	734,999	-	-	-	-	1,154,999
Kanellitsas,	2023 (10)	420,000	2,103,500	1,316,300	56,536	-	-	3,896,336
Executive Chair	2022	400,000	1,023,172	-	193,125	-	-	1,616,297
Sam Pigott, President and Chief Executive Officer (6)	2024	316,667	2,236,495 (7)	1,309,000 (4)(7)	-	-	-	3,862,162
Alex Shulga,	2024	315,000	896,497	-	-	-	-	1,211,497
Vice President	2023 (10)	305,446	724,650	686,750	50,000	-	-	1,766,846
and Chief Financial Officer	2022	200,000	253,375	-	73,375	-	-	526,750
Mariano	2024	373,750	873,746	-	50,000	-	-	1,297,496
Chiappori, Vice President and Chief Operating	2023	373,750	386,884	398,000	50,000	-	-	1,208,634
Officer	2022	186,875	393,906	-	32,819	-	-	613,600
Alec Meikle,	2024	777,878 (9)	2,892,497 (7)	962,500 (5)(7)	-	-	-	4,632,875
Executive Vice President, Corporate	2023	511,065	-	-	-	-	-	511,065
Development (8)	2022	398,348	171,266	-	228,532	-	-	798,146

Notes:

(1) Financial years ended December 31, 2024, December 31, 2023 and December 31, 2022.

(2) Share-based awards consist of RSUs granted under the Incentive Plan. The amount of equity-settled payment arrangements is based on the estimated fair value at the grant date. For RSUs, the fair value is based on the five-day VWAP of US$2.78 for 2023 RSUs (US$5.40 for 2023 RSUs and US$25.27 for 2022 RSUs) calculated as of the day prior to the grant date.

(3) Non-Equity Incentive Plan Compensation represents the cash performance bonuses awarded in each year disclosed in the table.

(4) The fair value of Options granted was estimated on the date of grant using the Black Scholes Option Pricing Model. These Options are exercisable at a prices of US$5.18 until April 2, 2031. The key assumptions used under the Black Scholes Option Pricing Model; that were used for the Option awards in the table above were: risk-free rate 4.27%; expected life 7 years; annualized volatility 73.66%; expected dividend rate nil. The Company chose to use the Black Scholes Option Pricing Model as the basis for calculating fair value of the Options granted as this methodology is commonly accepted by issuers. The values presented are consistent with the accounting values used in the Company's audited financial statements.

(5) The fair value of Options granted was estimated on the date of grant using the Black Scholes Option Pricing Model. These Options are exercisable at a prices of US$3.85 until June 20, 2031. The key assumptions used under the Black Scholes Option Pricing Model; that were used for the Option awards in the table above were: risk-free rate 4.27%; expected life 7 years; annualized volatility 73.66%; expected dividend rate nil. The Company chose to use the Black Scholes Option Pricing Model as the basis for calculating fair value of the Options granted as this methodology is commonly accepted by issuers. The values presented are consistent with the accounting values used in the Company's audited financial statements.

(6) Appointed Chief Executive Officer effective from March 19, 2024

(7) Equity-based compensation consist of RSUs and Stock Options one time sign-on bonus granted under employment contracts.

(8) Appointed Executive Vice President, Corporate Development on July 31, 2024.

(9) Salary includes contractor fees before appointed as Executive Vice President, Corporate Development.

(10) 2023 compensations are adjusted to include equity-based compensation awarded in June 2024 for 2023 performance.

Fair Value of Stock Option Grants, RSUs, PSUs and DSUs

Under the Plan, which was implemented in March 2016, the Company may grant RSUs, PSUs, DSUs and Options to directors, officers, employees and service providers. The cost of equity-settled payment arrangements is recorded based on the estimated fair value at the grant date and charged to earnings over the vesting period.

Following a 2025 review of the Company's Board compensation and LTI compensation for executives by Lane Caputo, the Board determined that equity incentives for executive officers should be in the form of RSUs and DSUs to directors, with no further Option awards. The fair value of Options granted by the Company is treated as compensation costs in accordance with International Financial Reporting Standards 2, Share-based Payment.

Each tranche of an equity award is considered to be a separate award, with its own vesting period and grant date fair value.

Incentive Plan Awards

Outstanding Share-Based Awards and Option-Based Awards

Details about all awards outstanding under incentive plans of the Company as of December 31, 2024, including awards granted during 2024 to each named executive, are set out below.

	Option-based Awards [1]				Share-based Awards [1]		
Named Executive	**Number of securities underlying unexercised Options (#)**	**Option exercise price (US$)**	**Option expiration date**	**Value of unexercised in-the-money Options [2]**	**Number of shares or units of shares that have not vested (#)**	Market or payout value of share-based awards that have not vested (US$) [3]	Market or payout value of share-based awards not paid out or distributed (US$) [3]
John Kanellitsas, Executive Chair	250,000	5.56	3-Dec-30	0	1,169,449	3,063,956	0
	90,000	3.57	20-Jun-29	0	0	0	0
Sam Pigott, President and Chief Executive Officer [4]	250,000	5.18	2-Apr-31	0	224,000	586,880	172,920
	90,000	3.85	20-Jun-29	0	0	0	0
Oleksandr Shulga, Vice President and Chief Financial Officer	100,000	5.4	3-Dec-30	0	166,468	436,146	0
	75,000	3.85	20-Jun-29	0	0	0	0
Mariano Chiappori, Vice President and Chief Operating Officer	100,000	5.4	3-Dec-30	0	144,579	378,797	0
	60,000	3.85	20-Jun-29	0	0	0	0
Alec Meikle, Executive Vice President, Corporate Development [5]	250,000	3.85	20-Jun-31	0	574,155	1,504,286	111,798
				0	0	0	0

Notes:

(1) The Company's audited consolidated financial statements for the year ended December 31, 2024 use US$ for reporting Options and share-based awards and the table above is consistent with the presentation in note 12 thereto.

(2) The value of unexercised "in-the-money options" is calculated on the basis of the difference between the closing price of the Shares on the NYSE on December 31, 2024 of US$2.62 and the exercise price of the Options.

(3) The market value of unexercised share-based awards is calculated on the basis of the closing price of the Shares on the NYSE on December 31, 2024 of US$2.62. These amounts reflect the maximum amount of Shares which may become issuable in accordance with the terms of such RSUs and PSUs.

(4) Appointed Chief Executive Officer effective from March 19, 2024

(5) Appointed Executive Vice President, Corporate Development on July 31, 2024.

Value of Awards Vested or Earned in 2024

The following table sets out the value on payout or vesting of incentive awards for the year ended December 31, 2024 for each named executive:

Named Executive	Option-based awards value vested during the year (US$) (1)	Share-based awards value vested during the year (US$) (2)	Non-equity incentive plan compensation value earned during the year (US$)
John Kanellitsas, Executive Chair	0	114,491	0
Sam Pigott, President and Chief Executive Officer (3)	0	211,200	0
Alex Shulga, Vice President and Chief Financial Officer	0	43,332	0
Mariano Chiappori, Vice President and Chief Operating Officer	0	0	0
Alec Meikle, Executive Vice President, Corporate Development (4)	0	169,927	0

Notes:

(1) The "value vested during the year" with respect to the Options is calculated using the accounting fair values determined for financial reporting purposes.
(2) "Value vested during the year" means the aggregate dollar value of the Shares that are issued on the vesting of RSUs and PSUs. This amount is calculated using the closing market price of the Shares on the dates on which the RSUs and PSUs vested during the year ended December 31, 2024.
(3) Appointed Chief Executive Officer effective from March 19, 2024.
(4) Appointed Executive Vice President, Corporate Development on July 31, 2024.

Other Compensation and Pension Benefits

The Company did not have any other pension, retirement or deferred compensation plans, including defined benefit or defined contribution plans.

Employment Agreements

The following descriptions of employment agreements with the Company's Named Executives are effective as of December 31, 2024. On January 23, 2025, in connection with the Company's continuation to Switzerland, the Company entered into new employment agreements (the "**2025 Employment Agreements**" and each a "**2025 Employment Agreement**") with John Kanellitsas, Executive Chair, Sam Pigott, President & Chief Executive Officer, Alec Meikle, Executive Vice President, Corporate Development, and Alex Shulga, Vice President and Chief Financial Officer. The 2025 Employment Agreements reflect certain changes required by Swiss law that, among other things, removed payments on termination and on termination after a "Change of Control".

John Kanellitsas, Executive Chair

As at December 31, 2024, Mr. Kanellitsas was paid a base annual salary of US$420,000, and was eligible to receive short-term incentive compensation at a target rate of 75% of base salary (the "**Kanellitsas STI Bonus**") and long-term incentive compensation at a target rate of 75% of base salary.

On termination of employment without "Cause", because of "Disability" or for "Good Reason", each as defined in Mr. Kanellitsas' employment agreement, Mr. Kanellitsas will receive the following severance package: (a) 18 months (the "**Kanellitsas Severance Period**") of base salary; (b) 1.5 times Kanellitsas STI Bonus he received for the year prior to the year in which his employment terminates; (c) accelerated vesting of any equity Awards scheduled to vest during the Kanellitsas Severance Period; and (d) continuation of benefits coverage during the Kanellitsas Severance Period or reimbursement for replacement coverage (the "**Kanellitsas Severance Package**").

If at any time there is a "Change of Control" during the employment agreement (as defined in the employment agreement), and within twelve (12) months of such "Change of Control", Mr. Kanellitsas' employment is terminated by the Company or Mr. Kanellitsas resigns for "Good Reason" then Mr. Kanellitsas shall be entitled to the Kanellitsas Severance Package, except the Kanellitsas Severance Period shall be 24 months.

Mr. Kanellitsas' 2025 Employment Agreement removed Mr. Kanellitsas' entitlement to the Kanellitsas Severance Package, both on termination of employment without "Cause", because of "Disability" or for "Good Reason" and if there is a "Change of Control" and Mr. Kanellitsas' employment is terminated by the Company or Mr. Kanellitsas resigns for "Good Reason".

Sam Pigott, President and Chief Executive Officer

As at December 31, 2024, Mr. Pigott was paid a base annual salary of US$400,000, and was eligible to receive short-term incentive compensation (the "**Pigott STI Bonus**") and long-term incentive compensation.

On termination of employment without "Cause", because of "Disability" or for "Good Reason", each as defined in Mr. Pigott's employment agreement, Mr. Pigott will receive the following severance package: (a) 12 months (the "**Pigott Severance Period**") of base salary; (b) the Pigott STI Bonus he would have earned through the Pigott Severance Period based on the Pigott STI Bonus for the year prior to the year in which his employment terminates; and (c) continuation of benefits coverage during the Pigott Severance Period or reimbursement for replacement coverage (the "**Pigott Severance Package**"). Notwithstanding the foregoing, the Severance Period shall increase by two months on each anniversary of the effective date of the employment agreement, up to a maximum Severance Period of eighteen (18) months.

If at any time there is a "Change of Control" during the employment agreement (as defined in the employment agreement), and within twelve (12) months of such "Change of Control", Mr. Pigott's employment is terminated by the Company or Mr. Pigott resigns for "Good Reason" then Mr. Pigott shall be entitled to the Pigott Severance Package, except the Pigott Severance Period shall be 24 months.

Mr. Pigott's 2025 Employment Agreement increased his annual base salary from US$400,000 to US$450,000 and removed Mr. Pigott's entitlement to the Pigott Severance Package, both on termination of employment without "Cause", because of "Disability" or for "Good Reason" and if there is a "Change of Control" and Mr. Pigott's employment is terminated by the Company or Mr. Pigott resigns for "Good Reason".

Alec Meikle, Executive Vice President, Corporate Development

As at December 31, 2024, Mr. Meikle was paid a base annual salary of US$360,000, and was eligible to receive short-term incentive compensation (the "**Meikle STI Bonus**") and long-term incentive compensation.

On termination of employment without "Cause", because of "Disability" or for "Good Reason", each as defined in Mr. Meikle's employment agreement, Mr. Meikle will receive the following severance package: (a) 24 months (the "**Meikle Severance Period**") of base salary; (b) the Meikle STI Bonus he would have earned through the Meikle Severance Period based on the Meikle STI Bonus for the year prior to the year in which his employment terminates; and (c) continuation of benefits coverage during the Meikle Severance Period or reimbursement for replacement coverage (the "**Meikle Severance Package**").

If at any time there is a "Change of Control" during the employment agreement (as defined in the employment agreement), and within twelve (12) months of such "Change of Control", Mr. Meikle's employment is terminated by the Company or Mr. Meikle resigns for "Good Reason" then Mr. Meikle shall be entitled to the Meikle Severance Package.

Mr. Meikle's 2025 Employment Agreement removed Mr. Meikle's entitlement to the Meikle Severance Package, both on termination of employment without "Cause", because of "Disability" or for "Good Reason" and if there is a "Change of Control" and Mr. Meikle's employment is terminated by the Company or Mr. Meikle resigns for "Good Reason".

Alex Shulga, Vice President and Chief Financial Officer

As at December 31, 2024, Mr. Shulga was paid a base annual salary of US$315,000, and was eligible to receive short-term incentive compensation (the "**Shulga STI Bonus**") and long-term incentive compensation.

On termination of employment without "Cause", because of "Disability" or for "Good Reason", each as defined in Mr. Shulga's employment agreement, Mr. Shulga will receive the following severance package: (a) 12 months (the "**Shulga Severance Period**") of base salary; (b) the Shulga STI Bonus he would have earned through the Shulga Severance Period based on the Shulga STI Bonus for the year prior to the year in which his employment terminates; and (c) continuation of benefits coverage during the Shulga Severance Period or reimbursement for replacement coverage (the "**Shulga Severance Package**").

If at any time there is a "Change of Control" during the employment agreement (as defined in the employment agreement), and within twelve (12) months of such "Change of Control", Mr. Shulga's employment is terminated by the Company or Mr. Shulga resigns for "Good Reason" then Mr. Shulga shall be entitled to the Shulga Severance Package, except the Shulga Severance Period shall be 24 months.

Mr. Shulga's 2025 Employment Agreement increased his annual base salary from US$315,000 to US$350,000 and removed Mr. Shulga's entitlement to the Shulga Severance Package, both on termination of employment without "Cause", because of "Disability" or for "Good Reason" and if there is a "Change of Control" and Mr. Shulga's employment is terminated by the Company or Mr. Shulga resigns for "Good Reason".

Mariano Chiappori, Vice President and Chief Operating Officer

As at December 31, 2024, Mr. Chiappori was paid a base annual salary of US$373,750, and was eligible to receive short-term incentive compensation (the "**Chiappori STI Bonus**") and long-term incentive compensation.

On termination of employment without "Cause", because of "Disability" or for "Good Reason", each as defined in Mr. Chiappori's employment agreement, Mr. Chiappori will receive the following severance package: (a) 12 months (the "**Chiappori Severance Period**") of base salary; (b) the Chiappori STI Bonus he would have earned through the Chiappori Severance Period based on the Chiappori STI Bonus for the year prior to the year in which his employment terminates; and (c) continuation of benefits coverage during the Chiappori Severance Period or reimbursement for replacement coverage (the "**Chiappori Severance Package**").

If at any time there is a "Change of Control" during the employment agreement (as defined in the employment agreement), and within twelve (12) months of such "Change of Control", Mr. Chiappori's employment is terminated by the Company or Mr. Chiappori resigns for "Good Reason" then Mr. Chiappori shall be entitled to the Chiappori Severance Package, except the Chiappori Severance Period shall be 18 months.

Termination and Change of Control Benefits

The following table discloses, as of December 31, 2024, the estimated incremental payments and benefits that might be paid under the various plans and arrangements to current Named Executives in the event of termination without cause and termination following a change of control (assuming an effective date of December 31, 2024, for each termination scenario).

Named Executive Officer	Element of Compensation [3]	Termination Without Cause [2] US$	Change of Control [1] [2] US$
	Salary	630,000	840,000
John Kanellitsas,	Bonus	472,499	629,998
Executive Chair[4]	Equity	2,317,256	3,063,956
	Other	-	-
	Salary	400,000	800,000
Sam Pigott,	Bonus	469,998	939,996
President and Chief Executive Officer[4]	Equity	-	759,800
	Other	-	-
	Salary	315,000	630,000
Alex Shulga,	Bonus	346,499	692,998
Vice President and Chief Financial Officer[4]	Equity	-	436,146
	Other	-	-
	Salary	560,625	560,625
Mariano Chiappori, Vice President	Bonus	373,748	373,748
and Chief Operating Officer	Equity	-	378,797
	Other	-	-
Alec Meikle, Executive Vice	Salary	720,000	720,000
President, Corporate	Bonus	224,999	224,999
Development[4]	Equity	1,441,000	1,616,084
	Other	-	-

Notes:

(1) The entitlement of the named executives to payment upon a change of control is not necessarily in substitution for, and may be in addition to, amounts payable to such named executives upon termination by the Company.

(2) Amounts above include, among other things, amounts payable in lieu of bonuses that would have been earned during the applicable severance period.

(3) For the equity component, the amount represents the realizable value as of December 31, 2024 of Options, RSUs and PSUs which are subject to accelerated vesting. The value of unexercised "in-the-money options" is calculated on the basis of the difference between the closing price of the Shares on the NYSE on December 31, 2024 of US$2.62 and the exercise price of the Options. The value of accelerated RSUs and PSUs is calculated on the basis of the closing price of the Shares on the NYSE on December 31, 2024 of US$2.62.

(4) As of January 23, 2025, the Salary and Bonus figures for Mr. Kanellitsas, Mr. Pigott, Mr. Meikle and Mr. Shulga would be reduced to 0.

Management Contracts

No management functions of the Company or its subsidiaries are to any substantial degree performed by a person or company other than the directors and officers of the Company or its subsidiaries.

Annual Burn Rate

The annual burn rate of the Incentive Plan for the last three financial years is set out below. This figure is calculated by dividing (i) the number of Awards granted under the Incentive Plan during the applicable financial year, by (ii) the weighted average number of Shares outstanding for the applicable financial year. "Awards" for the purposes of this calculation means all RSUs, PSUs, DSUs and Options.

This calculation does not reflect the new replacement incentive securities issued in exchange for old incentive securities as part of the Separation Transaction.

Financial Year ended December 31	Number of Awards awarded under the Incentive Plan (a)	Weighted average number of Shares outstanding during the applicable financial year (b)	Annual burn rate ((a)/(b)) (c)
2024	3,209,025	161,338,014	1.99%
2023 (Post-Separation Transaction)	2,943,500	155,331,000	1.9%
2023 (Pre-Separation Transaction)	598,408	153,129,000	0.39%
2022	236,195	133,709,000	0.18%

Securities Authorized For Issuance Under Equity Incentive Plans

Under the conditional capital for equity incentive plans under the Company's Articles of Association, the Company may issue up to 16,193,223 Shares. The current Incentive Plan is our only equity incentive plan and governs all equity incentives awarded by the Company, including RSUs, PSUs, DSUs and Options. The aggregate number of Shares that may be subject to issuance, together with any other securities-based compensation arrangements of the Company under the Incentive Plan, must not exceed 8% of the issued and outstanding Shares from time to time. Based on the number of outstanding Shares issued as of December 31, 2024, 12,954,538 Shares may be reserved for issuance under the Incentive Plan.

The following information is as at the Company's financial year ended December 31, 2024:

Plan Category	Number of securities to be issued upon exercise of outstanding Options, RSUs, DSUs PSUs and rights (a)	Weighted-average exercise price of outstanding Options US$ (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by the securityholders	6,869,496	4.86	6,085,042
Equity compensation plans not approved by the securityholders	0	0	0
Total	6,869,496	4.86	6,085,042

Securities Authorized For Issuance Under Equity Compensation Plans

Overview

Below is a summary of the material terms of the Second Amended and Restated Equity Incentive Plan (the "**Incentive Plan**") as last amended and approved by the Board on January 23, 2025.

The Second Amended and Restated Equity Incentive Plan is our only equity incentive plan and governs all equity incentives awarded by LAR, including Options, DSUs, and Restricted Share Rights (time based or in the form of PSUs). We are permitted to issue an aggregate of 8% of the Shares based on the current number of Shares outstanding.

Summary of the Second Amended and Restated Equity Incentive Plan

SECOND AMENDED AND RESTATED EQUITY INCENTIVE PLAN SUMMARY	
Plan Type and Shares Available for Award Grants	Subject to the conditional capital of the Company for equity incentive plans under the Company's Articles of Association, our plan is an 8% "rolling" equity compensation plan, with maximum number of equity awards disclosed in the next table, pursuant to TSX and NYSE requirements. Any increase to the percentage number of awards must be cleared with TSX and NYSE and would generally require shareholder approval. For greater certainty, any increase in the issued and outstanding Shares will result in an increase in the available number of Shares issuable under the Second Amended and Restated Equity Incentive Plan, and the exercise or settlement of awards under the Second Amended and Restated Equity Incentive Plan will make new grants available under the Second Amended and Restated Equity Incentive Plan.
Eligible Participants	Directors, executive officers, employees and consultants of the Company and our subsidiaries are eligible for awards under the Second Amended and Restated Equity Incentive Plan.
Award Types	Options, DSUs, RSUs or PSUs may be awarded under the Second Amended and Restated Equity Incentive Plan to all eligible participants.
Approval of Award Grants	Under the Second Amended and Restated Equity Incentive Plan, award grants (number, vesting conditions and periods, exercise price, etc.) are generally approved by the Board, on the recommendation of the Governance, Nomination, Compensation and Leadership Committee. The CEO also has delegated authority from the Board to approve the grant of a fixed, nominal number of Restricted Share Rights, without Board approval of individual grants. This is generally used for grants to new hires.
Vesting Periods	Vesting periods are determined by the Board, on the recommendation of the Governance, Nomination, Compensation and Leadership Committee. Restricted Share Rights is determined by the Board at the time of grant and shall be specified in the Restricted Share Grant Letter. The Second Amended and Restated Equity Incentive Plan provides that, unless otherwise determined from time to time by the Board, on the recommendation of the Governance, Nomination, Compensation and Leadership Committee, Options shall vest and may be exercised (in each case to the nearest full Share) during the period which an Option is outstanding (the "**Option Period**") as follows: (a) at any time during the first six (6) months of the Option Period, the optionee may purchase up to 25% of the total number of Shares reserved for issuance pursuant to his or her Option; and (b) at any time during each additional six (6) month period of the Option Period the optionee may purchase an additional 25% of the total number of Shares reserved for issuance pursuant to his or her Option plus any Shares not purchased in accordance with the preceding subsection (a) and this subsection (b) until, after the 18th month of the Option Period, 100% of the Option will be exercisable.
Options – Term, Grant Date, Exercise Price and Expiry Date Extension for Blackout Periods	The Second Amended and Restated Equity Incentive Plan provides that Options generally have a term of five years for exercise upon the payment of an exercise price that is set at the time of grant. At the end of the exercise period, Options expire. The grant date is generally set as (i) the date the Governance, Nomination, Compensation and Leadership Committee recommended the Option award to the Board for approval; (ii) the grant date

	set by the Board; or (iii) for awards approved during a blackout period with issuance to follow post-blackout period end, the date of issuance post-blackout period end. The exercise price for Options granted under the Second Amended and Restated Equity Incentive Plan cannot be less than the closing price of the Shares on NYSE on the day immediately prior to the grant date. Options that expire during a blackout period or within 10 days of one ending have their exercise period extended until 10 business days after the end of the blackout period.
Cashless Surrender of Options	Subject to payment of the applicable share par value, the Second Amended and Restated Equity Incentive Plan provides for cashless surrender of Options by allowing the holder to forego their Options in exchange for receiving a set number of Shares determined by calculating the "in the money" value of the Options (i.e. the fair market value of the Shares on the business day prior to the date of exercise, less the Option exercise price), times the number of outstanding Options, divided by such fair market value of the Shares.
Restricted Share Rights Terms	Vested Restricted Share Rights are settled in Shares issued by the Company, subject to payment of the applicable share par value. Holders who are Canadian residents or generally non-U.S. residents (as permitted by the Board) may defer settlement for any length of time, while holders who are U.S. residents generally must effect settlement during the tax year in which the Restricted Share Rights vest for tax purposes.
Performance Share Units Terms	PSUs are generally awarded as Restricted Share Rights under the Second Amended and Restated Equity Incentive Plan with performance vesting conditions. PSUs vests three years after grant and are subject to vesting conditions tied to the Share price performance relative to the share price performance of a PSUs peer group of public companies. Vested PSUs are settled by the Company issuing an equivalent number of underlying Shares, subject to payment of the applicable par value. Holders who are Canadian residents or generally non-U.S. residents may defer settlement for any length of time, while holders who are U.S. residents generally must effect settlement during the tax year in which the PSUs vest for tax purposes.
Deferred Share Units Terms	DSUs are generally granted to independent directors on the Board (directors who are not also employees of the Company) only, as part of our Board compensation program. The number of DSUs granted is determined by the five-day VWAP of the Shares immediately prior to the date of Board approval of the grant. DSUs vest and are settled in Shares on a one-for-one basis on the 20th business day after an independent Board director ceases to hold the position.
Change of Control Vesting Acceleration	In the event of a Change of Control (as defined in the Second Amended and Restated Equity Incentive Plan) pursuant to the dissolution and liquidation of the Company, all Options outstanding will immediately vest and become exercisable on the date of such Change of Control, and all RSUs and PSUs outstanding will immediately vest and be settled by the issuance of Shares. If a Triggering Event (as defined in the Second Amended and Restated Equity Incentive Plan) occurs within the 12 months period immediately following other categories of a Change of Control (excluding the dissolution and

	liquidation of the Company), all outstanding Options will immediately vest and become exercisable on the date of such Triggering Event, and all outstanding RSUs or PSUs will vest immediately and be settled by the issuance of Shares. PSUs will be settled in *pro rata* to the performance measurement periods completed prior to the Change of Control and on a one for one basis for future performance measurement periods, if any. DSUs are not covered by a change of control provision under the Second Amended and Restated Equity Incentive Plan as they vest upon departure of a board director who is the holder. Board director departures may or may not occur as part of a change of control event, depending on the circumstances of the event.
Dividends	If our Board declares dividends, holders of vested RSUs, PSUs and DSUs not settled in Shares as of the applicable dividend record date may, at the discretion of the Board, be entitled to receive dividends in the form of additional securities of the same type held. The number of securities will be determined based on the five-day VWAP of the Shares on the NYSE.
Insider and Non-Employee Director Award Limits	Shares issued or issuable to insiders under the Second Amended and Restated Equity Incentive Plan are subject to the following upper limits, expressed as a percentage of issued and outstanding Shares: a 10% cap for all insiders as a group, at any given time; a 10% cap for all insiders as a group within any one-year period; a 5% cap for any one insider and the insider's associates in any one-year period; and a 5% cap for any individual, at any given time. The aggregate number of Options that may be granted under the Second Amended and Restated Equity Incentive Plan to any one non-employee director within any one-year period will not exceed a maximum value of US$100,000 worth of securities, and together with any Restricted Share Rights, PSUs and DSUs granted under the Second Amended and Restated Equity Incentive Plan and any securities granted under all other securities based compensation arrangements, such aggregate value will not exceed US$150,000 in any one-year period, subject to caveats set out in the Amended and Restated Incentive Plan.
Awards Transfers and Exercises	Transfers of awards under the Second Amended and Restated Equity Incentive Plan are generally not permitted, except if a holder dies. Generally only holders can exercise awards under the Second Amended and Restated Equity Incentive Plan.
Effect of Retirement, Termination, Other Events on Unvested Awards	Generally, subject to applicable employment agreements, any unvested awards under the Second Amended and Restated Equity Incentive Plan are forfeited if the holder retires or is terminated prior to the vesting date of the award. The Board has the discretion to accelerate vesting in such cases or allow the awards to continue for their full term. Vesting of Restricted Share Rights and PSUs is automatically accelerated if there is a total disability or death of a holder. If a participant ceases to be employed by the Company or a Designated Affiliate for cause, no Option held by such participant will, unless otherwise determined by the Board be exercisable following the date on which such Participant ceases to be so engaged. If a participant ceases to be employed by the Company, or act as a director of, the Company for any reason other than cause then, unless otherwise determined by the Board any Option held by such Participant at the effective date thereof shall become exercisable for a period of up to 12 months thereafter or prior to the expiration of the Option period in respect thereof, whichever is sooner.

Plan Amendments	The Board may amend, suspend or terminate the Second Amended and Restated Equity Incentive Plan without approval of Shareholders, provided the changes comply with applicable stock exchange requirements; do not negatively impact any awards outstanding under the Second Amended and Restated Equity Incentive Plan; and the period to exercise outstanding Options generally cannot be extended beyond ten (10) years. Without limitation to the foregoing, the types of Second Amended and Restated Equity Incentive Plan changes that could be made by the Board without Shareholder approval generally include: clerical changes or grammar corrections, changes to eligible participants, or changes to requirements about vesting, term of any grant, termination, exercise price and cashless exercise. Shareholder approval is required if the rolling number of awards available for grant under the Second Amended and Restated Equity Incentive Plan will be increased; changes will be made to insider award limits, or increase participation limits on non-employee directors under the Second Amended and Restated Equity Incentive Plan; changes to reduce the exercise price or permit the cancellation and re issuance of outstanding Options; changes to extend the expiry date of Options beyond their original expiry; changes to permit any amendment to permit Options to be transferred other than for normal estate settlement purposes; and changes to reduce the range of amendments requiring shareholder approval, all as described in the Second Amended and Restated Equity Incentive Plan.

Second Amended and Restated Equity Incentive Plan Grants and Limits

Maximum aggregate number of Shares that may be granted under the Second Amended and Restated Equity Incentive Plan, together with any other securities-based compensation arrangements of the Company	12,954,538 *(represents 8% of issued and outstanding Shares as of* December 31, 2024*)*
Options as of December 31, 2024	2,715,000
Restricted Share Rights as of December 31, 2024, including the maximum number of Shares issuable pursuant to outstanding PSUs	3,514,069
DSUs as of December 31, 2024	640,427
Shares issuable pursuant to outstanding Awards under the Equity Incentive Plan	6,869,496 *(represents approximately* 4.24*% of issued and outstanding Shares as of* December 31, 2024*)*

C. Board Practices

About the Board

The Board consists of eight directors whose terms expire annually. John Kanellitsas, George Ireland and Franco Mignacco have served as directors since 2015 and Diego Lopez Casanello, Robert Doyle and Calum Morrison have served as directors since 2023. On March 19, 2024, Sam Pigott and Monica Moretto were appointed to the Board. Each director nominee elected will hold office until their successor is elected at the next annual meeting of Shareholders, or any postponement(s) or adjournment(s) thereof, or until their successor is otherwise elected or appointed. There are no directors' service contracts with the Company or any of its subsidiaries providing for benefits upon termination of employment.

Role and Mandate

The Board has overall responsibility for corporate governance matters by virtue of its responsibility for:

- developing and approving corporate policies and guidelines;
- assisting in the definition of corporate objectives and assessing corporate strategies and key plans;
- overseeing material risks of the Company and its business;
- overseeing the integrity of our internal financial controls and management information systems;
- evaluating the Company's performance and the performance of the Board, its committees and individual directors; and
- appointing executive officers and, together with the relevant committee, reviewing their performance.

The Board has adopted a Corporate Governance Framework where the Board has outlined its responsibilities in a board mandate. The board mandate and structural parameters of the Board is available in Lithium Argentina's Corporate Governance Framework on our website (www.lithium-argentina.com).

Independence

The Board currently has eight (8) members of whom five (5) qualify as independent directors, being a majority, under the Corporate Governance Disclosure Rules. This includes our Lead Independent Director, George Ireland. Except for our Sustainable Development Committee, our committees are all comprised entirely of independent directors, including the Chairs of each committee. The independent directors are: George Ireland, Diego Lopez Casanello, Robert Doyle, Calum Morrison and Monica Moretto.

The non-independent directors of the Company are Sam Pigott, who is the President and CEO of the Company; John Kanellitsas, who is the Executive Chair; and Franco Mignacco, who was the President of Exar, which is a significant equity investee of the Company, and is now the Chair of the Shareholder Committee of Exar.

Generally independence of a director means that the individual is not an employee or member of management of the company or any subsidiary, receives no compensation from the company or a subsidiary except compensation for serving as a director on the Board, and generally the individual has no conflicts of interest or other ties to management, the company or a subsidiary that would lead to a determination that the individual is unable to exercise judgement independent of management. These same considerations extend to immediate family members of the individual.

Directors on our Board with an interest in a material transaction or agreement are required to declare their interest and abstain from voting on the transaction or agreement at issue. The Board also forms special committees as needed, comprised of only independent directors, to evaluate proposed related party transactions and ensure that independent judgement is used to evaluate the transaction, free of any potential or actual conflict of interest, or for other purposes as needed and determined by the Board in its sole discretion.

Our Shares are dual-listed in Canada and the U.S. NYSE requirements and U.S. securities laws set out different requirements for determining director independence than TSX requirements and securities laws in Canada. As a "foreign private issuer" under U.S. securities laws, the Company is permitted to follow Swiss requirements (as our home country) instead of certain NYSE corporate governance standards, including director independence but this does not apply to audit committee independence requirements under U.S. securities laws. The three (3) members of our Audit and Risk Committee satisfy the independence requirements of Rule 10A-3 under the Exchange Act.

Role of the Chair and the Independent Lead Director

The Board Chair leads the Board and is responsible for managing the affairs of the Board to ensure that it functions effectively and efficiently. The Company has developed a written description for the role of the Chair. The responsibilities of this role include:

- Provide leadership to enable Board to act in carrying out its duties and responsibilities as described in the Board charter and as otherwise may be appropriate;
- Work with the CEO and other officers to monitor progress on the business plan, annual budgets, policy implementation and succession planning;
- Providing advice and mentorship to the CEO;
- Provide advice, counsel mentorship to the CEO and fellow members of the Board;
- Chairing Board meetings and liaising with the Corporate Secretary in respect of meeting logistics, and to ensure all required business and items requiring approval are brought before the Board;
- Facilitating in-camera sessions at Board meetings without the presence of management;
- Ensuring the proper flow of information between management and the Board;
- Chair the annual, and any special meeting, of the Shareholders; and
- Exercise the authority of the CEO in the unlikely event that the CEO is absent and is unable to act and action on the part of the CEO when required to protect the interests of the Company.

The Board has also appointed an Independent Lead Director to assist the Board Chair and provide leadership so that the Board can function independently. The Independent Lead Director is responsible for coordinating the activities of the other independent directors and perform such other duties and responsibilities as the Board may determine.

Strategic Planning

The Board and management generally conduct an annual strategic planning session to discuss updates to the Company's corporate strategy. The strategic planning session typically occurs prior to the budget approval process for the following year to facilitate the review of the Board of proposed budgets, taking into consideration the overall corporate strategy and direction of the Company. Financial forecasts for the Company are also presented to the Board together with a fulsome review of the Company's risk assessment matrix under its enterprise risk management system.

The Board exercises its oversight of management's performance on execution of the Company's strategy by receiving:

- Presentations from management at least quarterly on items including the status of the Company's projects and development operations including construction and development activities, budget performance to date, safety and health, community relations, the environment and sustainability, litigation involving the Company's material projects, investor relations matters, and human resources; and
- Informal updates from management on material developments or items of interest to directors.

Committees of the Board

The Board has three (3) standing committees, each with a written charter setting out the duties and responsibilities for the committee and its members, areas of committee oversight and the process for reporting to the Board. Directors are appointed annually to the committees after the annual meeting of Shareholders. The current members of each committee and their independence status are set out below.

Committee	Members	Independence
Audit and Risk Committee	Robert Doyle (Chair) George Ireland Calum Morrison	Independent Independent Independent
Governance, Nomination, Compensation and Leadership Committee	Calum Morrison (Chair) Robert Doyle George Ireland	Independent Independent Independent
Sustainable Development Committee	Diego Lopez Casanello (Chair) John Kanellitsas Franco Mignacco Monica Moretto	Independent Not Independent Not Independent Independent

Audit and Risk Committee

The Audit and Risk Committee assists the Board in its oversight functions as they relate to the integrity of the financial statements and financial reporting, accounting processes, internal controls, and matters concerning independent External Auditors, including direct communication with External Auditors.

The committee's primary areas of responsibility include:

- Overseeing the integrity of the Company's financial statements and reviewing the Company's financial disclosure and reporting;
- Overseeing the integrity and performance of the Company's internal audit processes, including the internal audit function;
- Monitoring the qualifications, independence and performance of the Company's External Auditors;
- Reviewing the integrity and effectiveness of the Company's systems of internal controls for reporting on the Company's financial condition;
- Monitoring Management's compliance with legal and regulatory requirements as it relates to financial and reporting matters; and
- Overseeing certain risk management systems and practices adopted by the Company.

All members of the Audit and Risk Committee are financially literate, and two members are designated as financial experts, being Robert Doyle and Calum Morrison. "Financially literate" means they have the ability to read and understand a company's financial statements of a similar level of extent and complexity as can be expected of the financial reporting by the Company.

Based on their business and educational experiences, each Audit and Risk Committee member has a reasonable understanding of the accounting principles used by the Company; an ability to assess the general application of such principles in connection with the accounting for estimates, accruals and reserves; experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising one or more individuals engaged in such activities; and an understanding of internal controls and procedures for financial reporting. All members of the Audit and Risk Committee have had several years of experience in senior executive roles or as board members of significant business enterprises in which they assumed substantial financial and operational responsibility.

The Audit and Risk Committee's charter is available at the Company's website: www.lithium-argentina.com.

Sustainable Development Committee

The Sustainable Development Committee assists the Board with oversight of the following matters:

- The review and reporting to the Board on corporate policies, procedures and practices with respect to managing the risks and opportunities associated with:
  - Health and safety;
  - Environmental matters including water, waste, biodiversity, reclamation, closure, carbon emissions, air quality management and responsible production;
  - Social engagement and social responsibilities including but not limited to interactions with local communities, governments, Indigenous communities, academic institutions, and industry, policy and advocacy groups; and
  - Sustainable development and business practices as they relate to environmental, safety, social responsibility and related matters in the conduct of the Company's activities;
- The review and monitoring of Company's sustainability reporting, as well as the Company's alignment and audits against sustainability.

The proper care of the environment and the health and safety of our workforce is integral to our organization and the communities in which it operates. Accordingly, Lithium Argentina and its subsidiaries conduct operations with a focus on sustainability, and protecting and minimizing impacts to our local communities, the environment and wildlife to the extent possible. Our commitment extends to, among other things:

- Complying with the standards set by the applicable environmental laws and regulations of the countries and regions in which we operate, and additional environmental standards and practices that are voluntarily adopted by the Company;
- Exploring, designing, constructing, operating and planning for closures of mining and processing operations by utilizing effective and proven practices that minimize adverse environmental impacts;
- Educating employees regarding environmental matters, promoting employee participation in identifying opportunities to minimize environmental impacts, and asking that our employees behave in a manner which recognizes the Company's social responsibility;
- Conducting regular reviews and reporting findings to management and the Board in respect of environmental, sustainability, health, safety and community relations matters; and
- Striving to continually improve our environmental performance by designing and developing our operations to minimize environmental impacts through initiatives like carbon footprint reduction and tailings waste management, and other mitigation measures.

The Sustainable Development Committee charter is available at the Company's website: www.lithium-argentina.com.

Governance, Nomination, Compensation and Leadership Committee

The Governance, Nomination, Compensation and Leadership Committee has a written charter setting out its responsibilities. Generally, the committee assists the Board with oversight of the following matters:

- Identifying individuals qualified to become Board and Board committee members and recommending that the Board select director nominees for appointment or election to the Board;
- Developing and recommending corporate governance guidelines and practices for the Company to the Board to consider;
- Reviewing executive management development and succession planning for the Company; and

- The Board's responsibilities relating to compensation and benefits of the executive management and directors of the Company; and
- Developing and overseeing the Company management's compensation policies and programs.

The committee reviews and makes recommendations to the Board with respect to committee and Board composition, along with the overall compensation strategy, the equity incentive plan, salaries and benefits, and succession planning of our executive officers that may address retirement, termination of employment or special circumstances. Committee oversight also extends to setting annual corporate goals and objectives for the Company, which in turn form the basis for performance evaluations for our senior management. The committee also determines performance-based awards for the CEO and Executive Chair based on their annual performance reviews.

All members of this committee have the skills and experience necessary to oversee compensation matters based on their prior management roles with public and private companies.

The Governance, Nomination, Compensation and Leadership Committee charter is available at the Company's website: www.lithium-argentina.com.

D. Employees

As at December 31, 2024, the Company had 71 employees, of which 38 employees are assigned to operations and 19 corporate employees were based in Argentina, 11 corporate employees were based in Canada, and 3 corporate employees were based in the US. The Company has administrative offices in Vancouver, Canada and Buenos Aires and Salta, Argentina, and its corporate headquarters is located in Switzerland.

The following table sets forth the number of employees we had at the end of each fiscal period:

Year	Full Time	Part Time	Total
December 31, 2022	63	-	63
December 31, 2023	144	1	145
December 31, 2024	70	1	71

None of our employees are members in a labor union.

E. Share Ownership

As of March 21, 2025, our directors and Named Executives, as a group, beneficially owned a total of 7,793,643 Shares, representing beneficial ownership of 4.81% of the Shares.

The table below sets forth the number of Shares beneficially owned by our directors and Named Executives as of March 21, 2025. The persons listed below are deemed to be the beneficial owners of Shares underlying options DSUs, PSUs and RSUs that are exercisable within 60 days from the above date, including "out-of-the money" options. The percentages shown below are based on 161,931,734 outstanding Shares as of March 21, 2025, plus 3,260,826 Shares underlying options, DSUs, PSUs and RSUs that are exercisable within 60 days for the indicated beneficial owner for an aggregate total of 7,793,643.

Shareholdings of Directors and Executive Officers

Name of Beneficial Owner	Shares Held	Exercisable Options	DSUs	PSUs	RSUs	Number of Shares Beneficially Owned	Percent of Outstanding Shares
John Kanellitsas	2,116,260	0	0	27,870	1,141,579	3,285,709	2.01%
Sam Pigott	69,269	0	0	0	290,000	359,269	0.22%
George Ireland	3,256,186	0	251,861	0	0	3,508,047	2.16%
Diego Lopez Casanello	100,000	0	113,961	0	0	213,961	0.13%
Robert Doyle	14,500	0	113,961	0	0	128,461	0.08%
Franco Mignacco	2,140,599	0	0	13,328	219,749	2,373,676	1.46%
Monica Moretto	4,265	0	46,683	0	0	50,948	0.03%
Calum Morrison	15,000	0	113,961	0	0	128,961	0.08%
Alec Meikle	21,970	0	0	41,826	575,000	638,796	0.39%
Alex Shulga	54,464	0	0	9,802	156,666	220,932	0.14%
Mariano Chiappori	1,130	0	0	0	144,579	145,709	0.09%
Total	**7,793,643**	**0**	**640,427**	**92,826**	**2,527,573**	**11,054,469**	**6.69%**

Refer to section titled, *Compensation*, for the details of the options held by our directors and Named Executives as at December 31, 2024.

The description of any arrangements involving the employees in the Capital of the Company, including any arrangement that involves the issue or grant of options or shares or securities of the Company are disclosed above in "*Item 6. - Directors, Senior Management and Employees*."

F. Disclosure of a Registrant's Action to Recover Erroneously Awarded Compensation

The Company has adopted compensation recovery policy effective October 2, 2023 (referred to as the "**Incentive Compensation Clawback Policy**") as required by NYSE American listing rules and pursuant to Rule 10D-1 of the Exchange Act. The Company amended and restated the Incentive Compensation Clawback Policy, effective January 23, 2025 (the "**Amended Incentive Compensation Clawback Policy**"). The Amended Incentive Compensation Clawback Policy is filed as Exhibit 97.1 to this annual report. At no time during or after the fiscal year ended December 31, 2024 (as of the date of this annual report), was the Company required to prepare an accounting restatement that required recovery of erroneously awarded compensation pursuant to the Incentive Compensation Clawback Policy or the Amended Incentive Compensation Clawback Policy and, as of December 31, 2024, there was no outstanding balance of erroneously awarded compensation to be recovered from the application of the Incentive Compensation Clawback Policy or the Amended Incentive Compensation Clawback Policy to a prior restatement.

ITEM 7. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

A. Major Shareholders

To the knowledge of management of the Company, based on a review of publicly available filings the following are the only persons or companies who beneficially own 5% or more of the outstanding Shares of the Company as December 31, 2024:

	2024	
Name	Number of Shares Held	Percentage of Shares
General Motors Holdings LLC	15,002,245	9.265%
GFL International Co., Limited	15,000,000	9.263%

All major shareholders have the same voting rights as all other shareholders of the Company.

The major changes in the last three years in the percentage ownership of people who beneficially own 5% of the outstanding voting rights attached to our Shares were:

- On February 16, 2023, General Motors Holdings LLC became the record holder of 15,002,243 Shares, without par value, reporting 9.99% equity ownership.
- On October 3, 2023, General Motors Holdings LLC held the same number of shares but the percentage of shares owned decreased to 9.374% based on Lithium Argentina's total Shares outstanding equaling 160,047,673 as of September 28, 2023.

Ganfeng Standstill

On November 29, 2024, the Company and Ganfeng entered into a three year standstill agreement pursuant to which Ganfeng agreed that it will not, directly or indirectly, acquire or facilitate the acquisition of a controlling interest in the Company (subject to customary exceptions).

We are a publicly owned Company, and our Shares are beneficially owned by Canadian residents, United States residents, and residents of other countries. To our knowledge, we are not directly owned or controlled by another corporation, any foreign government or any other natural or legal person(s), whether severally or jointly. We are not aware of any arrangement, the operation of which may result in a change of control of us.

As of March 6, 2025, there were 8 record holders of the Company's Shares with addresses in the United States, with combined holdings of 46,992,671 Shares.

B. Related Party Transactions

For information regarding the Company's related party transactions, see the section titled "Related Party Transactions" in the Management's Discussion and Analysis of the Company for the year ended December 31, 2024 incorporated by reference into this annual report as Exhibit 15.1 and Notes 6, 7, 8, 9, 10 and 15 of the Company's audited consolidated financial statements for the years ended December 31, 2024, 2023 and 2022 included in "Item 18. – Financial Statements" of this annual report.

C. Interests of Experts and Counsel

Not applicable.

ITEM 8. FINANCIAL INFORMATION

A. Consolidated Statements and Other Financial Information

The consolidated financial statements of the Company and the report of the independent registered public accounting firm, PricewaterhouseCoopers LLP, are filed as part of this Annual Report under "*Item 18. - Financial Statements*."

Legal Proceedings and Regulatory Actions

During the year ended December 31, 2024, there have been no legal proceedings to which the Company is or was a party or of which any of its projects is or was the subject of, nor are any such proceedings known to the Company to be contemplated. To the best of our knowledge, and as of the date hereof, no changes have been made to these circumstances.

During the year ended December 31, 2024, the Company has not had any penalties or sanctions imposed on it by, or entered into any settlement agreements with, a court or a securities regulatory authority relating to securities laws, nor has Integra been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision. To the best of our knowledge and as of the date hereof, this remains unchanged.

Dividend Policy

The Company has no fixed dividend policy and has not declared any dividends on its Shares since its incorporation. The Company anticipates that all available funds will be kept as retained earnings to fund operations, used to undertake exploration and development programs on its mineral properties, and for the acquisition of additional mineral properties for the foreseeable future. Any future payment of dividends will depend, among other things, upon the Company's earnings, capital requirements and operating and financial condition. Dividends may be paid by a Swiss company only if: (i) approved by a majority of votes cast by shareholders present at a shareholders meeting, whether in person or by proxy; and (ii) Lithium Argentina has sufficient distributable profits from the previous fiscal years, or if Lithium Argentina has freely distributable reserves, including out of capital contribution reserves. Dividends are usually due and payable shortly after the shareholders have passed a resolution approving the payment. The Board of a Swiss share company may propose to shareholders that a distribution of dividends be paid but cannot itself authorize the dividend. There can be no assurance that the Company will generate sufficient earnings to allow it to pay dividends.

B. Significant Changes

There have been no significant changes since the date of the financial statements included in this annual report, except as disclosed in this annual report.

ITEM 9. THE OFFER AND LISTING

A. Offer and Listing Details

The Shares of the Company are listed on the TSX and the NYSE under the ticker symbol "LAR."

B. Plan of Distribution

Not applicable.

C. Markets

The Shares of the Company are listed on the TSX and the NYSE under the ticker symbol "LAR."

D. Selling Shareholders

Not applicable.

E. Dilution

Not applicable.

F. Expenses of the Issue

Not applicable.

ITEM 10. ADDITIONAL INFORMATION

A. Share Capital

Not applicable.

B. Memorandum and Articles of Association

The following description is a summary of the Articles of Association. This summary is not complete and is qualified by reference to the provisions of the *Swiss Code of Obligations* and is subject to the complete text of the Articles of Association, which is filed as Exhibit 1.1 to this annual report.

<u>Share Capital</u>

Following the Continuation being effective, as of the date hereof, Lithium Argentina's (nominal) share capital (*Aktienkapital*) amounts to US$1,619,322.34, consisting of 161,932,234 Shares with a nominal/par value per share of US$0.01 each as set forth in the Articles of Association. The share capital is fully paid-in (which term, when used herein, means that the entirety of such share's issue price has been fully paid to Lithium Argentina). Lithium Argentina has one class of shares outstanding, being the Shares. The Shares are not convertible into shares of any other class or series.

The *Swiss Code of Obligations* provides three methods for increasing a company's share capital: (i) ordinary capital increase, (ii) increase within the capital band, and (iii) increase from conditional capital.

<u>Ordinary Capital Increase, Capital Band and Conditional Share Capital</u>

An ordinary capital increase requires a resolution by the general meeting of shareholders and must be carried out by the Board within six months of the respective general meeting in order to become effective. Under Swiss law, in the case of subscription and increase against payment of contributions in cash, a resolution passed by an absolute majority of the voting rights represented at the general meeting of shareholders is required. In the case of subscription and increase against contributions in kind, or to fund acquisitions in kind, or by way of set-off with a debt of Lithium Argentina, when shareholders' statutory subscription rights or advance subscription rights are limited or withdrawn, or where transformation of freely disposable equity into share capital is involved, a resolution passed by two-thirds of the voting rights represented at a general meeting of shareholders and the absolute majority of the nominal/ par value of the shares represented is required.

Further, the shareholders may authorize the Board, by a resolution passed by two-thirds of the voting rights represented at a general meeting of shareholders and the absolute majority of the nominal par value of the shares represented at such meeting (such qualified majority, "**Important Resolution**"), to increase the share capital by a specific aggregate nominal amount, up to a maximum of 50% of the share capital,

- within the capital band (*Kapitalband*), to be utilized by the Board within a period determined by the shareholders but not exceeding five years from the date of the shareholder approval; or
- from the conditional capital (*bedingtes Kapital*) for the purpose of issuing shares in connection with, among other things, (i) option and conversion rights granted in connection with warrants and convertible instruments of the company or one of its subsidiaries or (ii) grants of rights to employees, members of the Board or consultants or its subsidiaries or other persons providing services to the company or a subsidiary to subscribe for new shares (conversion or option rights),

without further shareholders' approval, provided the Articles of Association delegate such authority to the Board (see section "*Capital Band*" and "*Conditional Capital*").

Lithium Argentina's Capital Band

Under Article 4 of the Articles of Association, the Board of Lithium Argentina is authorized to conduct at any time until January 17, 2030, at the latest, once or several times an increase of the share capital to a upper limit of US$1,781,254.57 by issuing a maximum of 16,193,223 fully paid-in Shares with a nominal value of US$0.01 each or to reduce the share capital down to a lower limit of US$1,457,390.11 by cancelling up to 16,193,223 fully paid-in shares. Within the capital band, the Board shall also be authorized to effect the increase/reduction of the share capital by increasing/reducing the par value of the existing Shares or by a simultaneous reduction and re-increase of the share capital, in each case within the limits of the capital band.

If the share capital increases as a result of an increase from conditional capital, the upper and lower limits of the capital band will increase in an amount corresponding to such an increase in the share capital.

Within the capital band, shares may also, but not exclusively, be issued or cancelled in the event of a merger, consolidation (merger with one surviving entity), acquisition, public takeover or any other similar transaction (a "**Strategic Transaction**")

In the event of a share issuance within Lithium Argentina's capital band, the Board, as set forth in the Articles of Association, will determine all relevant terms of the issuance, including the date of the issuance, the issuance price, the type of contribution, the beginning date for dividend entitlement, and, subject to the Articles of Association and applicable Swiss law, the conditions for the exercise of subscription rights with respect to the issuance. After January 17, 2030, the capital band will be available to the Board for issuance of additional fully-paid in Shares only if the authorization is reapproved by Lithium Argentina's shareholders. Shareholders may also approve a renewal or change to the capital band before such time.

In the case of a share issuance based on Lithium Argentina's capital band, Lithium Argentina's shareholders have subscription rights to obtain newly issued Shares in an amount proportional to the nominal/par value of the Shares they already hold. However, the Board may withdraw or limit these subscription rights in the following circumstances:

(a) if the issue price of the new shares is determined by reference to the market price;

(b) for a Strategic Transaction or any acquisitions of companies, parts of companies or participations, royalty interests, real property, or for the financing of new investment projects of Lithium Argentina or its group companies, for the acquisition of products, intellectual property or licenses by or for investment projects of Lithium Argentina or any of its group companies, or, in each case, for the financing or refinancing of such transactions;

(c) for participation of partners in the context of strategic partnerships;

(d) for a capital raise in a fast and flexible manner or that serves to achieve a strategic objective of Lithium Argentina and that would not be possible without the exclusion of the subscription rights of existing shareholders, or only with great difficulty or delay, or on significantly less favorable terms;

(e) for purposes of broadening the shareholder constituency of Lithium Argentina in certain financial or investor markets or for purposes of the participation of strategic partners including financial investors;

(f) in connection with listing of new shares on domestic or foreign stock exchanges;

(g) for purposes of granting an over-allotment option (Greenshoe) in a placement or sale of shares to the respective initial purchaser(s) or underwriter(s); or

(h) for the participation of members of the Board, members of the executive management, employees, contractors, consultants or other persons performing services for the benefit of Lithium Argentina or any of its group companies, including arrangers and investment banks.

Lithium Argentina's Conditional Capital

Conditional Capital for Equity Incentive Plans

Under Article 5 of the Articles of Association, Lithium Argentina's share capital may be increased by a maximum amount of US$161,932.23 through the direct or indirect issuance of no more than 16,193,223 fully paid-in Shares to the members of the Board and to the officers, employees, contractors or consultants of Lithium Argentina or any of its group companies, or other persons providing services to Lithium Argentina or any of its group companies (the "**Beneficiaries**"). The issuance of fully paid-in Shares with a par value of US$ 0.01 each pursuant to Article 5 of the Articles of Association may also occur as a result of the voluntary or automatic settlement, conversion or exercise of rights or the mandatory exercise of obligations to acquire new shares granted to, or imposed on, respectively, any of the Beneficiaries.

Subscription and advance subscription rights of shareholders are excluded for this conditional capital increase. Any such issuance of new shares or voluntary, automatic or mandatory exercise of rights or obligations to acquire shares shall be under one or more plans, agreements, regulations or resolutions to be issued by the Board or, to the extent delegated to it, a committee of the Board. The Board will determine all details of the terms of issue, such as each amount of issue, date of dividend entitlement, and kind of contributions. Any such issuance of new shares may be made at a price per share below the applicable stock exchange price and any such rights or obligations to acquire shares may be granted or imposed on, respectively, below their intrinsic value.

Conditional Capital for Financing Purposes

Under the Articles of Association, Lithium Argentina's share capital may be increased by a maximum amount of US$161,932.23 through the direct or indirect issuance of no more than 16,193,223 Shares that are to be fully paid-in and have a par value of US$0.01 each, (i) further to the exercise of conversion, exchange, option, warrant, subscription or other rights to acquire shares, or (ii) through obligations to acquire shares that are or were granted to or imposed upon shareholders or third parties alone or in connection with bonds, notes, loans, options, warrants or other securities or contractual obligations of Lithium Argentina or any of its group companies (collectively, "**Financial Instruments**").

Subscription rights of shareholders shall be excluded with respect to new shares issued in connection with the Financial Instruments. The then current owners of such Financial Instruments shall be entitled to acquire the new shares issued upon conversion, exchange or exercise of the Financial Instruments. The main terms of the Financial Instruments shall be determined by the Board.

The Board is authorized to limit or withdraw advance subscription rights of shareholders in connection with the issuance of Financial Instruments by Lithium Argentina or one of its group companies if (i) there is a valid reason pursuant to Article 4(4) of the Articles of Association as listed in the section "*Capital Band*" or (ii) the Financial Instruments are issued on appropriate terms or (iii) in connection with the indenture dated December 6, 2021, as amended (the "**Indenture**"). If the advance subscription rights are neither granted directly nor indirectly by the Board, the following shall apply: (x) the Financial Instruments shall be issued on appropriate terms; and (y) the Financial Instruments may be converted, exchanged or exercised during a maximum period of 30 years from the date of the relevant issuance of or entry into the Financial Instruments.

Subscription Rights and Advance Subscription Rights

According to the *Swiss Code of Obligations*, if new shares of a company are issued - whether pursuant to shareholders' approving an increase of the ordinary share capital or the Board making use of the capital band or conditional capital - the existing shareholders will have subscription rights (or advance subscription rights with respect to the issuance of convertible or similar instruments) in relation to such shares or rights *pro rata* to the respective nominal/par value of their existing participation.

If the general meeting of shareholders has approved the creation of the capital band and/or conditional capital, it may thereby delegate the decision whether to withdraw or limit the subscription rights (or advance subscription rights with respect to the issuance of convertible or similar instruments) for cause to the Board. The Articles of Association provide for this delegation in respect to the issuance of new shares out of the capital band and the conditional capital for financing purposes (see description above in sections *"Capital Band"* and *"Conditional Capital"*). Furthermore, the Articles of Association set forth, that shareholders do not have subscription rights and advance subscription rights with respect to shares issued pursuant to Lithium Argentina's equity incentive plan out of the conditional share capital for equity incentive.

Repurchases and Purchases of Shares

The *Swiss Code of Obligations* imposes restrictions on a company's ability to hold or repurchase its own Shares. Lithium Argentina and its subsidiaries may only repurchase own shares if sufficient freely distributable reserves are available. The total nominal value of all Shares held by Lithium Argentina and its subsidiaries may not exceed 10% of Lithium Argentina's registered share capital. Pursuant to Swiss law, where shares are acquired in connection with a transfer restriction set out in the Articles of Association of a company, the foregoing upper limit is 20%. We currently do not have any transfer restriction in our Articles of Association. Shares repurchased under such authorization will be cancelled at the next general meeting with the approval of shareholders holding a relative majority of the votes cast or, if the authorization is included in the capital band provision, upon the Board effecting the cancellation based on the authority granted to it in the capital band provision. Repurchased shares held by Lithium Argentina, or its subsidiaries do not carry any rights to vote at a shareholders meeting but are entitled to the economic benefits generally associated with such shares.

Other classes or Series of Shares

The Board may not create any new classes of shares with privileged voting rights unless approved by an Important Resolution. Further, following the Continuation, the Board may not create any new classes of shares with special rights or restrictions (other than rights which require an Important Resolution) unless the shareholders pass a special resolution approved by at least two-thirds of the represented share votes. The Shares are not convertible into shares of any other class or series or subject to redemption either by Lithium Argentina or by the holder of the Shares.

General Meetings of Shareholders

Under the *Swiss Code of Obligations* and the Articles of Association, the following powers, among others, are vested exclusively with Lithium Argentina's shareholders: amendment of the Articles of Association; election and removal of the members of the Board, the chairperson of the Board, the members of the compensation committee, the statutory auditor and the independent voting representative; approval of the management report and the consolidated statements of account, if any; the adoption of resolutions on the use of the available earnings, in particular the declaration of dividends or the return of capital; and the release from liability of the members of the Board and the other management bodies.

Under the *Swiss Code of Obligations*, Lithium Argentina must hold an annual general meeting of shareholders within six months after the end of its business year, for the purpose, among other things, of approving the annual (standalone and consolidated) financial statements and the annual business report, the annual election of the members of the Board and the chairman, the members of the compensation committee, and annually approving the maximum aggregate compensation payable to the Board and Lithium Argentina's executive management. In Lithium Argentina's case, this means the annual general meeting of shareholders is on or before the 30th day of June. Annual general meetings of shareholders may be convened by the Board or, under certain circumstances, by the Swiss Statutory Auditor.

Furthermore, Lithium Argentina may hold extraordinary general meeting upon the resolution of the Board or, under certain circumstances, by the Swiss Statutory Auditor, the liquidators or the representatives of bondholders, if any, or if so resolved by a general meeting of shareholders or by individual shareholders. Further, the Board must convene an extraordinary general meeting of shareholders and propose financial restructuring measures if, based on Lithium Argentina's annual stand-alone statutory balance sheet, half of its share capital and reserves are no longer covered by Lithium Argentina's assets (*Kapitalverlust*).

Notice

Under Swiss law and the Articles of Association, notice of an annual general meeting of shareholders must be provided no less than 20 days before the scheduled meeting date, but, as Lithium Argentina is still subject to applicable Canadian and U.S. securities laws, Lithium Argentina will be required to send notice thereof in accordance with applicable Canadian and U.S. securities laws. The notice must contain the date, time, the form and, if applicable, the location of the general meeting as well as a clear description of the matters and business to be discussed and, in case of elections, the names of the nominated candidates. Further, the notice contains the motions of the Board and a short explanation thereof, the name and the address of the independent voting representative and any shareholder's motion that has been submitted with a short explanation thereof. In the case of an extraordinary general meeting requested by the shareholders (see "*Shareholder Requisitions and Shareholder Proposals*"), the Board shall convene a shareholders' meeting within 60 days of receipt of such request. According to the Articles of Association, notice may, at the election of the Board, be published in the Swiss Official Gazette of Commerce and/or may be sent by ordinary mail, e-mail, or any other form the Board deems appropriate.

Except in the limited circumstances outlined below, resolutions cannot be passed at a general meeting of shareholders without proper notice. This restriction does not apply to proposals for convening an extraordinary general meeting of shareholders, initiating a special investigation (see "*Special Investigation*", or electing an auditor at the request of a shareholder. Furthermore, no prior notice is required to bring motions related to items already on the agenda or for the discussion of matters on which no resolution is to be taken.

Under the *Swiss Code of Obligations*, a meeting of shareholders for which a notice of meeting has been duly published may not be adjourned, except where the presence quorum set forth in the Articles of Association (see section "*Presence Quorum*") is not met, in which case the meeting cannot be adjourned without publishing a new notice of the meeting.

Presence Quorum

While applicable Swiss law does not provide for attendance quorum in respect of shareholders' meetings, the Articles of Association provide for quorum requirements. For resolutions to be passed at a shareholders' meeting, at least two shareholders entitled to vote, either in person or by proxy, must be present and collectively represent at least 5% of the issued shares entitled to vote at the meeting. Under the *Swiss Code of Obligations*, the Board has no authority to waive quorum requirements stipulated in the Articles of Association.

Venue

Under the Articles of Association, meetings of shareholders may be held outside of Switzerland or in a hybrid format. Fully virtual shareholder meetings without a venue are also permitted until January 17, 2030. In the event Lithium Argentina holds a fully virtual shareholder meeting, it must ensure in accordance with Swiss law that shareholders will have the same rights participating electronically as they would have for an in-person meeting. The Board must ensure that the identity of the participants is verified, that votes are transmitted in real-time, that shareholders are able to submit motions and participate in discussions, and that voting results cannot be manipulated.

Shareholder Requisitions and Shareholder Proposals

The Articles of Association provide shareholders with the right to submit shareholder proposals. Shareholders holding, individually, or together with other shareholders with whom the proposal is made, 0.5% of Lithium Argentina's share capital or of the votes may request that items be placed on the agenda for the general shareholders' meeting and/or that motions relating to items on the agenda be included in the notice convening the meeting. Such requested motions and agenda items must be submitted to the Board in writing before the general shareholders' meeting to be included in the meeting notice and may be accompanied by a brief explanation, which the Board must include in the meeting notice to shareholders. The Articles of Association provide that such advance notice must be given no later than three months before the anniversary date of Lithium Argentina's prior annual general meeting. If the Board refuses to accept such a request, the requesting shareholder(s) may seek to enforce their rights through the court. Furthermore, under Swiss law, at the meeting itself, any shareholder present may submit a motion concerning existing agenda items, including the nomination of a director where election of directors is on the agenda.

The *Swiss Code of Obligations* and Articles of Association provide shareholders the right to requisition shareholders' meetings, enabling shareholders holding, individually, or together with other shareholders, at least 5% of Lithium's share capital or of the voting rights to demand that the Board call a shareholders meeting. The shareholders' meeting shall be convened by the Board within 60 days of receipt of such a request.

Swiss Annual Report and Statutory Auditor Report

Lithium Argentina's Swiss annual report, compensation report and Auditors' report must be made available for inspection by the shareholders at least 20 days prior to the date of the annual general shareholders' meeting. Each shareholder is entitled to request delivery of a copy of these documents in due time if they are not made available electronically.

Shareholder Rights

Voting Rights

Under the Articles of Association, each holder of Shares is entitled to one vote per Share. Abstentions, broker non-votes, and blank or invalid ballots shall be disregarded for purposes of establishing a majority. The Articles of Association do not limit the number of Shares that may be voted by a single shareholder.

To exercise voting rights at a general meeting of shareholders, a shareholder must be registered in the share register.

Treasury shares, whether owed by Lithium Argentina or one of its majority-owned subsidiaries, will not be entitled to vote at general meetings of shareholders.

There are currently no limitations under Swiss law or in the Articles of Association restricting the rights of shareholders outside Switzerland to hold or vote Shares.

Unless otherwise required by law or the Articles of Association, the general meeting of shareholders takes resolutions and proceeds to elections by a majority of the votes of shareholders present at the shareholders' meeting. In the event of a tied vote, the chairperson has no casting vote.

The acting chair may direct that elections be held by use of an electronic voting system. Electronic resolutions and elections are considered equal to resolutions and elections taken by way of a written ballot.

According to the Articles of Association an Important Resolutions is required for:

- the change of purpose of Lithium Argentina;
- the merging of shares, unless the approval of all the shareholders concerned is required;
- an increase of capital our of equity against contributions in kind or by setting off a claim, and the granting of special benefits;
- the limitation or withdrawal of the subscription right;
- the introduction of a conditional capital, the introduction of a capital band;
- the transformation of participation certificates into Shares;
- the restriction of the transferability of Shares;
- the creation of shares with privileged voting rights;
- the change of the currency of the share capital;
- the introduction of the casting vote of the chairperson of the shareholders' meeting;
- the delisting of the equity securities of Lithium Argentina;
- the transfer of the registered office of Lithium Argentina within Switzerland or abroad;
- the introduction of an arbitration clause in the Articles of Association; and
- the dissolution of Lithium Argentina.

Under the Articles of Association, a special resolution of the shareholders' meeting adopted by at least two thirds of the represented share votes is required for the amendment of the Articles of Association to create, vary or delete any special rights or restrictions attached to the shares of any class or series of shares (the "**Special Resolution**") as well as the amendment of the Articles of Association to alter the voting requirements of the Special Resolution.

Resolutions on mergers, demergers, or conversions are governed by the Swiss Merger Act, and generally require an Important Resolution (with certain exceptions for transactions within group companies). In addition, under Swiss law, the resolution in relation to the sale of "all or substantially all of its assets" by Lithium Argentina may require an Important Resolution depending on the particular transaction, (see section "*Appraisal Rights and Compulsory Acquisitions*").

The Articles of Association of the Company do not contain any provisions governing the ownership threshold above which shareholder ownership must be disclosed. The *Swiss Code of Obligations* requires the Company to disclose in its annual compensation report the number of shares in the Company and the number of option or similar rights for the acquisition of shares in the Company owned by directors and members of the executive management.

Dividends

Dividends may be paid only if: (i) approved by a majority of votes cast by shareholders present at a shareholders meeting, whether in person or by proxy; and (ii) Lithium Argentina has sufficient distributable profits from the previous fiscal years, or if Lithium Argentina has freely distributable reserves, including out of capital contribution reserves. Swiss companies generally must maintain a separate company "statutory" balance sheet for the purpose of determining the amounts available for the return of capital shareholders, including by way of a distribution of dividends.

Distributions of interim dividends may further be paid only if: (i) approved by a majority of votes cast by shareholders present at a shareholders meeting, whether in person or by proxy (ii) Lithium Argentina has sufficient distributable profits generated during the current business year and (iii) audited interim financial statements must be prepared, showing the profits generated during the current business year. Lithium Argentina's Swiss Statutory Auditor must confirm that a dividend proposal made to shareholders conforms with the requirements of the *Swiss Code of Obligations* and the articles of association.

Dividends are usually due and payable shortly after the shareholders have passed a resolution approving the payment. The Board of a Swiss share company may propose to shareholders that a distribution of dividends be paid but cannot itself authorize the dividend. Shareholders participate in the distribution of profits in proportion to the nominal/par value and number of shares they hold.

Inspection of Books and Records

The *Swiss Code of Obligations* grants shareholders the right to inspect the register of shareholders with regards to its, his or her own shares and otherwise to the extent necessary to exercise its, his or her shareholder rights. No other person has a right to inspect the register of shareholders. With respect to other company ledgers and company files, only shareholders who individually or together with other shareholders represent at least 5% of the share capital or of the votes may request to inspect such ledgers and files by sending such a request to the Board at any time. The shareholder's request must describe why the requested inspection is required for the exercise of the shareholder's rights, and the Board shall permit inspection within four months of receiving such a request provided that no business secrets or other company interests are put at risk.

Pursuant to Swiss law, at a general meeting, any shareholder is entitled to request information from the Board concerning the affairs of Lithium Argentina. The shareholder may also ask the Swiss Statutory Auditor questions regarding its audit of Lithium Argentina. The Board and the Swiss Statutory Auditor must, subject to prevailing business secrets or other material interests, answer shareholders' questions to the extent necessary for the exercise of shareholders' rights.

Special Investigation

If the shareholders' inspection and information rights as outlined in the section "*Inspection of Books and Records*" prove to be insufficient, Swiss law provides, any shareholder may propose to the general meeting of shareholders to initiate a special investigation or to appoint an expert to audit the executive management. If the general meeting of shareholders approves the proposal, Lithium Argentina or any shareholder may, within three months after the general meeting of shareholders, request the competent court to appoint a special commissioner. If the general meeting of shareholders rejects the request, one or more shareholders, subject to the requirements outlined in the section "*Inspection of Books and Records*", may request the court to appoint a special commissioner. The court will issue such an order if the petitioners can demonstrate that the Board, any of Lithium Argentina's directors or officers infringed the law or the Articles of Association and thereby damaged Lithium Argentina or the shareholders. The costs of the investigation would generally be allocated to Lithium Argentina and only in exceptional cases to the petitioners.

Appraisal Rights and Compulsory Acquisitions

Business combinations and other transactions that are governed by the Swiss Merger Act, are binding on all shareholders. A statutory merger or demerger requires approval of two-thirds of the shares represented at a general meeting of shareholders and the absolute majority of the par value of the shares represented. If a transaction under the Swiss Merger Act receives all of the necessary consents, all shareholders are compelled to participate in such transaction.

Shareholders are not entitled to dissent or appraisal rights in respect of any corporate actions other than with respect to certain transactions to which the *Swiss Merger Act* applies. If, in the event of a merger, demerger or conversion, the share or membership rights are not adequately safeguarded or the compensation is not appropriate, any shareholder may, within two months of the publication of the merger, demerger or conversion resolution, request that the court determine an appropriate compensation payment (appraisal suit). A decision issued by a competent court in this respect can be acted upon by any person who has the same legal status as the claimant. The filing of an appraisal suit will not prevent completion of the merger or demerger.

Furthermore, the Swiss Merger Act provides for a squeeze-out merger if the acquirer controls 90% of the outstanding shares. In these limited circumstances, minority shareholders of the company being acquired may be compensated in a form other than through shares of the acquiring company, such as, for example, through cash or securities of a parent company of the acquiring company or of another company. The Swiss Merger Act grants minority shareholders the right to a judicial review of the adequacy of the compensation offered in such a case and empowers the courts to determine, if necessary, a reasonable amount of compensation.

In addition, under Swiss law, the sale of all or substantially all of Lithium Argentina's assets may be construed as a *de facto* dissolution of Lithium Argentina, and consequently require the approval of two-thirds of the votes represented at a general meeting of shareholders and the majority of the nominal value of the shares represented at such meeting. Whether a shareholder resolution is required depends on the particular transaction, and the following circumstances are generally deemed relevant in this respect:

- a core part of the company’s business is sold without which it is economically impracticable or unreasonable to continue to operate the remaining business;

- the company’s assets, after the divestment, are not invested in accordance with the company’s business purpose set forth in the Articles of Association; and

- the proceeds of the divestment are not earmarked for reinvestment in accordance with the company’s business purpose but, instead, are intended for distribution to the company’s shareholders or for financial investments unrelated to the company’s business.

Change in Control

There are no provisions in the Articles of Association nor the *Swiss Code of Obligations* that would have the effect of delaying, deferring or preventing a change in control of the Company, and that would operate only with respect to a merger, acquisition or corporate restructuring involving the Company or its subsidiaries.

Reduction of Share Capital

Under Swiss law, capital distributions may also take the form of a distribution of cash or property that is based upon a reduction of Lithium Argentina's share capital recorded in the commercial register. Such a capital reduction requires the approval of shareholders holding a majority of votes cast at a general meeting. A special audit report must confirm that creditors' claims remain fully covered despite the reduction in the share capital recorded in the commercial register. On or before the approval by the general meeting of shareholders of the capital reduction, the

Board must give public notice of the capital reduction resolution in the Swiss Official Gazette of Commerce and notify creditors that they may request, within thirty days, satisfaction of or security for their claims (to the extent that the coverage of creditors' claims prior to the capital reduction has been reduced). The obligation to provide security does not apply if the reduction of the share capital does not jeopardize the satisfaction of the creditors' claims. If an unqualified special audit report is available, the law presumes that creditors' claims are not jeopardized. The presumption may be rebutted by creditors in exceptional circumstances.

Liquidation Rights

Under the *Swiss Code of Obligations*, in the event of the liquidation of Lithium Argentina, after the full amounts that creditors as to distribution on liquidation or winding up are entitled to receive have been paid or set aside for payment, the holders of Shares would be entitled to receive, *pro rata*, any remaining assets of Lithium Argentina available for distribution to the holders of Shares, subject to Swiss withholding tax requirements.

The Board

The Articles of Association provide that the Board will consist of a minimum of three directors. The members of the Board shall, as a rule, be elected by the annual shareholders' meeting in each case for a term of office of one year. The term of office of the members of the Board shall, subject to prior resignation and removal, expire on the next annual shareholders' meeting at which there is a quorum as described in section "*General Meetings of Shareholders*". Re-election is possible.

The Board's Power to Vote in Materially Interested Transactions

The Company's Articles of Association provide that the adoption of resolutions by the Board shall be in compliance with the by-laws. According to the by-laws, directors and members of the executive management are obliged to inform the chairperson of the Board of any current or potential conflict of interests affecting them in accordance with applicable law (a "**Disclosable Interest**"). The chairperson of the Board is then responsible for informing the other members of the Board of any Disclosable Interest. If the chairperson of the Board has a Disclosable Interest, he or she must inform the other directors. In the event that a director has a Disclosable Interest, the Board shall take the measures necessary to safeguard the interests of the Company.

A director who holds a Disclosable Interest in a contract or transaction into which the Company has entered or proposes to enter is not entitled to vote on any resolution to approve that contract or transaction. However, if all the directors have a Disclosable Interest in that contract or transaction, any or all of those directors may vote on the resolution.

A director who holds a Disclosable Interest in a contract or transaction into which the Company has entered or proposes to enter and who is present at the meeting of the Board at which the contract or transaction is considered for approval may be counted in the quorum at such meeting. This is applicable whether or not the director votes on any or all of the resolutions considered at the board meeting.

The Board's Loans, Credits, Pension Benefits other than Occupational Pension Funds and Securities

Under Article 34(1) of the Articles of Association, the Company cannot grant loans to any members of the Board or the executive management. Under Article 34(2) of the Articles of Association, the Company may grant to members of the Board and the executive management post-retirement benefits beyond the occupational benefit schemes, which do not exceed the annual compensation of the respective member of the Board or the executive management last paid.

The Board's Share Qualification

Under the Articles of Association, a director is not required to hold a share in the capital of the Company as qualification for his or her office.

Conflict of Interest, Management Transactions

The *Swiss Code of Obligations* provides that the members of the Board and the executive management shall inform the Board immediately and comprehensively of any conflicts of interest affecting them. The Board shall take the measures required to safeguard Lithium Argentina's interests. Further, the *Swiss Code of Obligations* contains a provision that requires Lithium Argentina's Board and executive management to safeguard the Company's interests and imposes a duty of loyalty and duty of care on Lithium Argentina's Board and executive management. This rule is generally understood to disqualify the Board and executive management from participation in decisions that directly affect them. The Board and executive management members are personally liable to Lithium Argentina for breach of these provisions. In addition, Swiss law contains provisions under which members of the Board and all persons engaged in the company's management are liable to the company, each shareholder and the company's creditors for damages caused by an intentional or negligent violation of their duties. Furthermore, Swiss law contains a provision under which payments made to any of the company's shareholders or directors or any person associated with any such shareholder or director, other than payments made at arm's length, must be repaid to the company if such shareholder, director or associated person acted in bad faith.

Legal Name; Formation; Fiscal Year; Registered Office

The legal and commercial name is Lithium Argentina AG (before Continuation known as Lithium Americas (Argentina) Corp.). Lithium Americas (Argentina) Corp. was initially formed on November 27, 2007 under the BCBCA and was continued to Switzerland on January 23, 2025. Lithium Argentina is now incorporated and domiciled in Zug, Canton of Zug, Switzerland and operates under the *Swiss Code of Obligations* as a share company (*Aktiengesellschaft*).

The address of Lithium Argentina's registered and head office is Lithium Argentina AG, Dammstrasse 19, 6300 Zug, Switzerland.

Corporate Purpose

The purpose of Lithium Argentina is to directly or indirectly acquire, hold, finance, manage, exploit and dispose of participations in domestic and foreign, listed and non-listed companies or other legal entities, partnerships or persons.

Lithium Argentina may also set up branch offices and subsidiaries in Switzerland and abroad and may acquire, hold, sell or finance any kind of undertakings and companies. Lithium Argentina may further acquire, hold, and sell real estate. Lithium Argentina may engage in any kind of commercial activity that is directly or indirectly related to its purpose and take any measures which seem appropriate to promote the purpose of Lithium Argentina, or which are connected with this purpose, including, without limitation, any commercial activities in the mining and minerals sector (such as advancing lithium projects and related business, development and trade activities).

Duration and Dissolution

The duration of Lithium Argentina is unlimited. However, Lithium Argentina may be dissolved by liquidation at any time by an Important Resolution. Lithium Argentina may also be dissolved without liquidation in certain cases (for example in in a merger where Lithium Argentina is not the surviving entity) by an Important Resolution. Furthermore, dissolution by court order in the event of bankruptcy, or for cause at the request of shareholders holding at least 10% of Lithium Argentina's share capital or votes is possible.

Certificated and Uncertificated Shares

Lithium Argentina is authorized to issue Shares in certificated or uncertificated form.

Lithium Argentina may convert Shares from one form into another at any time and without the approval of the shareholders, whereas Lithium Argentina shall bear the cost associated with any such conversion.

If registered in Lithium Argentina's share register, a shareholder may at any time request a written confirmation with respect to such person's shares. However, the shareholder has no right to request the issue and delivery of share certificates nor the conversion of the Shares issued in one form into another form. Lithium Argentina does not currently issue Shares in certificated form.

Stock Exchange Listing

The Shares are listed for trading on the NYSE and TSX under the symbol "LAR".

No Sinking Fund

The Shares have no sinking fund provision.

No Redemption and Conversion

The Shares are not convertible into shares of any other class or series or subject to redemption either by Lithium Argentina or the holder of the Shares.

Transfer of Shares and Registration

Lithium Argentina has not imposed any restrictions applicable to the transfer of the Shares, subject to Article 7(2) of the Articles of Association with respect to Shares issued in the form of intermediated securities, in which case any transfer of the Shares is effected by a corresponding entry in the securities deposit account of a bank or a depository institution; no Shares in the form of intermediated securities or security interest in any such intermediated securities can be transferred by way of assignment. If uncertificated Shares (not in the form of intermediated securities) are transferred by way of assignment, such assignment must be notified to Lithium Argentina to be valid.

Persons acquiring Shares of Lithium Argentina shall on application be entered in the share register without limitation as shareholders with voting rights, provided they expressly declare themselves to have acquired the said shares in their own name and for their own account, that there is no agreement on the redemption or return of the corresponding shares and that he/she bears the economic risk associated with the Share, except that the Board may record nominees who hold Shares in their own name, but for the account of third parties, as shareholders of record with voting rights in the share register of Lithium Argentina. Beneficial owners of Shares who hold shares through a nominee exercise the shareholders' rights through the intermediation of such nominee. The share register will reflect only record owners, usufructuaries and nominees of Shares. Swiss law does not recognize fractional share interests.

Set forth below is a comparison of certain shareholder rights and corporate governance matters under Delaware law and Swiss law:

Comparison of Shareholder Rights	Delaware Law	Swiss Law
Special Meetings of Shareholders	Shareholders generally do not have the right to call meetings of shareholders unless that right is granted in the certificate of incorporation or by-laws. However, if a corporation fails to hold its annual meeting within a period of 30 days after the date designated for the annual meeting, or if no date has been designated for a period of 13 months after its last annual meeting, the Delaware Court of Chancery may order a meeting to be held upon the application of a shareholder.	Under Swiss law and our Articles of Association, notice of the general meeting of shareholders has to be given at least 20 calendar days before the date for which the meeting is scheduled in the form prescribed by the Articles of Association. The agenda must specify the place, date, time, agenda items, and the proposals of the Board and the shareholders who have requested that a general meeting be called or an item be placed on the agenda (if any). Extraordinary general meetings of shareholders shall be called as often as necessary by the Board or, if necessary, by the statutory auditors as well as in all other cases required by law. Unless the Articles of Association provide for a lower threshold, one or more shareholders representing at least 5% of the share capital or votes may request in writing that the Board call an extraordinary general meeting of shareholders. The request must be made in writing and must contain an agenda and the suggested proposals. Where the Board fails to grant such a request within a reasonable time, but at the most within 60 days, the requesting parties may request the court to order that the extraordinary meeting of shareholders be convened.
Interested Shareholder Transactions	The Delaware General Corporation Law generally prohibits a Delaware corporation from engaging in certain business combinations with an “interested shareholder” for three years following the date that such person becomes an interested shareholder. An interested shareholder generally is a person or group who or which owns or owned 15.0% or more of the corporation’s outstanding voting stock within the past three years.	No such rule applies to a Swiss corporation.

Cumulative Voting	The certificate of incorporation of a Delaware corporation may provide that shareholders of any class or classes or of any series may vote cumulatively either at all elections or at elections under specified circumstances.	Cumulative voting is not permitted under Swiss corporate law. Pursuant to Swiss law, shareholders can vote for each proposed candidate, but they are not allowed to cumulate their votes for single candidates. An annual individual election of (i) all members of the Board, (ii) the chairman of the Board, (iii) the members of the compensation committee, (iv) the election of the independent proxy for a term of office of one year (i.e. until the following annual general meeting) as well as the vote on the aggregate amount of compensation for the members of the Board and the executive committee as well as for the members of the advisory board, if applicable, is mandatory for listed companies. Re-election is permitted.
Approval of Corporate Matters by Written Consent	Unless otherwise specified in a corporation's certificate of incorporation, shareholders may take action permitted to be taken at an annual or special meeting, without a meeting, notice or a vote, if consents, in writing, setting forth the action, are signed by shareholders with not less than the minimum number of votes that would be necessary to authorize the action at a meeting. All consents must be dated and are only effective if the requisite signatures are collected within 60 days of the earliest dated consent delivered.	Shareholders of a Swiss corporation may exercise their voting rights in a general meeting of shareholders. To exercise their voting rights at a general meeting, shareholders may also instruct and provide a proxy to the independent representative in writing or electronically to vote according to their instructions. The shareholders of listed Swiss corporations must elect an independent representative of shareholders. According to Swiss law shareholders may act by written consent on paper or electronically, if no shareholder requests an oral debate (i.e. a general meeting of shareholders to be held) and all shareholders agree that resolutions are taken by written consents.
Business Combinations	With certain exceptions, a merger, consolidation or sale of all or substantially all of the assets of a Delaware corporation must be approved by the Board and a majority of the outstanding shares entitled to vote thereon.	Under Swiss law, with certain exceptions for transactions within group companies, a merger, demerger, or conversion of the corporation must be approved by two-thirds of the voting rights represented at the respective general meeting of shareholders as well as the absolute majority of the nominal value of shares represented at such shareholders' meeting. In addition, under Swiss law, the sale of "all or substantially all of its assets" may also require the aforementioned two-thirds quorum, depending on the particular transaction, including whether the following test is satisfied: (i) the corporation sells a core

		part of its business, without which it is economically impracticable or unreasonable to continue to operate the remaining business; (ii) the corporation's assets, after the divestment, are not invested in accordance with its statutory business purpose; and (iii) the proceeds of the divestment are not earmarked for reinvestment in accordance with the corporation's business purpose but, instead, are intended for distribution to shareholders or for financial investments unrelated to the corporation's business. A shareholder of a Swiss corporation participating in a statutory merger, demerger or conversion pursuant to the Swiss Merger Act (*Fusionsgesetz*) can file a lawsuit against the surviving company within two months of the publication of the merger, demerger or conversion resolution. If the consideration is deemed “inadequate,” such shareholder may, in addition to the consideration (be it in shares or in cash) receive an additional amount to ensure that such shareholder receives the fair value of the shares held by such shareholder. Swiss law also provides that if the merger agreement provides only for a compensation payment, at least 90% of all members in the transferring legal entity, who are entitled to vote, shall approve the merger agreement.
Limitations on Director's Liability and Indemnification of Directors and Officers	A Delaware corporation may indemnify a director or officer of the corporation against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred in defense of an action, suit or proceeding by reason of his or her position if (i) the director or officer acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the corporation and (ii) with respect to any criminal action or proceeding, the director or officer had no reasonable cause to believe his or her conduct was unlawful.	Although the indemnification of members of the Board and the executive management of the corporation is not expressly covered by Swiss law, a corporation may, according to approaches followed in practice by applying general legal principles (e.g. on limitation of liability) and corporate law concepts, indemnify any of its members of the Board and executive management so long as (i) such individuals acted honestly and in good faith with a view to the best interests of the corporation and (ii) have not committed an intentional or grossly negligent breach of their statutory duties as a member of the Board or executive management of the corporation, as applicable, which, under Swiss law, includes performing his or her duties with all due diligence and safeguarding the interests of the

		corporation in good faith. Swiss law permits a company, or each member of the Board or executive management individually, to purchase and maintain directors' and officers' liability insurance on behalf of such member of the Board and executive management, which may cover negligent acts as well. Moreover, under Swiss law, at an annual general meeting, shareholders may resolve with a majority of the votes of shareholders present to approve the discharge (*décharge*) of the members of the Board or executive management from liability for actions taken during the past financial year. Such discharge is effective only for facts that have been disclosed to the shareholders and only vis-à-vis the corporation and those shareholders who have consented to the resolution or who acquired shares subsequently with knowledge of the resolution. Most violations of corporate law are regarded as violations of duties towards the corporation rather than towards the shareholders. In addition, indemnification of other controlling persons is not permitted under Swiss corporate law, including shareholders of the corporation.
Appraisal Rights	A shareholder of a Delaware corporation participating in certain major corporate transactions may, under certain circumstances, be entitled to appraisal rights under which the shareholder may receive cash in the amount of the fair value of the shares held by that shareholder (as determined by a court) in lieu of the consideration the shareholder would otherwise receive in the transaction.	Under applicable Swiss law, shareholders are not entitled to dissent or appraisal rights in respect of any corporate actions other than with respect to certain transactions to which the *Swiss Merger Act* applies. If, in the event of a merger, demerger or conversion, the share or membership rights are not adequately safeguarded or the compensation is not appropriate, any shareholder may, within two months of the publication of the merger, demerger or conversion resolution, request that the court determine an appropriate compensation payment (appraisal suit). A decision issued by a competent court in this respect can be acted upon by any person who has the same legal status as the claimant. The filing of an appraisal suit will not prevent completion of the merger, demerger or conversion.

Shareholder Suits	Class actions and derivative actions generally are available to the shareholders of a Delaware corporation for, among other things, breach of fiduciary duty, corporate waste and actions not taken in accordance with applicable law. In such actions, the court has discretion to permit the winning party to recover attorneys' fees incurred in connection with such action.	Class actions and derivative actions as such are not available under Swiss law. Nevertheless, certain actions may have a similar effect. A shareholder is entitled to file an action for damage caused to the corporation. The claim of the shareholder is for performance to the corporation. If the shareholder, based upon the factual and legal situation, had sufficient cause to file an action, the judge has discretion to impose all costs the plaintiff incurred in prosecuting the action on the corporation. Shareholders may also approve, by a resolution passed by a majority of the votes of shareholders present at the shareholders' meeting, that the corporation bring the action and entrust the Board or a representative thereof with the conduct of the proceedings. Shareholders who suffer a direct loss due to an intentional or negligent breach of a member of the Board' or senior officer's duties may sue such member of the Board or senior officer in his or her personal capacity for monetary compensation. In addition, to the extent that US laws and regulations provide a basis for liability and US courts have jurisdiction, a class action may be available. Under Swiss law, the winning party is generally entitled to recover or to partially recover attorneys' fees incurred in connection with such action, provided, however, that the court has broad discretion to permit the shareholder whose claim has been dismissed to recover attorneys' fees incurred to the extent he or she acted in good faith. In addition, under Swiss law, a shareholder may petition the competent Swiss court to have a decision of the general meeting of shareholders declared invalid on the grounds that the decision violates the corporation's Articles of Association or the law.
Inspection of Books and Records	All shareholders of a Delaware corporation have the right, upon written demand, to inspect or obtain copies of the corporation's shares ledger and its other books and records for any purpose reasonably related to such person's interest as a shareholder.	Swiss law grants shareholders the right to inspect the register of shareholders with regards to its, his or her own shares and otherwise to the extent necessary to exercise its, his or her shareholder rights. No other person has a right to inspect the register of shareholders. With respect to other corporation ledgers and corporation files, only shareholders who individually or together with other

		shareholders represent at least 5% of the share capital or of the votes may request to inspect such ledgers and files by sending such a request to the Board at any time. The shareholder's request must describe why the requested inspection is required for the exercise of the shareholder's rights, and the Board shall permit inspection within four months of receiving such a request provided that no business secrets or other company interests are put at risk. Pursuant to Swiss law, at a general meeting, any shareholder is entitled to request information from the Board concerning the affairs of the corporation. The shareholder may also ask the auditor questions regarding its audit of the corporation. The Board and the auditor must, subject to prevailing business secrets or other material interests, answer shareholders' questions to the extent necessary for the exercise of shareholders' rights. If the shareholders' inspection and information rights prove to be insufficient, Swiss law provides, subject to the requirements thereof, an additional right to initiate a special investigation or right to appoint an expert to audit the executive management.
Amendments to Charter	Amendments to the certificate of incorporation of a Delaware corporation generally require the affirmative vote of the holders of a majority of the outstanding shares entitled to vote thereon or such greater vote as is provided for in the certificate of incorporation. A provision in the certificate of incorporation, subject to certain exceptions under Delaware law, requiring the vote of a greater number or proportion of the directors or of the holders of any class of shares than is required by Delaware corporate law may not be amended, altered or repealed except by such greater vote.	The Articles of Association of a Swiss corporation may be amended with a resolution passed by a simple majority of the votes cast at such meeting, unless otherwise provided in the Articles of Association. There are a number of resolutions, amongst others an amendment of the stated purpose of the corporation, the introduction of a capital band and conditional capital, the merging of shares (unless the approval of all the shareholders concerned is required), the restriction of the transferability of registered shares, the change of the currency of the share capital, the introduction of shares with preferential voting rights and, the inclusion of an arbitration clause, that require the approval by two-thirds of the votes and an absolute majority of the nominal value of the shares represented at a shareholders' meeting. The Articles of Association may increase the voting thresholds.

Blank Check Preferred Stock/Shares	Under Delaware law, the certificate of incorporation of a corporation may give the Board the right to issue new classes of preferred shares with voting, conversion, dividend distribution, and other rights to be determined by the Board at the time of issuance, which could prevent a takeover attempt and thereby preclude shareholders from realizing a potential premium over the market value of their shares. In addition, Delaware law does not prohibit a corporation from adopting a shareholder rights plan, or "poison pill," which could prevent a takeover attempt and preclude shareholders from realizing a potential premium over the market value of their shares.	The general shareholder meeting of a Swiss corporation may resolve that preference shares be issued or that existing shares be converted into preference shares with a resolution passed by a simple majority of the votes cast at the general meeting of shareholders, subject to the Articles of Associations requiring a higher approval threshold. The Board may not create any new classes of shares with privileged voting rights unless it receives approval from a special majority of two-thirds of the voting rights represented at a shareholders' meeting as well as a majority of the aggregate nominal/par value of the shares represented at such meeting, in either case whether in person or by proxy, such qualified majority. If the corporation issues any class of shares with special rights other than privileged voting rights, further shares with special rights that are to be granted preferential rights over an existing class of shares with special rights may only be issued, subject to the Articles of Association providing otherwise, with the approval of the majority of all shareholders voting at a shareholders meeting, whether in person or by proxy, who hold any class of shares whose rights would be prejudicially affected by the issuance of the new shares with special rights ranking superior to theirs. A resolution of the shareholders' meeting adopted by at least two thirds of the represented share votes is required for the amendment of the Articles of Association to create, vary or delete any special rights or restrictions attached to the shares of any class or series of shares according to the Articles of Association of the Company.
Distributions and Dividends	Under Delaware law, subject to any restrictions contained in the certificate of incorporation, a corporation may pay dividends out of capital surplus or, if there is no surplus, out of net profits for the current and/or the preceding fiscal year in which the dividend is declared, as long as the amount of capital of the corporation following the declaration and payment of	Under applicable Swiss law, distributions of dividends may be paid only if: (i) approved by a majority of votes cast by shareholders present at a shareholders meeting, whether in person or by proxy; and (ii) the corporation has sufficient distributable profits from the previous fiscal years, or if the corporation has freely distributable reserves, including

the dividend is not less than the aggregate amount of the capital represented by issued and outstanding shares having a preference upon the distribution of assets. Surplus is defined in Delaware law as the excess of the net assets over capital, as such capital may be adjusted by the Board.

out of capital contribution reserves. Swiss corporations generally must maintain a separate "statutory" balance sheet for the purpose of determining the amounts available for the return of capital to shareholders, including by way of a distribution of dividends. Distributions of interim dividends may further be paid only if: (i) approved by a majority of votes cast by shareholders present at a shareholders meeting, whether in person or by proxy (ii) the corporation has sufficient distributable profits generated during the current business year and (iii) audited interim financial statements must be prepared, showing the profits generated during the current business year. The corporation's auditor must confirm that a dividend proposal made to shareholders conforms with the requirements of the *Swiss Code of Obligations* and the corporation's Articles of Association.

Dividends are usually due and payable shortly after the shareholders have passed a resolution approving the payment. The Board of a Swiss share corporation may propose to shareholders that a distribution of dividends be paid but cannot itself authorize the dividend. Shareholders participate in the distribution of profits in proportion to the nominal/par value and number of shares they hold.

Under Swiss law, capital distributions may also take the form of a distribution of cash or property that is based upon a reduction of the corporation's share capital recorded in the commercial register. Such a capital reduction requires the approval of shareholders holding a majority of votes cast at a general meeting. A special audit report must confirm that creditors' claims remain fully covered despite the reduction in the share capital recorded in the commercial register. On or before the approval by the general meeting of shareholders of the capital reduction, the Board must give public notice of the capital reduction resolution in the Swiss Official Gazette of Commerce and notify creditors that they may request, within thirty days, satisfaction of or security for their claims (to the extent that the

		coverage of creditors' claims prior to the capital reduction has been reduced). The obligation to provide security does not apply if the reduction of the share capital does not jeopardize the satisfaction of the creditors' claims. If an unqualified special audit report is available, the law presumes that creditors' claims are not jeopardized. The presumption may be rebutted by creditors in exceptional circumstances.
Shareholder vote on board and management compensation	Under the Delaware General Corporation Law, the Board has the authority to fix the compensation of directors, unless otherwise restricted by the certificate of incorporation or bylaws.	Swiss law includes binding say-on-pay rules that require a listed corporation to obtain shareholder approval for compensation of its members of the Board and executive management on an annual basis. Shareholders approve the total amount for the compensation of the Board and of the executive management separately, including fixed and variable compensation. Shareholders are further required to vote at each annual general meeting, on an advisory basis, on the compensation report (established under Swiss law) regarding the compensation of the members of the Board and the executive management team in the preceding fiscal year.
Annual vote on board renewal	Unless directors are elected by written consent in lieu of an annual meeting, directors are elected in an annual meeting of stockholders on a date and at a time designated by or in the manner provided in the bylaws. Re-election is possible. Classified boards are permitted.	The general meeting of shareholders elects the members of the Board, the chairperson of the Board and the members of the compensation committee individually and annually for a term of office until the end of the following general meeting of shareholders. Re-election is possible. Swiss law provides that elections of the members of the Board, including the chairperson of the Board, require a majority of all of the votes cast. Members of the Board may not fill vacancies on the Board, appoint additional directors or appoint alternate directors. Under Swiss law, nominations by shareholders of persons for election to the Board may be made at any time prior to or at the general meeting of shareholders provided that such election is included in the agenda and, if the nomination is submitted prior to the general meeting, the requesting

		shareholder must hold, individually or together with other shareholders with whom the proposal is made, at least 0.5% of the total share capital or of the votes, the request must be submitted to the Board, specifying the item and the proposal. The Articles of Association provide that such request by the shareholder must be given no later than three months before the anniversary date of the Company's prior annual general meeting. If the Board refuses to accept such a request, the requesting Shareholder(s) may seek to enforce their rights through the court.
Directors' fiduciary duties	A director of a Delaware corporation has a fiduciary duty to the corporation and its shareholders. This duty has two components: • the duty of care; and • the duty of loyalty. The duty of care requires that a director act in good faith, with the care that an ordinarily prudent person would exercise under similar circumstances. Under this duty, a director must inform himself or herself of, and disclose to shareholders, all material information reasonably available regarding a significant transaction. The duty of loyalty requires that a director act in a manner he or she reasonably believes to be in the best interests of the corporation. He or she must not use his or her corporate position for personal gain or advantage. This duty prohibits self-dealing by a director and mandates that the best interest of the corporation and its shareholders take precedence over any interest possessed by a director, officer or controlling shareholder and not shared by the shareholders generally. In general, actions of a director are presumed to have been made on an informed basis, in good faith and in the honest belief that the action taken was in the best interests of the corporation. However, this presumption may be rebutted by evidence of a breach of one of the fiduciary duties. Should such evidence be presented concerning a transaction by a director, a director must prove the procedural fairness	According to Swiss law, the Board is responsible for the management of the corporation unless it delegates such day-to-day management to officers or executive management in bylaws or organizational regulations of the corporation. Certain of the duties of the Board, however, are non-transferable and inalienable such as: • the ultimate management of the corporation and the issuing of all necessary directives; • determination of the corporation's organization; • the organization of the accounting, financial control and financial planning systems; • the appointment and removal of persons entrusted with managing and representing the corporation and to regulate signing authorities; • ultimate supervision of the persons entrusted with the management, in particular with regard to compliance with the law, Articles of Association, by-laws and directives; • to prepare the business report as well as the shareholders' meeting and to implement the resolutions adopted by the shareholders' meeting; • to file an application for a composition moratorium and to

	of the transaction, and that the transaction was of fair value to the corporation.	notify the court in the event of over-indebtedness; • to prepare the compensation report; • to confirm changes in share capital and amend the Articles of Association accordingly; and • to examine the statutory requirements of the auditor. The members of the Board must perform their duties with all due diligence and safeguard the interests of the corporation in good faith. They must afford the shareholders equal treatment in equal circumstances. The burden of proof for a violation of these duties is with the corporation or with the shareholder bringing a suit against the member of the Board.
Removal of directors	A Delaware corporation with a classified board may be removed only for cause with the approval of a majority of the outstanding shares entitled to vote, unless the certificate of incorporation provides otherwise.	A Swiss corporation may remove, with or without cause, any member of the Board at any time with a resolution passed by a simple majority of the votes cast at a general meeting of shareholders concerned. The Articles of Association may require the approval by a qualified majority of the shares represented at a meeting for the removal of a director.
Dissolution; Winding up	Unless the Board of a Delaware corporation approves the proposal to dissolve, dissolution must be approved by shareholders holding 100.0% of the total voting power of the corporation. Only if the dissolution is initiated by the Board may it be approved by a simple majority of the corporation's outstanding shares. Delaware law allows a Delaware corporation to include in its certificate of incorporation a supermajority voting requirement in connection with dissolutions initiated by the Board.	A dissolution of a Swiss corporation requires the approval by two-thirds of the shares represented as well as the absolute majority of the nominal value of the share capital represented at a general meeting of shareholders passing a resolution on such dissolution. The Articles of Association may increase the voting thresholds required for such a resolution.

Variation of rights of shares	A Delaware corporation may vary the rights of a class of shares with the approval of a majority of the outstanding shares of such class, unless the certificate of incorporation provides otherwise.	The general shareholder meeting of a Swiss corporation may resolve that preference shares be issued or that existing shares be converted into preference shares with a resolution passed by a simple majority of the votes cast at the general meeting of shareholders. If the corporation issues any class of shares with special rights other than privileged voting rights, further shares with special rights that are to be granted preferential rights over an existing class of shares with special rights may only be issued, subject to the Articles of Association providing otherwise, with the approval of the majority of all shareholders voting at a shareholders meeting, whether in person or by proxy, who hold any class of shares whose rights would be prejudicially affected by the issuance of the new shares with special rights ranking superior to theirs. A resolution of the shareholders' meeting adopted by at least two thirds of the represented share votes is required for the amendment of the Articles of Association to create, vary or delete any special rights or restrictions attached to the shares of any class or series of shares according to the Articles of Association of the Company. Shares with preferential voting rights are not regarded a special class for these purposes.
Creation and issuance of new shares	All creation of shares require the Board to adopt a resolution or resolutions, pursuant to authority expressly vested in the Board by the provisions of the company's certificate of incorporation.	There are three methods for increasing a company's share capital: (i) ordinary capital increase, (ii) increase within the capital band, and (iii) increase from conditional capital. An ordinary capital increase requires a resolution by the general meeting of shareholders and must be carried out by the Board within six months of the respective general meeting in order to become effective. Under Swiss law, in the case of subscription and increase against payment of contributions in cash, a resolution passed by an absolute majority of the voting rights represented at the general meeting of shareholders is required.

		In the case of subscription and increase against contributions in kind, or to fund acquisitions in kind, or by way of set-off with a debt of the corporation, when shareholders' statutory subscription rights or advance subscription rights are limited or withdrawn, or where transformation of freely disposable equity into share capital is involved, a resolution passed by two-thirds of the voting rights represented at a general meeting of shareholders and the absolute majority of the par value of the shares represented is required. Further, the shareholders may authorize the Board, by a resolution passed by two-thirds of the voting rights represented at a general meeting of shareholders and the absolute majority of the par value of the shares to increase the share capital by a specific aggregate nominal amount, up to a maximum of 50% of the share capital, within the capital band (*Kapitalband*), to be utilized by the Board within a period determined by the shareholders but not exceeding five years from the date of the shareholder approval, or from the conditional capital (*bedingtes Kapital*) for the purpose of issuing shares in connection with, among other things, (i) option and conversion rights granted in connection with warrants and convertible bonds of the corporation or one of its subsidiaries or (ii) grants of rights to employees, members of the Board or consultants or its subsidiaries or other persons providing services to the corporation or a subsidiary to subscribe for new shares (conversion or option rights), without further shareholders' approval, provided the corporation's Articles of Association delegate such authority to the Board.
Subscription Rights and Advance Subscription Rights	A subscription for stock of a corporation, whether made before or after the formation of a corporation, shall not be enforceable against a subscriber, unless in writing and signed by the subscriber or by such subscriber's agent. Unless otherwise provided by the terms of the subscription, a subscription for stock of a corporation to be formed shall be	If new shares of a corporation are issued - whether pursuant to shareholders' approving an increase of the ordinary share capital or the Board making use of the capital band or conditional capital - the existing shareholders will have subscription rights (or advance subscription rights with respect to the issuance of convertible or similar instruments) in relation to such shares or

	irrevocable, except with the consent of all other subscribers or the corporation, for a period of 6 months from its date.	rights *pro rata* to the respective nominal/par value of their existing participation. If the general meeting of shareholders has approved the creation of the capital band and/or conditional capital, it may thereby delegate the decision whether to withdraw or limit the subscription rights (or advance subscription rights with respect to the issuance of convertible or similar instruments) for cause to the Board.
Repurchases of Registered Shares	Every corporation may purchase, redeem, receive, take or otherwise acquire, own and hold, sell, lend, exchange, transfer or otherwise dispose of, pledge, use and otherwise deal in and with its own shares subject to restrictions. Redeemed shares are not deemed to be outstanding shares for the purpose of voting or determining the total number of shares entitled to vote on any matter on and after the date on which notice of redemption has been sent to holders.	Swiss law imposes restrictions on a corporation's ability to hold or repurchase its own registered shares. The corporation and its subsidiaries may only repurchase own shares if sufficient freely distributable reserves are available. The total nominal value of all registered shares held by the corporation and its subsidiaries may not exceed 10% of the corporation's registered share capital. Pursuant to Swiss law, where shares are acquired in connection with a transfer restriction set out in the Articles of Association of a corporation, the foregoing upper limit is 20%. Shares repurchased under such authorization will be cancelled at the next general meeting with the approval of shareholders holding a relative majority of the votes cast or, if the authorization is included in the capital band provision, upon the Board effecting the cancellation based on the authority granted to it in the capital band provision. Repurchased shares held by the corporation, or its subsidiaries do not carry any rights to vote at a shareholders meeting but are entitled to the economic benefits generally associated with such shares.
Other Classes or Series of Shares	A company may amend its certificate of incorporation to create new classes of stock having rights and preference through a special meeting held by the stockholders entitled to vote.	The Board may not create any new classes of shares with privileged voting rights unless it receives approval from a special majority of two-thirds of the voting rights represented at a shareholders' meeting as well as a majority of the aggregate nominal/par value of the shares represented at such meeting, in either case whether in person or by proxy, such qualified majority.

If the corporation issues any class of shares with special rights other than privileged voting rights, further shares with special rights that are to be granted preferential rights over an existing class of shares with special rights may only be issued, subject to the Articles of Association providing otherwise, with the approval of the majority of all shareholders voting at a shareholders meeting, whether in person or by proxy, who hold any class of shares whose rights would be prejudicially affected by the issuance of the new shares with special rights ranking superior to theirs.
A resolution of the shareholders' meeting adopted by at least two thirds of the represented share votes is required for the amendment of the Articles of Association to create, vary or delete any special rights or restrictions attached to the shares of any class or series of shares according to the Articles of Association of the Company.

SUMMARY COMPARISON OF MATERIAL SHAREHOLDER RIGHTS UNDER BRITISH COLUMBIA LAW AND SWISS LAW

Set forth below is a comparison of certain shareholder rights under British Columbia law and Swiss law:

Comparison of Shareholder Rights	British Columbia Law	Swiss Law
Capitalization	BCBCA permits the authorized share capital of a company to include the issuance of an unlimited number of Shares without nominal/par value. Under the BCBCA, a share must not be issued until it is fully paid.	Under the *Swiss Code of Obligations.* shares must be ascribed a nominal/par value greater than zero. As a basic rule, the share capital of a Swiss share corporation may only be increased or decreased if the shareholders approve such a change in the share capital. However, the Board may be authorized, in accordance with a corporation's Articles of Association, to alter the share capital in two ways without needing further authorization from shareholders - namely, in the form of a capital band and conditional capital, in each case, See *"Item 10 – Memorandum and Articles of Incorporation - Differences From Requirements In The United States - Creation and issuance of new shares."*
Consideration for Shares	The BCBCA provides that a share shall not be issued until the consideration for that share is fully paid in money or in property or past services that are not less in value than the issue price for the share	The *Swiss Code of Obligations* generally does allow for the issuance of shares that are only partly paid (with a minimum 20% of the nominal/par value to be paid-in). The *Swiss Code of Obligations* provides that the issue price of newly issued shares in a capital increase must be settled in cash, by way of a contribution-in-kind, by set-off with a claim or by conversion of freely disposable equity capital, except where shares are granted as a result of the exercise of a convertible security, in which case payment may not be made via contribution-in-kind or conversion of freely disposable equity capital. When implementing share capital increases, the Board must issue a capital increase report. When the issue price is paid through a contribution-in-kind, by a set-off with a claim or by conversion of freely disposable equity capital, the Board is required to disclose in such report the nature and condition of the contribution-in-kind, the existence of the claim and the free disposability of the equity capital converted, as applicable. An auditor's confirmation is required in certain cases to ensure the completeness and accuracy of the capital increase report. The Board of a Swiss share company also may not issue shares in consideration for a price that is not in the best interests of such company.

Amendment of Constating Documents	The BCBCA requires that any substantive change to the notice of articles or articles (such as, without limitation, an alteration of the restrictions of the business carried on by the company, a change in the name of the company, a continuation of a company under a new jurisdiction, an increase or reduction of the stated capital of the company or other changes to the restrictions and rights attached to shares), requires the type of resolution specified in the BCBCA, failing which specification, the type of resolution specified in the company's articles. If neither the BCBCA nor articles specify the type of resolution required for such a change, a special resolution passed by at least two-thirds of the votes cast by shareholders voting in person or by proxy at a meeting of shareholders is required. Where certain specified rights of the holders of a class or series of shares are affected differently by the alteration than the rights of the holders of other classes or series of shares, a special separate resolution passed by not less than two-thirds of the votes cast by the holders of shares of each class or series, whether or not they are otherwise entitled to vote is required under the BCBCA.	See *"Differences From Requirements In The United States – Swiss Law - Amendments to the Charter."*
Vote Required for Certain Transactions and Corporate Actions	Under the BCBCA, most corporate actions to be approved by shareholders can be approved by an ordinary resolution. However, certain extraordinary corporate actions, such as certain amalgamations, continuations, amendments to charter documents (as discussed above), sales, leases or other dispositions of all or substantially all of a company's undertaking other than in the ordinary course of business, and other extraordinary corporate actions such as liquidations, and (if ordered by a court) arrangements, are required to be approved by a special resolution of not less than two-thirds of the votes cast by shareholders voting in person or by proxy at a meeting of shareholders.	Under the *Swiss Code of Obligations*, most decisions or actions requiring approval by shareholders would require a resolution passed by a majority of the votes of shareholders present at the shareholders' meeting. However, some matters that impact the structure, operations, or financial status of a Swiss share company - such as, among other things, changing the company's purpose, the merging of shares, certain capital increases, limiting or withdrawing a subscription right, introducing a conditional capital or capital band, creating shares with privileged voting rights, changing the currency of the share capital, delisting the equity securities, transferring the registered office of a company and the dissolution of a company - require an Important Resolution. Resolutions on mergers, demergers, or conversions are governed by the *Swiss Merger Act*, and generally require an Important Resolution (with certain exceptions for transactions within group companies). In addition, under Swiss law, the sale of "all or substantially all of its assets" by the corporation may require an Important Resolution depending on the particular transaction, including whether the

		following test is satisfied: (i) the corporation sells a core part of its business, without which it is economically impracticable or unreasonable to continue to operate the remaining business; (ii) corporation's assets, after the divestment, are not invested in accordance with its statutory business purpose; and (iii) the proceeds of the divestment are not earmarked for reinvestment in accordance with the corporation's business purpose but, instead, are intended for distribution to shareholders or for financial investments unrelated to the corporation's business.
Issuance of Options and Repurchase of Shares	Under the BCBCA, the Board has the power, subject to applicable shareholder approval requirements under law and stock exchange rules, to cause a company to issue options, warrants and other convertible securities to purchase the underlying shares of such convertible securities, as well as the power to repurchase or otherwise acquire its shareholder authorization. TSX rules separately require shareholder approval for the adoption of and certain amendments to equity-based employee benefit plans with limited exceptions.	The *Swiss Code of Obligations* authorize the Board to cause the corporation to issue options, warrants and other convertible securities such that holders thereof may, subject to the terms and conditions thereof, purchase the underlying shares of such convertible securities, subject to the conditional capital. Under applicable Swiss law, the Board has the power to cause a company to repurchase its shares, so long as the total nominal value of the shares acquired does not exceed 10% of the share capital and only to the extent that sufficient freely distributable reserves (including contributed surplus) are available to do so. However, the corporation may repurchase its own shares beyond the statutory limit of 10% if the shareholders have passed a resolution by majority of the votes cast at a shareholders meeting (including as part of the capital band provision included in the proposed Articles of Association) authorizing the Board to repurchase shares beyond the 10% (but in no event above 20%), which are to be cancelled. Any shares repurchased pursuant to such an authorization will then be cancelled either upon the approval of shareholders holding a majority of the votes cast at a shareholders meeting or, if the authorization is included in the capital band provision, upon the Board effecting the cancellation based on the authority granted to it in the capital band provision. Repurchased shares held by a company or its subsidiaries do not carry any rights to vote at a shareholders meeting but are entitled to the economic benefits generally associated with such shares.

Appointment of Directors	The BCBCA requires that a reporting issuer must have a minimum of three directors. Under the BCBCA and applicable Canadian and U.S. securities laws which continue to apply to the Company, shareholders vote "for" or "withhold" their vote for individual director nominees, whether in a contested or uncontested election, and directors are elected by a simple majority of votes cast at the shareholders' meeting. The chair of the Board is appointed by the directors. While under the BCBCA, all director nominees who receive any "for" votes in an uncontested election will be elected, the Company's majority voting policy, as required for all TSX-listed issuers, requires that any director not elected with a majority of votes cast "for" in an uncontested election immediately tender their resignation following the applicable meeting of shareholders, which resignation the Board may accept or reject in its discretion. As a result of the Continuation and application of the *Swiss Code of Obligations*, the Company's existing majority voting policy will not, as a result, apply to the Company, although the Company will continue to respect the majority voting requirements of the TSX.	Under the *Swiss Code of Obligations*, the Board shall consist of one or more members, which members are elected at the annual general meeting by the shareholders. Unless the Articles of Association confer upon different classes of shareholders the right to have at least one of their representatives elected to the Board, the *Swiss Code of Obligations* provide that elections of the members of the Board, including the chair of the Board, require a majority of all of the votes cast. Directors may not fill vacancies on the Board, appoint additional directors or appoint alternate directors. Under the *Swiss Code of Obligations* nominations by shareholders of persons for election to the Board may be made at any time prior to or at the general meeting of shareholders provided that such election is included in the agenda and, if the nomination is submitted prior to the general meeting, the requesting shareholder must hold, individually or together with other shareholders with whom the proposal is made, at least 0.5% of the total share capital or of the votes, the request must be submitted to the chairperson of the Board at least three (3) months before the anniversary of the previous year's general shareholders' meeting and shall be in writing, specifying the item and the proposal.
Removal, Resignation and Disqualification of Directors	The BCBCA provides that shareholders may remove a director from the Board by the method specified in its articles or, failing any specification, by a special resolution. The BCBCA further provides that if holders of a class or series of shares have the exclusive right to elect or appoint one or more directors, a director so elected or appointed may only be removed by a separate special resolution of the shareholders of that class or series or whatever method otherwise specified in the articles. The office of a director is also vacated if he or she dies, resigns by notice in writing, or becomes disqualified to hold the office of director.	The *Swiss Code of Obligations* provides that directors may be removed by a resolution passed by a majority of the votes of shareholders present at the shareholders' meeting unless the Articles of Association provide otherwise. The office of a director is also vacated if he or she is not re-elected, becomes incapacitated, dies or resigns by notice in writing. Directors have no authority to remove a director.

Duties of Directors	Under the BCBCA, in exercising their powers and discharging their duties, directors must act honestly and in good faith, with a view to the best interests of the company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. No provision in the company's articles, resolutions or contracts can relieve a director of these duties. Under the BCBCA, a company's articles or if a company has resolved by special resolution to add this provision to its articles, may transfer, in whole or in part, the powers of directors to manage or supervise management of the business and affairs of the company.	See *"Differences From Requirements In The United States – Swiss Law - Directors' fiduciary duties."*
Limitation on Liability and Indemnification of Directors and Officers	The BCBCA provides that a company may indemnify a director or officer of the company, a former director or officer of the company or another individual who acts or acted at the company's request as a director or officer, or an individual acting in a similar capacity, of another entity, against judgments, penalties or fines awarded or imposed in, or an amount paid in settlement of, a proceeding to which the individual is or may be liable. In addition, after the final disposition of a proceeding, a company may pay the expenses actually and reasonably incurred by the individual in respect of a proceeding after the final disposition of any said proceeding. However, a company must not indemnify an individual (i) if such individual did not act honestly and in good faith with a view to the best interests of the company, or, as the case may be, to the best interests of the other entity for which the individual acted as director or officer or in a similar capacity at the company's request; and (ii) in the case of a proceeding other than a civil proceeding, the individual did not have reasonable grounds for believing that his or her conduct was lawful.	*See "Differences From Requirements In The United States – Swiss Law - Limitations on Director's Liability and Indemnification of Directors and Officers."*
Say-on-Pay	The BCBCA does not require companies to seek shareholder approval of remuneration for directors or executive management	*See "Differences From Requirements In The United States – Swiss Law - Shareholder vote on board and management compensation."*

General Dissent Rights	The BCBCA provides that shareholders who dissent to certain actions being taken by a company may exercise a right of dissent and require the company to purchase the dissenting shareholder's shares for the fair value of such shares. The dissent right may be exercised by a holder of shares of any class of the company if the company proposes: 1, to amend the articles to alter restrictions on the powers of the company or on the business it is permitted to carry on; 2. to adopt an amalgamation agreement; 3. to approve an amalgamation into a foreign jurisdiction; 4. to approve an arrangement, the terms of which arrangement permit dissent or where the right of dissent is given pursuant to a court order; 5. to authorize or ratify the sale, lease or other disposition of all or substantially all of the company's undertaking; 6. to authorize the continuation of the company into a jurisdiction other than British Columbia; 7. to approve any other resolution, if dissent is authorized by the resolution; or 8. a matter to which dissent rights are permitted by court order.	No direct equivalent to dissent rights exists in the *Swiss Code of Obligations* and, under applicable Swiss law, shareholders are not entitled to dissent or appraisal rights in respect of any corporate actions other than with respect to certain transactions to which the *Swiss Merger Act* applies. If, in the event of a merger, demerger or conversion, the share or membership rights are not adequately safeguarded or the compensation is not appropriate, any shareholder may, within two months of the publication of the merger, demerger or conversion resolution, request that the court determine an appropriate compensation payment (appraisal suit).
Shareholder Requisitions and Shareholder Proposals	The BCBCA provides that in order for one or more registered holders or beneficial owners of voting shares to be entitled to submit a proposal, they must have held one or more voting shares for an uninterrupted period of at least two years before the date the proposal is signed by the shareholders and they must own not less than 1% of the total number of voting shares or voting shares with a fair market value in excess of $2,000. If the submitter is a qualified shareholder at the time of the annual general meeting to which its proposal relates, the company must allow the submitter to present the proposal, in person or by proxy, at such meeting. Such a shareholder proposal must be submitted to the company not later than three months before the anniversary date of the	The *Swiss Code of Obligations* also provides shareholders with the right to submit shareholder proposals; shareholders holding, individually, or together with other shareholders with whom the proposal is made, 0.5% of the shares or of the votes may request that items be placed on the agenda for the general shareholders' meeting and/or that motions relating to items on the agenda be included in the notice convening the meeting. Such requested motions and agenda items must be submitted to the Board in writing before the general shareholders' meeting to be included in the meeting notice and may be accompanied by a brief explanation, which the Board must include in the meeting notice to shareholders.

	company's prior annual general meeting, except where such proposal relates to the nomination of a director, in which case such proposal must be submitted not less than 30 and not more than 65 days prior to the date of the meeting, subject to certain exceptions provided in the company's articles of incorporation. If the Board refuses to accept a validly submitted shareholder proposal, the requesting shareholder(s) may seek to enforce their rights through the court. The BCBCA also provides that one or more registered shareholders holding at least 5% of the outstanding voting shares may requisition a meeting of shareholders, and permits the requisitioning registered shareholder to call the meeting where the Board of the company does not do so within 21 days following the company's receipt of the shareholder meeting requisition. The BCBCA specifies that the requisitioned shareholder meeting must be held within not more than four months after the date the company received the requisition.	Pursuant to the *Swiss Code of Obligations*, at the meeting itself, any shareholder present may submit a motion concerning existing agenda items, including the nomination of a director where election of directors is on the agenda. The *Swiss Code of Obligations* also provides shareholders the right to requisition shareholders' meetings, enabling shareholders holding, individually, or together with other shareholders, 5% of the shares or of the voting rights to demand that the Board call a shareholders meeting. The shareholders' meeting shall be convened by the Board within 60 days of receipt of such a request.
Shareholders' Meetings	Per the BCBCA, a company must hold an annual general meeting of its shareholders, if for the first time, not more than 18 months after the date on which the company was recognized, and, if after its first annual reference date, at least once in each calendar year and not more than 15 months after the annual reference date for the preceding calendar year. In some instances, a company need not hold an annual general meeting of its shareholders if a written unanimous resolution of shareholders is passed with respect to the approval of the business required to be transacted at the meeting. Under the BCBCA, general meetings of shareholders must be held in British Columbia. Hybrid shareholder meetings, which comprise both an in-person and a virtual element, and fully virtual Shareholder meetings are also permitted under the BCBCA. Nothing in the BCBCA or in applicable Canadian or U.S. securities law prevents a company from appointing a director or member of management to act as proxyholder for shareholders who wish to vote by proxy.	Under the *Swiss Code of Obligations*, the corporation must hold an annual general meeting of shareholders within six months after the end of its business year. Under the *Swiss Code of Obligations*, a meeting of shareholders for which a notice of meeting has been duly published may not be adjourned, except where the requisite attendance quorum, if provided by the Articles of Association, is not met, in which case the meeting cannot be adjourned without publishing a new notice of the meeting. Swiss law does not provide for attendance quorum in respect of shareholders' meetings. Under the *Swiss Code of Obligations* , meetings of shareholders may be held outside Switzerland. Hybrid shareholder meetings and fully virtual shareholder meetings are also permitted. Under the *Swiss Code of Obligations*, the following powers, among others, are vested exclusively with the shareholders: adoption and amendment of the corporation's Articles of Association; election and removal of the members of the Board, the chairperson of the Board, the members of the compensation committee, the statutory auditor and the independent voting representative; approval of the management report and the consolidated

		statements of account, if any; the adoption of resolutions on the use of the available earnings, in particular the declaration of dividends or the return of capital; and the release from liability of the members of the Board and the other management bodies. Swiss law requires that shareholders appoint an independent voting representative who acts as proxyholder for shareholders who wish to vote by proxy, whose term ends at the conclusion of the shareholders meeting following their appointment. Shareholders may, nevertheless, choose to appoint someone else to act as their proxy, who need not be a shareholder. The independent voting representative may not exercise any shareholder rights beyond voting in accordance with the proxies received. In particular, shareholders cannot instruct the independent voting representative to submit proposals, make statements, or exercise the right to information.
Notice of Meetings of Shareholders	Pursuant to the BCBCA, a company must give notice of a general meeting by sending out the date, time and location of the general meeting as well as a clear description of the matters and business to be discussed between 21 days and two months before the meeting is held. In the case of a meeting requisitioned by the shareholders, notice must be sent between 21 days and four months after the date on which the requisition was received by the company. In addition, so long as a company is a reporting issuer in a jurisdiction of Canada, applicable Canadian securities law generally requires that notice be given to shareholders between 30 (or 40 if using notice-and-access) and 60 days in advance of a meeting of shareholders. If a resolution in respect of which a shareholder is entitled to dissent is to be considered at a shareholders' meeting, the notice for such meeting must contain a statement to this effect and a copy of the resolution in question. Notice may be given by mail to the shareholder's registered address or electronically using notice-and-access.	Under the *Swiss Code of Obligations*, notice of an annual general meeting of shareholders must be provided no less than 20 days before the scheduled meeting date. The notice must contain the date, time, the form and location of the general meeting as well as a clear description of the matters and business to be discussed. Further the notice must contain the motions of the Board and a short explanation thereof, the name and the address of the independent voting representative and any shareholder's motion that has been submitted with a short explanation thereof. In the case of a meeting requested by the shareholders, the directors shall convene a shareholders' meeting within 60 days of receipt of such request.

Dividends	Under the BCBCA, directors may declare or pay dividends by issuing shares or warrants by way of dividend or in property, including in money, subject to the restriction that a corporation may not declare or pay dividends if the corporation is insolvent, or the payment of the dividend would render the corporation insolvent.	*See "Differences From Requirements In The United States – Swiss Law - Distributions and Dividends."*
Reduction of Share Capital	There is no similar mechanism for capital distributions from the share capital under the BCBCA.	*See "Differences From Requirements In The United States – Swiss Law - Distributions and Dividends."*
Rights Upon Liquidation	Under the BCBCA, in the event of the liquidation or dissolution of the corporation, after the full amounts that creditors as to distribution on liquidation or winding up are entitled to receive have been paid or set aside for payment, shareholders would be entitled to receive, *pro rata*, any remaining assets of the corporation available for distribution.	Under the *Swiss Code of Obligations*, in the event of the liquidation, after the full amounts that creditors as to distribution on liquidation or winding up are entitled to receive have been paid or set aside for payment, the holders of Shares would be entitled to receive, *pro rata*, any remaining assets of the corporation available for distribution to the holders of Shares, subject to Swiss withholding tax requirements.
Inspection of Books and Records by Shareholders	Under the BCBCA, any current director and, if permitted by the Articles, any shareholder of the corporation or any other person may for any proper purpose inspect or make copies of the corporation's central securities register, list of shareholders and other books and records, provided however that, unless the directors determine otherwise or unless otherwise determined by ordinary resolution, no shareholder of the corporation is entitled to inspect or obtain a copy of any accounting records of the corporation.	*See "Differences From Requirements In The United States – Swiss Law - Inspection of Books and Records."*
Shareholders' Suits	Under the BCBCA, a shareholder or a director of a corporation may, with judicial leave, bring an action in the name of and on behalf of the corporation to enforce a right, duty or obligation owed to the corporation that could be enforced by the corporation itself or to obtain damages for any breach of such right, duty or obligation. The BCBCA also allows a shareholder the right to apply to a court on the grounds that: (i) the affairs of the corporation are being or have been conducted, or that the powers of the directors are being or have been exercised, in a manner that is oppressive to one or more of the shareholders, including the applicant; or (ii) some act of the corporation has been done or is threatened, or that	*See "Differences From Requirements In The United States – Swiss Law - Shareholder Suits."*

	some resolution of the shareholders or of the shareholders holding shares of a class or series of shares has been passed or is proposed, that is unfairly prejudicial to one or more of the shareholders, including the applicant. If, on such an application, the court is satisfied that such grounds exist, the court may, with a view to remedying or bringing to an end the matters complained of make any interim or final order it considers appropriate.	
Compulsory Acquisition	The BCBCA provides a right of compulsory acquisition for an offeror that acquires 90% of the target shares pursuant to a takeover bid or issuer bid, other than shares held at the date of the bid by or on behalf of the offeror. The BCBCA provides that where an offeror does not use the compulsory acquisition right when entitled to do so, a shareholder who did not accept the original offer may require the offeror to acquire the shareholder's shares on the same terms contained in the original offer.	The *Swiss Merger Act* provides for a squeeze-out merger if the acquirer controls 90% of the outstanding shares. In these limited circumstances, minority shareholders of the company being acquired may be compensated in a form other than through shares of the acquiring company, such as, for example, through cash or securities of a parent company of the acquiring company or of another company. The *Swiss Merger Act* grants minority shareholders the right to a judicial review of the adequacy of the compensation offered in such a case and empowers the courts to determine, if necessary, a reasonable amount of compensation.

C. Material contracts

Unless otherwise described elsewhere in this annual report the Company considers the following contracts to be both material and outside the ordinary course of business and are to be performed in whole or in part after the filing of this annual report. The Company refers you to "*Item 4. - Information on the Company - A. History and Development of the Company*," "*Item 4. - Information on the Company - B. Business Overview*," and "*Item 7. - Major Shareholders and Related Party Transactions - B. Related Party Transactions*" for a discussion of these contracts. Other than as discussed in this section or elsewhere in this annual report, the Company has no material contracts, other than contracts entered into in the ordinary course of business, to which the Company is a party.

Arrangement Agreement

On May 15, 2023, Lithium Americas Corp. and the Company entered into an arrangement agreement (the **"Original Arrangement Agreement"**). On June 14, 2023, Lithium Americas Corp. and the Company entered into an arrangement agreement, which amended and restated the Original Arrangement Agreement to, among other things, include information with respect to the finalized composition of the Board of each of Lithium Argentina and the Company in the Separation Transaction (the "**Amended and Restated Original Arrangement Agreement**").

The Amended and Restated Arrangement Agreement provided for, among other things, the terms of the Original Arrangement, the conditions to its completion, actions to be taken prior to and after the effective date of the Separation Transaction and indemnities between the companies after the effective date of the Separation Transaction. A copy of the Amended and Restated Arrangement Agreement is filed as exhibit to this annual report.

Pursuant to the Amended and Restated Arrangement Agreement , the Company agreed to bear all fees, cost and expenses incurred directly in connection with the Separation Transaction, including financing fees, advisory and other professional expenses, printing and mailing costs associated with the information circular prepared in connection with the meeting of the Company shareholders to approve the Separation Transaction, accompanying form of proxy and/or voting instruction form, and any payments made to dissenting shareholders of the Company, other than fees, costs, expenses and payment obligations incurred in connection with indemnification obligations arising under the Amended and Restated Arrangement Agreement.

Tax Indemnity and Cooperation Agreement

On October 3, 2023, the Company entered into the Tax Indemnity and Cooperation Agreement between the Company and Lithium Americas Corp. dated October 3, 2023, which provides cross-indemnities against tax-specific claims a party or its representatives become subject to as a result of a breach of covenant by another party. The Tax Indemnity and Cooperation Agreement contains certain covenants that, for a period of three years after the effective date of the Separation Transaction, October 3, 2026, may prohibit, except in specific circumstances, the parties from taking or failing to take certain actions that could cause the arrangement or any transaction contemplated by the Amended and Restated Arrangement Agreement to be taxed in a manner that is inconsistent with the tax rulings. In addition, the Tax Indemnity and Cooperation Agreement also contains certain customary covenants with respect to the separate filing of tax returns, payment of taxes, cooperation, assistance, document retention and certain other administration and procedural matters regarding taxes.

Indenture

On December 6, 2021, the Company entered into the Indenture with Computershare Trust Company, N.A., as trustee in connection with the Company's private placement offering of an aggregate of US$258,750,000 principal amount of convertible senior notes ("**Convertible Notes**"). On October 3, 2023, the Company amended the Indenture by a first supplemental indenture to reflect the name change to "Lithium Americas (Argentina) Corp." The Indenture, as amended, set out the terms and conditions upon which the Convertible Notes are authenticated, issued and delivered.

On January 23, 2025, the Company entered into a second supplemental indenture to reflect the name change to "Lithium Argentina AG" and the Continuation.

D. Exchange Controls

There is no law, governmental decree or regulation in Switzerland that restricts the export or import of capital, or which would affect the remittance of dividends or other payments by the Company to non-resident holders of Shares, other than withholding tax.

E. Taxation

The following summary of the material U.S., Swiss, and Canadian federal income tax considerations of receipt, ownership and disposition of the Company's Shares is based upon laws, regulations, decrees, rulings, income tax conventions (treaties), administrative practice and judicial decisions in effect at the date of this annual report. Legislative, judicial or administrative changes or interpretations may, however, be forthcoming that could alter or modify the descriptions and conclusions set forth herein. Any such changes or interpretations may be retroactive and could affect the tax consequences to holders of Shares. This summary does not purport to be a legal opinion or to address all tax aspects that may be relevant to a holder of the Shares. Each prospective holder is urged to consult its own tax adviser as to the particular tax consequences to such holder of the receipt, disposition and ownership of Shares, including the applicability and effect of any other tax laws or tax treaties, of pending or proposed changes in applicable tax laws as of the date of this annual report, and of any actual changes in applicable tax laws after such date.

Material U.S. Federal Income Tax Considerations

The following is a general summary of certain material U.S. federal income tax considerations applicable to a U.S. Shareholder (as defined below) arising from and relating to the acquisition, ownership and disposition of the Shares.

This summary is for general information purposes only and does not purport to be a complete analysis or listing of all potential U.S. federal income tax considerations that may apply to a U.S. Shareholder arising from and relating to the acquisition, ownership and disposition of Shares. In addition, this summary does not take into account the individual facts and circumstances of any particular U.S. Shareholder that may affect the U.S. federal income tax consequences to such U.S. Shareholder, including specific tax consequences to a U.S. Shareholder under an applicable tax treaty. Accordingly, this summary is not intended to be, and should not be construed as, legal or U.S. federal income tax advice with respect to any particular U.S. Shareholder. This summary does not address the U.S. federal net investment income tax, U.S. federal alternative minimum tax, U.S. federal estate and gift tax, U.S. state and local tax, and non-U.S. tax consequences to U.S. Shareholders of the acquisition, ownership, and disposition of Shares. In addition, except as specifically set forth below, this summary does not discuss applicable tax reporting requirements. Each U.S. Shareholder should consult its own tax advisor regarding the U.S. federal, state, local, and non-U.S. tax consequences relating to the acquisition, ownership and disposition of Shares.

No opinion from legal counsel or ruling from the Internal Revenue Service ("**IRS**") has been requested, or will be obtained, regarding the U.S. federal income tax considerations applicable to U.S. Shareholders as discussed in this summary. This summary is not binding on the IRS, and the IRS is not precluded from taking a position that is different from, and contrary to, the positions taken in this summary. In addition, because the authorities on which this summary is based are subject to various interpretations, the IRS and the U.S. courts could disagree with one or more of the positions taken in this summary.

Scope of this Summary

Authorities

This summary is based on the Code, Treasury Regulations (whether final, temporary, or proposed) promulgated under the Code, published rulings of the IRS, published administrative positions of the IRS, the *Convention Between the United States of America and The Swiss Confederation for the Avoidance of Double Taxation with respect to Taxes on Income of 1996, as corrected and amended* (the "**U.S. Treaty**"), and U.S. court decisions, that are in effect and available, as of the date of this document. Any of the authorities on which this summary is based could be changed in a material and adverse manner at any time, and any such change could be applied retroactively. This summary does not discuss the potential effects, whether adverse or beneficial, of any proposed legislation that, if enacted, could be applied on a retroactive or prospective basis.

U.S. Shareholders

For purposes of this summary, the term "**U.S. Shareholder**" means a beneficial owner of Shares that is for U.S. federal income tax purposes:

- a citizen or individual resident of the United States;
- a corporation (or other entity classified as a corporation for U.S. federal income tax purposes) organized under the laws of the United States, any state thereof or the District of Columbia;
- an estate whose income is subject to U.S. federal income taxation regardless of its source; or
- a trust that (1) is subject to the primary supervision of a court within the United States and the control of one or more U.S. persons for all substantial decisions or (2) has a valid election in effect under applicable Treasury Regulations to be treated as a U.S. person.

U.S. Shareholders Subject to Special U.S. Federal Income Tax Rules Not Addressed

This summary does not address the U.S. federal income tax considerations applicable to U.S. Shareholders that are subject to special provisions under the Code, including, but not limited to, U.S. Shareholders that: (a) are governmental organizations, tax-exempt organizations, qualified retirement plans, individual retirement accounts, or other tax-deferred accounts; (b) are financial institutions, underwriters, insurance companies, real estate investment trusts, or regulated investment companies; (c) are brokers or dealers in securities or currencies or are traders in securities that elect to apply a mark-to-market accounting method; (d) have a "functional currency" other than the U.S. dollar; (e) own Shares as part of a straddle, hedging transaction, conversion transaction, constructive sale, or other integrated transaction; (f) acquired Shares in connection with the exercise of employee stock options or otherwise as compensation for services; (g) hold Shares other than as a capital asset within the meaning of Section 1221 of the Code (generally, property held for investment purposes); (h) are partnerships and other pass-through entities (and investors in such partnerships and other entities); (i) are S corporations (and shareholders therein); (j) are subject to special tax accounting rules with respect to Shares; (k) own, have owned or will own (directly, indirectly, or by attribution) 10% or more of the total combined voting power or value of the Company's outstanding shares; (l) are U.S. expatriates or former long-term residents of the U.S.; (m) are persons who purchase or sell their Shares as part of a wash sale for tax purposes (and investors therein); or (n) hold Shares in connection with a trade or business, permanent establishment, or fixed base outside the United States. U.S. Shareholders that are subject to special provisions under the Code, including U.S. Shareholders described immediately above, should consult their own tax advisors regarding the U.S. federal, state, local, and non-U.S. tax consequences relating to the acquisition, ownership and disposition of Shares.

If an entity or arrangement that is classified as a partnership (or other pass-through entity) for U.S. federal income tax purposes holds Shares, the U.S. federal income tax consequences to such entity or arrangement and the partners (or other owners) of such entity or arrangement generally will depend on the activities of such entity or arrangement and the status of such partners (or other owners). This summary does not address the tax consequences to any such entity or arrangement or partner (or other owner). Partners (or other owners) of entities or arrangements that are classified as partnerships for U.S. federal income tax purposes should consult their own tax advisor regarding the U.S. federal income tax consequences arising from and relating to the acquisition, ownership, and disposition of Shares.

Passive Foreign Investment Company Rules

PFIC Status

If the Company were to constitute a PFIC at any time during a U.S. Shareholder's holding period, the following sections will generally describe the potentially adverse U.S. federal income tax consequences to U.S. Shareholders of the acquisition, ownership, and disposition of Shares.

The Company believes it likely was classified as a PFIC for its most recently completed taxable year. Based on its current business plans and expected income, assets and activities, the Company expects that it may be classified as a PFIC for its current tax year and may be a PFIC for subsequent tax years. No opinion of legal counsel or ruling from the IRS concerning the Company's status as a PFIC has been obtained or is currently planned to be requested. The determination of whether any corporation was, or will be, a PFIC for a tax year depends, in part, on the application of complex U.S. federal income tax rules, which are subject to differing interpretations. In addition, whether any corporation will be a PFIC for any tax year depends on the income, assets and nature of the activities of such corporation over the course of each such tax year and, as a result, the Company's PFIC status, as well as the PFIC status of any of the Corporation's non-U.S. subsidiaries, for the current year and future years cannot be predicted with certainty as of the date of this document. Accordingly, there can be no assurance that the Company or any of its non-U.S. subsidiaries will not be classified as a PFIC for any taxable year, or that the IRS or a court will agree with the Company's or any of its non-U.S. subsidiaries' determination as to its PFIC status. Each U.S. Shareholder should consult its own tax advisor regarding the Company's status as a PFIC and the PFIC status of each of the Company's non-U.S. subsidiaries.

In any year in which the Company is classified as a PFIC, a U.S. Shareholder will be required to file an annual report with the IRS containing such information as Treasury Regulations and/or other IRS guidance may require. In addition to penalties, a failure to satisfy such reporting requirements may result in an extension of the time period during which the IRS can assess a tax. U.S. Shareholders should consult their own tax advisors regarding the requirements of filing such information returns under these rules, including the requirement to file an IRS Form 8621 annually.

The Company generally will be a PFIC for any tax year in which (a) 75% or more of the Company's gross income for such tax year is passive income (the "**PFIC income test**") or (b) 50% or more of the value of the Company's assets either produce passive income or are held for the production of passive income, based on the quarterly average of the fair market value of such assets (the **"PFIC asset test**"). "Gross income" generally includes sales revenues less the cost of goods sold, plus income from investments and from incidental or outside operations or sources, and "passive income" generally includes, for example, dividends, interest, certain rents and royalties, certain gains from the sale of stock and securities, and certain gains from commodities transactions. Active business gains arising from the sale of commodities generally are excluded from passive income if substantially all of a foreign corporation's commodities are stock in trade or inventory, depreciable property used in a trade or business, or supplies regularly used or consumed in the ordinary course of its trade or business, and certain other requirements are satisfied.

For purposes of the PFIC income test and PFIC asset test described above, if the Company owns, directly or indirectly, 25% or more of the total value of the outstanding shares of another corporation, the Company will be treated as if it (a) held a proportionate share of the assets of such other corporation and (b) received directly a proportionate share of the income of such other corporation. In addition, for purposes of the PFIC income test and PFIC asset test described above, "passive income" does not include any interest, dividends, rents, or royalties that are received or accrued by the Company from a "related person" (as defined in Section 954(d)(3) of the Code), to the extent such items are properly allocable to the income of such related person that is not passive income.

Under certain attribution rules, if the Company is a PFIC, U.S. Shareholders will be deemed to own their proportionate share of any of the Company's subsidiaries which are also PFICs (each, a "**Subsidiary PFIC**"), and will generally be subject to U.S. federal income tax as discussed below, under the heading "*Default PFIC Rules Under Section 1291 of the Code*," on their proportionate share of any (i) distribution on the shares of a Subsidiary PFIC and (ii) disposition or deemed disposition of shares of a Subsidiary PFIC, both as if such U.S. Shareholders directly held the shares of such Subsidiary PFIC. In addition, U.S. Shareholders may be subject to U.S. federal income tax on any indirect gain realized on the stock of a Subsidiary PFIC on the sale or disposition of Shares. Accordingly, U.S. Shareholders should be aware that they could be subject to tax under the PFIC rules even if no distributions are received and no redemptions or other dispositions of Shares are made.

Default PFIC Rules Under Section 1291 of the Code

If the Company is a PFIC, the U.S. federal income tax consequences to a U.S. Shareholder of the purchase of Shares and the acquisition, ownership, and disposition of Shares will depend on whether such U.S. Shareholder makes a "QEF" election under Section 1295 of the Code (a "**QEF Election**") or makes a mark-to-market election under Section 1296 of the Code (a "**Mark-to-Market Election**") with respect to the Shares. A U.S. Shareholder that does not make either a QEF Election or a Mark-to-Market Election (a "**Non-Electing U.S. Shareholder**") will be subject to tax as described below.

A Non-Electing U.S. Shareholder will be subject to the rules of Section 1291 of the Code with respect to (a) any gain recognized on the sale or other taxable disposition of Shares and (b) any excess distribution received on the Shares. A distribution generally will be an "excess distribution" to the extent that such distribution (together with all other distributions with respect to the Shares received in the current tax year) exceeds 125% of the average annual distributions such U.S. Shareholder has received from the Company during the three preceding tax years (or during a U.S. Shareholder's holding period for the Shares, if shorter).

Under Section 1291 of the Code, if the Company is a PFIC, any gain recognized on the sale or other taxable disposition of Shares of a PFIC (including an indirect disposition of shares of a Subsidiary PFIC), and any excess distribution received on such Shares (or a distribution by a Subsidiary PFIC to its shareholder that is deemed to be received by a U.S. Shareholder) must be ratably allocated to each day in a Non-Electing U.S. Shareholder's holding period for the Shares. The amount of any such gain or excess distribution allocated to the tax year of disposition or distribution of the excess distribution and to years before the entity became a PFIC, if any, would be taxed as ordinary income (and not eligible for certain preferential tax rates, as discussed below). The amounts allocated to any other tax year would be subject to U.S. federal income tax at the highest tax rate applicable to ordinary income in each such year, and an interest charge would be imposed on the tax liability for each such year, calculated as if such tax liability had been due in each such year. A Non-Electing U.S. Shareholder that is not a corporation must treat any such interest paid as "personal interest", which is not deductible.

If the Company is a PFIC for any tax year during which a Non-Electing U.S. Shareholder holds Shares, the Company will continue to be treated as a PFIC with respect to such Non-Electing U.S. Shareholder, regardless of whether the Company ceases to be a PFIC in one or more subsequent tax years. If the Company ceases to be a PFIC, a Non-Electing U.S. Shareholder may terminate this deemed PFIC status with respect to Shares by electing to recognize gain (which will be taxed under the rules of Section 1291 of the Code as discussed above) as if such Shares were sold on the last day of the last tax year for which the Company was a PFIC.

QEF Election

A U.S. Shareholder that makes a QEF Election for the first tax year in which its holding period of its Shares begins generally will not be subject to the rules of Section 1291 of the Code discussed above with respect to its Shares. However, a U.S. Shareholder that makes a QEF Election will be subject to U.S. federal income tax on such U.S. Shareholder's pro rata share of (a) the Company's net capital gain, which will be taxed as long-term capital gain to such U.S. Shareholder, and (b) the Company's ordinary earnings, which will be taxed as ordinary income to such U.S. Shareholder. Generally, "net capital gain" is the excess of (a) net long-term capital gain over (b) net short-term capital loss, and "ordinary earnings" are the excess of (a) "earnings and profits" over (b) net capital gain. A U.S. Shareholder that makes a QEF Election will be subject to U.S. federal income tax on such amounts for each tax year in which the Company is a PFIC, regardless of whether such amounts are actually distributed to such U.S. Shareholder by the Company. However, for any tax year in which the Company is a PFIC and has no net income or gain, U.S. Shareholders that have made a QEF Election would not have any income inclusions as a result of the QEF Election. If a U.S. Shareholder that made a QEF Election has an income inclusion, such a U.S. Shareholder may, subject to certain limitations, elect to defer payment of current U.S. federal income tax on such amounts, subject to an interest charge. If such U.S. Shareholder is not a corporation, any such interest paid will be treated as "personal interest," which is not deductible.

A U.S. Shareholder that makes a timely and effective QEF Election generally (a) may receive a tax-free distribution from the Company to the extent that such distribution represents "earnings and profits" that were previously included in income by the U.S. Shareholder because of such QEF Election and (b) will adjust such U.S. Shareholder's tax basis in the Shares to reflect the amount included in income or allowed as a tax-free distribution because of such QEF Election. In addition, a U.S. Shareholder that makes a QEF Election generally will recognize capital gain or loss on the sale or other taxable disposition of Shares.

The procedure for making a QEF Election, and the U.S. federal income tax consequences of making a QEF Election, will depend on whether such QEF Election is timely. A QEF Election will be treated as "timely" for purposes of avoiding the default PFIC rules discussed above if such QEF Election is made for the first year in the U.S. Shareholder's holding period for the Shares in which the Company was a PFIC. A U.S. Shareholder may make a timely QEF Election by filing the appropriate QEF Election documents at the time such U.S. Shareholder files a U.S. federal income tax return for such year. In the event that the Shares that a U.S. Shareholder received pursuant to the Arrangement is treated as stock of a PFIC, the U.S. federal income tax treatment is not entirely clear. A U.S. Shareholder, however, can be treated as holding stock of a PFIC in periods prior to the Arrangement, and therefore may not be able to make a timely QEF Election for such stock. If a U.S. Shareholder owns PFIC stock indirectly through another PFIC, separate QEF Elections must be made for the PFIC in which the U.S. Shareholder is a direct shareholder and the Subsidiary PFIC for the QEF rules to apply to both PFICs.

A QEF Election will apply to the tax year for which such QEF Election is made and to all subsequent tax years, unless such QEF Election is invalidated or terminated or the IRS consents to revocation of such QEF Election. If a U.S. Shareholder makes a QEF Election and, in a subsequent tax year, the Company ceases to be a PFIC, the QEF Election will remain in effect (although it will not be applicable) during those tax years in which the Company was not a PFIC. Accordingly, if the Company becomes a PFIC in another subsequent tax year, the QEF Election will be effective and the U.S. Shareholder will be subject to the QEF rules described above during any subsequent tax year in which the Company qualifies as a PFIC.

For each tax year that the Company qualifies as a PFIC, as determined by the Company, the Company: (a) intends to make publicly available to U.S. Shareholders, upon their written request, a "PFIC Annual Information Statement" for the Company as described in Treasury Regulation Section 1.1295-1(g) (or any successor Treasury Regulation), and (b) upon written request, intends to use commercially reasonable efforts to provide such additional information that such U.S. Shareholder is reasonably required to obtain in connection with maintaining such QEF Election with regard to the Company. The Company may elect to provide such information on the Company's website. However, no assurances can be given that the Company will provide any such information relating to any Subsidiary PFIC and as a result, a QEF Election may not be available with respect to any Subsidiary PFIC. Because the Company may own shares in one or more Subsidiary PFICs at any time, U.S. Shareholders will continue to be subject to the rules discussed above with respect to the taxation of gains and excess distributions with respect to any Subsidiary PFIC for which the U.S. Shareholders do not obtain such required information. Each U.S. Shareholder should consult its own tax advisors regarding the availability of, and procedure for making, a QEF Election with respect to the Company and any Subsidiary PFIC.

A U.S. Shareholder makes a QEF Election by attaching a completed IRS Form 8621, including a PFIC Annual Information Statement, to a timely filed U.S. federal income tax return. However, if the Company does not provide the required information with regard to the Company or any Subsidiary PFICs, U.S. Shareholders will not be able to make a QEF Election for such entity and will continue to be subject to the rules of Section 1291 of the Code discussed above that apply to Non-Electing U.S. Shareholders with respect to the taxation of gains and excess distributions.

Mark-to-Market Election

A U.S. Shareholder may make a Mark-to-Market Election with respect to Shares only if the Shares are marketable stock. The Shares generally will be "marketable stock" if the Shares are regularly traded on (a) a national securities exchange that is registered with the SEC, (b) the national market system established pursuant to Section 11A of the Exchange Act or (c) a foreign securities exchange that is regulated or supervised by a governmental authority of the country in which the market is located, provided that (i) such foreign exchange has trading volume, listing, financial disclosure, and other requirements and the laws of the country in which such foreign exchange is located, together with the rules of such foreign exchange, ensure that such requirements are actually enforced and (ii) the rules of such foreign exchange ensure active trading of listed stocks. If such stock is traded on such a qualified exchange or other market, such stock generally will be considered "regularly traded" for any calendar year during which such stock is traded, other than in *de minimis* quantities, on at least 15 days during each calendar quarter. There can be no assurance that trading in the Shares will be sufficiently regular for the shares to qualify as marketable stock. U.S. Shareholders should consult their own tax advisors regarding the marketable stock rules.

A U.S. Shareholder that makes a Mark-to-Market Election with respect to its Shares generally will not be subject to the rules of Section 1291 of the Code discussed above with respect to such Shares. However, if a U.S. Shareholder does not make a Mark-to-Market Election beginning in the first tax year of such U.S. Shareholder's holding period for the Shares and such U.S. Shareholder has not made a timely QEF Election, the rules of Section 1291 of the Code discussed above will apply to certain dispositions of, and distributions on, the Shares.

A U.S. Shareholder that makes a timely and effective Mark-to-Market Election will include in ordinary income, for each tax year in which the Company is a PFIC, an amount equal to the excess, if any, of (a) the fair market value of the Shares, as of the close of such tax year over (b) such U.S. Shareholder's tax basis in the Shares. A U.S. Shareholder that makes a Mark-to-Market Election will be allowed a deduction in an amount equal to the excess, if any, of (i) such U.S. Shareholder's adjusted tax basis in the Shares, over (ii) the fair market value of such Shares (but only to the extent of the net amount of previously included income as a result of the Mark-to-Market Election for prior tax years).

A U.S. Shareholder that makes a timely and effective Mark-to-Market Election generally also will adjust such U.S. Shareholder's tax basis in the Shares to reflect the amount included in gross income or allowed as a deduction because of such Mark-to-Market Election. In addition, upon a sale or other taxable disposition of Shares, a U.S. Shareholder that makes a Mark-to-Market Election will recognize ordinary income or ordinary loss (not to exceed the excess, if any, of (a) the amount included in ordinary income because of such Mark-to-Market Election for prior tax years over (b) the amount allowed as a deduction because of such Mark-to-Market Election for prior tax years).

A U.S. Shareholder makes a Mark-to-Market Election by attaching a completed IRS Form 8621 to a timely filed U.S. federal income tax return. A timely Mark-to-Market Election applies to the tax year in which such Mark-to-Market Election is made and to each subsequent tax year, unless the Shares cease to be "marketable stock" or the IRS consents to revocation of such election. Each U.S. Shareholder should consult its own tax advisor regarding the availability of, and procedure for making, a Mark-to-Market Election.

Although a U.S. Shareholder may be eligible to make a Mark-to-Market Election with respect to the Shares, no such election may be made with respect to the stock of any Subsidiary PFIC that a U.S. Shareholder is treated as owning because such stock is not marketable. Hence, the Mark-to-Market Election will not be effective to eliminate the default rules of Section 1291 of the Code described above with respect to deemed dispositions of Subsidiary PFIC stock or distributions from a Subsidiary PFIC to its shareholder.

Other PFIC Rules

Under Section 1291 of the Code, the IRS has issued proposed Treasury Regulations that would impact certain consequences of the application of the PFIC regime to U.S. Shareholders. Among other consequences, and subject to certain exceptions, such proposed Treasury Regulations would cause a U.S. Shareholder that had not made a timely QEF Election to recognize gain (but not loss) upon certain transfers of Shares that would otherwise be tax-deferred (e.g., gifts and exchanges pursuant to corporate reorganizations). However, the specific U.S. federal income tax consequences to a U.S. Shareholder may vary based on the manner in which such Shares are transferred.

If finalized in their current form, the proposed Treasury Regulations applicable to PFICs would be effective for transactions occurring on or after April 1, 1992. Because the proposed Treasury Regulations have not yet been adopted in final form, they are not currently effective, and there is no assurance that they will be adopted in the form and with the effective date proposed. Nevertheless, the IRS has announced that, in the absence of final Treasury Regulations, taxpayers may apply reasonable interpretations of the Code provisions applicable to PFICs and that it considers the rules set forth in the proposed Treasury Regulations to be reasonable interpretations of those Code provisions. The PFIC rules are complex, and the implementation of certain aspects of the PFIC rules requires the issuance of Treasury Regulations which in many instances have not been promulgated and which, when promulgated, may have retroactive effect. U.S. Shareholders should consult their own tax advisors about the potential applicability of the proposed Treasury Regulations.

Certain additional adverse rules will apply with respect to a U.S. Shareholder if the Company is a PFIC, regardless of whether such U.S. Shareholder makes a QEF Election. For example under Section 1298(b)(6) of the Code, a U.S. Shareholder that uses Shares as security for a loan will, except as may be provided in Treasury Regulations, be treated as having made a taxable disposition of such Shares.

In addition, a U.S. Shareholder who acquires Shares from a decedent will not receive a "step up" in tax basis of such Shares to fair market value.

Special rules also apply to the amount of foreign tax credit that a U.S. Shareholder may claim on a distribution from a PFIC. Subject to such special rules, foreign taxes paid with respect to any distribution in respect of stock in a PFIC are generally eligible for the foreign tax credit. The rules relating to distributions by a PFIC and their eligibility for the foreign tax credit are complicated, and a U.S. Shareholder should consult with their own tax advisor regarding the availability of the foreign tax credit with respect to distributions by a PFIC.

The PFIC rules are complex, and each U.S. Shareholder should consult its own tax advisor regarding the PFIC rules (including the applicability and advisability of a QEF Election and Mark-to-Market Election) and how the PFIC rules may affect the U.S. federal income tax consequences of the acquisition, ownership, and disposition of Shares.

General Rules Applicable to the Acquisition, Ownership, and Disposition of Shares

The following discussion describes the general rules applicable to the ownership and disposition of the Shares but is subject in its entirety to the special rules described above under the heading "*Passive Foreign Investment Company Rules*."

Distributions on Shares

The Company does not anticipate making distributions with respect to the Shares in the foreseeable future. A U.S. Shareholder that receives a distribution, including a constructive distribution, with respect to a Share is required to include the amount of such distribution in gross income as a dividend (without reduction for any Swiss income tax withheld from such distribution) to the extent of the Company's current and accumulated "earnings and profits," as computed under U.S. federal income tax principles. To the extent that the amount of a distribution exceeds the current and accumulated earnings and profits of the Company, the excess would be treated as a recovery of basis to the extent of the U.S. Shareholder's tax basis in the Shares and then as capital gain. The Company currently does not intend to calculate its earnings and profits under U.S. federal income tax principles. Thus, U.S. Shareholders should expect that distributions by the Company with respect to the Shares will be reported as dividends for U.S. federal income tax purposes.

Dividends received by individuals and certain other non-corporate U.S. Shareholders on Shares generally are not be eligible for the "dividends received deduction" allowed to U.S. Shareholders that are treated as corporations for U.S. federal tax purposes. Subject to applicable limitations and provided the Company is eligible for the benefits of the U.S. Treaty, or the Shares are readily tradable on a U.S. securities market, dividends paid by the Company to non-corporate U.S. Shareholders, including individuals, generally are eligible for the preferential tax rates applicable to long-term capital gains for dividends, provided certain holding period and other conditions are satisfied, including that the Company is not classified as a PFIC in the tax year of distribution or in the preceding tax year. The dividend rules are complex, and each U.S. Shareholder should consult its own tax advisor regarding the application of such rules.

Sale or Other Taxable Disposition of Shares

Upon the sale or other taxable disposition of Shares, a U.S. Shareholder generally will recognize capital gain or loss in an amount equal to the difference between (a) the amount of cash plus the fair market value of any property received and (b) such U.S. Shareholder's tax basis in such Shares sold or otherwise disposed of. Gain or loss recognized on such sale or other taxable disposition generally is long-term capital gain or loss if, at the time of the sale or other taxable disposition, the Shares have been held for more than one year. Gain or loss, as well as the holding period for the Shares, is determined separately for each block of Shares (that is, shares acquired at the same cost in a single transaction) sold or otherwise subject to a taxable disposition. Gain or loss recognized by a U.S. Shareholder generally is treated as U.S.-source gain or loss for foreign tax credit limitation purposes. Preferential tax rates may apply to long-term capital gain of a U.S. Shareholder that is an individual, estate, or trust. There are no preferential tax rates for long-term capital gain of a U.S. Shareholder that is a corporation. Deductions for capital losses are subject to significant limitations under the Code.

Additional Tax Considerations

Receipt of Foreign Currency

The amount of any distribution paid to a U.S. Shareholder in foreign currency or on the sale, exchange or other taxable disposition of Shares generally is equal to the U.S. dollar value of such foreign currency based on the exchange rate applicable on the date of receipt or, if applicable, the date of settlement if the Shares are traded on an established securities market (regardless of whether such foreign currency is converted into U.S. dollars at that time). If the foreign currency received is not converted into U.S. dollars on the date of receipt or settlement, as applicable, a U.S. Shareholder will have a tax basis in the foreign currency equal to its U.S. dollar value on the date of receipt. Any U.S. Shareholder who receives payment in foreign currency and engages in a subsequent conversion or other disposition of the foreign currency may have a foreign currency exchange gain or loss that would be treated as ordinary income or loss, and generally is U.S. source income or loss for foreign tax credit purposes. Different rules apply to U.S. Shareholders who use the accrual method of tax accounting. Each U.S. Shareholder should consult its own U.S. tax advisor regarding the U.S. federal income tax consequences of receiving, owning, and disposing of foreign currency.

Foreign Tax Credit

Dividends paid on the Shares are treated as foreign-source income that generally is treated as "passive category income" or "general category income" for U.S. foreign tax credit purposes. The Code applies various complex limitations on the amount of foreign taxes that may be claimed as a credit by U.S. taxpayers. In addition, Treasury Regulations that apply to foreign taxes paid or accrued (the "**Foreign Tax Credit Regulations**") impose additional requirements for Swiss withholding taxes to be eligible for a foreign tax credit, and there can be no assurance that those requirements will be satisfied. The Treasury Department has released guidance temporarily pausing the application of certain of the Foreign Tax Credit Regulations.

Subject to the PFIC rules and the Foreign Tax Credit Regulations discussed above, a U.S. Shareholder that pays (whether directly or through withholding) Swiss income tax with respect to dividends paid on the Shares generally is entitled, at the election of such U.S. Shareholder, to receive either a deduction or a credit for such Swiss income tax paid. Generally, a credit will reduce a U.S. Shareholder's U.S. federal income tax liability on a dollar-for-dollar basis, whereas a deduction will reduce a U.S. Shareholder's income subject to U.S. federal income tax. This election is made on a year-by-year basis and applies to all foreign taxes paid or accrued (whether directly or through withholding) by a U.S. Shareholder during a year. The foreign tax credit rules are complex and involve the application of rules that depend on a U.S. Shareholder's particular circumstances. Accordingly, each U.S. Shareholder should consult its own tax advisor regarding the foreign tax credit rules.

Information Reporting; Backup Withholding Tax

Under U.S. federal income tax laws certain categories of U.S. Shareholders must file information returns with respect to their investment in, or involvement in, a foreign corporation. For example, U.S. tax return disclosure obligations (and related penalties) are imposed on U.S. Shareholders that hold certain specified foreign financial assets in excess of certain threshold amounts. The definition of specified foreign financial assets includes not only financial accounts maintained in foreign financial institutions, but also, unless held in accounts maintained by a financial institution, any stock or security issued by a non-U.S. person. U.S. Shareholders may be subject to these reporting requirements unless their Shares are held in an account at certain financial institutions. Penalties for failure to file certain of these information returns are substantial. U.S. Shareholders should consult their own tax advisors regarding the requirements of filing information returns, including the requirement to file IRS Form 8938.

Payments made within the U.S., or by a U.S. payor or U.S. middleman, of dividends on, and proceeds arising from the sale or other taxable disposition of the Shares generally may be subject to information reporting and backup withholding tax, currently at the rate of 24%, if a U.S. Shareholder (a) fails to furnish its correct U.S. taxpayer identification number (generally on IRS Form W-9), (b) furnishes an incorrect U.S. taxpayer identification number, (c) is notified by the IRS that such U.S. Shareholder has previously failed to properly report items subject to backup withholding tax, or (d) fails to certify, under penalty of perjury, that it has furnished its correct U.S. taxpayer identification number and that the IRS has not notified such U.S. Shareholder that it is subject to backup withholding tax. However, certain exempt persons, such as U.S. Shareholders that are corporations, generally are excluded from these information reporting and backup withholding tax rules. Any amounts withheld under the U.S. backup withholding tax rules are allowed as a credit against a U.S. Shareholder's U.S. federal income tax liability, if any, or will be refunded, if such U.S. Shareholder furnishes required information to the IRS in a timely manner.

The discussion of reporting requirements set forth above is not intended to constitute a complete description of all reporting requirements that may apply to a U.S. Shareholder. A failure to satisfy certain reporting requirements may result in an extension of the time period during which the IRS can assess a tax and, under certain circumstances, such an extension may apply to assessments of amounts unrelated to any unsatisfied reporting requirement. Each U.S. Shareholder should consult its own tax advisors regarding the information reporting and backup withholding rules.

THE ABOVE SUMMARY IS NOT INTENDED TO CONSTITUTE A COMPLETE ANALYSIS OF ALL TAX CONSIDERATIONS APPLICABLE TO U.S. SHAREHOLDERS WITH RESPECT TO THE ACQUISITION, OWNERSHIP, AND DISPOSITION OF SHARES. U.S. SHAREHOLDERS SHOULD CONSULT THEIR OWN TAX ADVISORS AS TO THE TAX CONSIDERATIONS APPLICABLE TO THEM IN THEIR OWN PARTICULAR CIRCUMSTANCES.

Material Swiss Income Tax Considerations

The following is a general summary of certain tax consequences of the acquisition, ownership and disposition of Shares under Swiss income tax laws and regulations in force on the date of this annual report. Tax consequences are subject to changes in applicable law, including changes that could have a retroactive effect. This is not a complete analysis of the potential tax effects relevant to a decision to invest in Shares nor does the following summary take into account or discuss the tax laws of any jurisdiction other than Switzerland. It also does not take into account investors' individual circumstances. This summary does not purport to be a legal opinion or to address all tax aspects that may be relevant to any particular holder of Shares.

Investors are urged to consult their own tax advisors as to tax consequences of the acquisition, ownership and disposition of Shares. Tax consequences may differ according to the provisions of different tax treaties (see below) and the investor's particular circumstances.

Swiss Withholding Tax

Under Swiss tax law, dividends and similar cash or in-kind distributions paid on the Shares (including liquidation proceeds and bonus shares or repurchases of Shares) are subject to Swiss federal withholding tax (*Verrechnungssteuer*) ("**Swiss Withholding Tax**"), currently at a rate of 35% (applicable to the gross amount of taxable distribution). The repayment of the nominal value of the Shares and any permissible repayment of qualifying additional paid in capital (capital contribution reserves (*Reserven aus Kapitaleinlagen*)) are not subject to Swiss Withholding Tax.

Swiss tax resident individuals who hold their shares as private assets ("**Resident Private Shareholders**") are in principle eligible for a full refund or credit against income tax of the Swiss Withholding Tax if they duly report the underlying income in their income tax return. In addition, (i) corporate and individual shareholders who are resident in Switzerland for tax purposes, (ii) corporate and individual shareholders who are not resident in Switzerland and who hold their shares as part of a trade or business carried on in Switzerland through a permanent establishment or fixed place of business situated in Switzerland for tax purposes and (iii) Swiss resident private individuals who, for income tax purposes are classified as "professional securities dealers" for reasons of, inter alia, frequent dealing, or leveraged transactions, in shares and other securities (collectively, "**Domestic Commercial Shareholders**") are in principle eligible for a full refund or credit against income tax of the Swiss Withholding Tax if they duly report the underlying income in their income statements or income tax return, as the case may be.

Shareholders who are not resident in Switzerland for tax purposes, and who, during the respective taxation year, have not engaged in a trade or business carried on through a permanent establishment or fixed place of business situated in Switzerland for tax purposes, and who are not subject to corporate or individual income taxation in Switzerland for any other reason (collectively, "**Non-Resident Shareholders**") may be entitled to a total or partial refund of the Swiss Withholding Tax if the country in which such recipient resides for tax purposes maintains a bilateral treaty for the avoidance of double taxation with Switzerland and further conditions of such treaty are met. Non-Resident Shareholders should be aware that the procedures for claiming treaty benefits (and the time required for obtaining a refund) may differ from country to country. Non-Resident Shareholders should consult their own legal, financial or tax advisors regarding receipt, ownership, purchases, sale or other dispositions of Shares and the procedures for claiming a refund of the Swiss Withholding Tax.

Swiss Federal Stamp Taxes

The Swiss Federal Issuance Stamp Tax (*Emissionsabgabe*) of 1% is levied on the issuance of shares and increases in or contributions to the equity of Swiss tax resident corporations. The Swiss Federal Issuance Stamp Tax levied on the proceeds from the issuance of the Shares will be borne by the Company.

The purchase or sale of Shares, whether by Resident Private Shareholders, Domestic Commercial Shareholders or Non-Resident Shareholders, may be subject to Swiss Federal Securities Transfer Stamp Tax at a current rate of up to 0.15%, calculated on the purchase price or the sale proceeds, respectively, if (i) such transfer occurs through or with a Swiss or Liechtensteinian bank or by or with involvement of another Swiss securities dealer as defined in the Swiss federal stamp tax act and (ii) no exemption applies.

Swiss Federal, Cantonal and Communal Individual Income Tax and Corporate Income Tax

Non-Resident Shareholders are not subject to any Swiss federal, cantonal or communal income tax on dividend payments and similar distributions simply because they hold Shares. The same applies for capital gains on the sale of Shares. For Swiss Withholding Tax consequences, see above.

Resident Private Shareholders who receive dividends and similar cash or in-kind distributions (including liquidation proceeds as well as bonus shares or taxable repurchases of Shares as described above), which are not repayments of the nominal value of the Shares or permissible repayment of qualifying additional paid in capital (capital contribution reserves (*Reserven aus Kapitaleinlagen*)), are required to report such receipts in their individual income tax returns and are subject to Swiss federal, cantonal and communal income tax on any net taxable income for the relevant tax period. A gain or a loss by Resident Private Shareholders realized upon the sale or other disposition of Shares to a third party will generally be a tax-free private capital gain or a non-tax-deductible capital loss, as the case may be. Domestic Commercial Shareholders who receive dividends and similar cash or in-kind distributions (including liquidation proceeds and bonus shares or taxable repurchases of Shares as described above) are required to recognize such payments in their income statements for the relevant tax period and are subject to Swiss federal, cantonal and communal individual or corporate income tax, as the case may be, on any net taxable earnings accumulated (including the dividends) for such period. The same taxation treatment also applies to Swiss-resident individuals who, for Swiss income tax purposes, are classified as "professional securities dealers" for reasons of, inter alia, frequent dealings or leveraged transactions in securities. Domestic Commercial Shareholders who are corporate taxpayers may qualify for participation relief on dividend distributions (*Beteiligungsabzug*), if the shares held have an aggregate market value of at least CHF 1 million. Domestic Commercial Shareholders are required to recognize a gain or loss realized upon the disposal of Shares in their income statement for the respective taxation period and are subject to Swiss federal, cantonal and communal individual or corporate income tax, as the case may be, on any net taxable earnings (including the gain or loss realized on the sale or other disposition of Shares) for such taxation period. The same tax treatment also applies to Swiss-resident individuals who, for Swiss income tax purposes, are classified as "professional securities dealers" for reasons of, inter alia, frequent dealings or leveraged transactions in securities.

Swiss Wealth Tax and Capital Tax

Non-Resident Shareholders holding Shares are not subject to cantonal and communal wealth or annual capital tax simply because they hold Shares.

Resident Private Shareholders are required to report their Shares as part of their private wealth and are subject to cantonal and communal wealth tax on any net taxable wealth (including Shares). Domestic Commercial Shareholders are required to report their Shares as part of their business wealth or taxable capital, as defined, and are subject to cantonal and communal wealth or annual capital tax. No wealth or capital tax is levied at the federal level.

International Automatic Exchange of Information in Tax Matters

Switzerland has concluded a bilateral agreement with the European Union on the international automatic exchange of information ("**AEOI**") in tax matters (the "**AEOI Agreement**"). This AEOI Agreement became effective as of January 1, 2017, and applies to all 27 member states as well as Gibraltar. Furthermore, on January 1, 2017, the multilateral competent authority agreement on the automatic exchange of financial account information and, based on such agreement, a number of bilateral AEOI agreements with other countries, such as the United Kingdom, became effective. Based on this AEOI Agreement and the bilateral AEOI agreements and the implementing laws of Switzerland, Switzerland collects data in respect of financial assets, which may include shares, held in, and income derived from and credited to, accounts or deposits with a paying agent in Switzerland for the benefit of residents in a EU member state or a treaty state from 2017, and exchanges such information since 2018. Switzerland has signed and is expected to sign further AEOI agreements with other countries. A list of the AEOI agreements of Switzerland in effect or signed and becoming effective can be found on the website of the State Secretariat for International Finance (SIF).

Swiss Facilitation of the Implementation of the U.S. Foreign Account Tax Compliance Act

Switzerland has concluded an intergovernmental agreement with the U.S. to facilitate the implementation of the U.S. Foreign Account Tax Compliance Act. The agreement ensures that the accounts held by U.S. persons with Swiss financial institutions are disclosed to the U.S. tax authorities either with the consent of the account holder or by means of group requests within the scope of administrative assistance. Information will not be transferred automatically in the absence of consent and instead will be exchanged only within the scope of administrative assistance on the basis of the double taxation agreement between the U.S. and Switzerland. In September 2019, the protocol of amendment to the double taxation treaty between Switzerland and the U.S. entered into force, allowing U.S. competent authorities request all reported information on U.S. accounts in aggregate form without a declaration of consent, as well as on non-consenting non-participating financial institutions. In October 2014, the Swiss Federal Council approved a mandate for negotiations with the U.S. on changing the current direct notification-based regime to a regime where the relevant information is sent to the Swiss Federal Tax Administration, which in turn provides the information to the U.S. tax authorities. As of the date of this proxy statement/prospectus, negotiations are ongoing.

F. Dividends and Paying Agents

Not applicable.

G. Statement by Experts

Not applicable.

H. Documents on Display

The Company is subject to the informational requirements of the Exchange Act. In accordance with these requirements the Company files reports and other information with the SEC. You may inspect and copy any report or document that the Company files, including this annual report and the accompanying exhibits, at the SEC's public reference facilities located at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. You may obtain information on the operation of the public reference facilities by calling the SEC at 1-800-SEC-0330, and you may obtain copies at prescribed rates. The Company's SEC filings are also available to the public at the website maintained by the SEC at http://www.sec.gov, as well as on the Company's website at www.lithium-argentina.com. Information on the Company's website does not constitute a part of this annual report and is not incorporated by reference.

The Company will also provide without charge to each person, including any beneficial owner of the Shares, upon written or oral request of that person, a copy of any and all of the information that has been incorporated by reference in this annual report. Please direct such requests to the Company's administrative office at, 300 - 900 West Hastings Street, Vancouver, British Columbia, V6C 1E5.

I. Subsidiary Information

Not applicable.

J. Annual Report to Security Holders

To the extent the Company furnishes an annual report to security holders, the Company will promptly submit an English version of this annual report to U.S. security holders under the cover of Form 6-K.

ITEM 11. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations.

For descriptions of the Company's credit risk, see Note 24 of the Company's audited consolidated financial statements for the years ended December 31, 2024, 2023 and 2022 included in "*Item 18. – Financial Statements"* of this annual report., which comply with IFRS Accounting Standards.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

For descriptions of the Company's liquidity risk, see Note 24 of the Company's audited consolidated financial statements for the years ended December 31, 2024, 2023 and 2022 included in "*Item 18. – Financial Statements"* of this annual report., which comply with IFRS Accounting Standards.

Market Risk

Market risk encompasses a range of risks. Movement in risk factors, such as market price risk, the Company's share price, and currency risk, can affect the fair values of financial assets and liabilities.

For descriptions of the Company's market risk, see Note 24 of the Company's audited consolidated financial statements for the years ended December 31, 2024, 2023 and 2022 included in "*Item 18. – Financial Statements"* of this annual report., which comply with IFRS Accounting Standards..

Foreign Currency Risk

The Company's operations in foreign countries are subject to currency fluctuations, which may affect its financial results.

For descriptions of the Company's foreign currency risk, see Note 22 of the Company's audited consolidated financial statements for the years ended December 31, 2024, 2023 and 2022 included in "*Item 18. – Financial Statements"* of this annual report., which comply with IFRS Accounting Standards.

ITEM 12. DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES

A. to C.

Not applicable.

D. American Depositary Receipts

The Company does not have securities registered as American Depositary Receipts.

PART II

ITEM 13. DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES

There has not been a material default in the payment of principal, interest, a sinking or purchase fund installment, or any other material default not cured within thirty days, relating to indebtedness of the Company or any of its significant subsidiaries. There are no payments of dividends by the Company in arrears, nor has there been any other material delinquency relating to any class of preference shares of the Company.

ITEM 14. MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS

A. to B. Modifications to the Rights of Security Holders

In January 2025, the Company completed a corporate reorganization, as a result of which the Company's corporate jurisdiction was moved from British Columbia, Canada to Zug, Canton of Zug, Switzerland. Accordingly, the rights of the Company's Shares became governed by the Articles of Association and the laws of Switzerland. The rights attaching to each share remained substantially equivalent.

C.

Not applicable.

D.

Not applicable.

E. Use of Proceeds

Not applicable.

ITEM 15. CONTROLS AND PROCEDURES

A. Disclosure Controls and Procedures

As of December 31, 2024, an evaluation of the effectiveness of the Company's "disclosure controls and procedures" (as such term is defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act) was carried out by the Company's CEO and CFO. Based on that evaluation, the CEO and CFO have concluded that as of such date the Company's disclosure controls and procedures are effective to provide a reasonable level of assurance that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC.

It should be noted that while the CEO and CFO believe that the Company's disclosure controls and procedures provide a reasonable level of assurance that they are effective, they do not expect disclosure controls and procedures or internal control over financial reporting to be capable of preventing all errors and fraud. A control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

B. Management's Report on Internal Control Over Financial Reporting

The Company's management, including the CEO and CFO, is responsible for establishing and maintaining adequate internal control over financial reporting. Any system of internal control over financial reporting, no matter how well-designed, has inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

Management, including the CEO and CFO, has used the Committee of Sponsoring Organizations of the Treadway Commission (COSO) 2013 framework to evaluate the effectiveness of our internal control over financial reporting. Based on this assessment, the Company's management, including the CEO and CFO, has concluded that as at December 31, 2024, the Company's internal control over financial reporting was effective.

C. Attestation Report of Registered Public Accounting Firm

The effectiveness of our internal controls over financial reporting has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, who have expressed their opinion, which appears herein.

D. Changes in Internal Controls Over Financial Reporting

There have been no significant changes in our internal controls over financial reporting during the year ended December 31, 2024, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

ITEM 16. [RESERVED]

ITEM 16A. AUDIT COMMITTEE FINANCIAL EXPERT

The Board has determined that each of Robert Doyle and Calum Morrison (i) is an “audit committee financial expert” as defined in Item 407(d)(5)(ii) of Regulation S-K; and (ii) is independent (as determined under Exchange Act Rule 10A-3 and the applicable NYSE rules).

The SEC has indicated that the designation or identification of a person as an audit committee financial expert does not make such person an "expert" for any purpose, impose any duties, obligations or liability on such person that are greater than those imposed on members of the audit committee and the Board who do not carry this designation or identification, or affect the duties, obligations or liability of any other member of the audit committee or the Board.

ITEM 16B. CODE OF ETHICS

On January 23, 2025, the Company adopted a new code of ethics as part of the transaction, entitled the Code of Business Conduct and Ethics (the “**Code**”). The Code applies to all directors, officers and employees of the Company, including the CEO and CFO. The Code replaces the Company’s prior code of conduct and contains amendments to reflect the Company’s name change from “Lithium Americas (Argentina) Corp.” to “Lithium Argentina AG”, to include provisions regarding anti-trust and fair competition matters, and other changes of housekeeping nature.

Since the adoption of the Code, there have not been any waivers, including implied waivers, from any provision of the Code. A copy of the Code can be found on the Company’s internet website at the following address: https://www.lithium-argentina.com/. Notwithstanding any reference to the Company’s website or other websites in this Annual Report or in the documents incorporated by reference herein or attached as Exhibits hereto, no information contained on the Company’s website or any other site shall be incorporated by reference in this Annual Report or in the documents incorporated by reference herein or attached as Exhibits hereto, unless explicitly incorporated.

ITEM 16C. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The following table sets forth the aggregate fees billed by our Auditors, PricewaterhouseCoopers LLP, Vancouver, Canada (PCAOB ID #271), unless stated otherwise, for the years indicated.

	December 31, 2023	December 31, 2024
Audit Fees	C$1,600,500	$508,606
Audit-Related Fees	0	0
Tax Fees	C$170,300	$650,522
All Other Fees	C$6,440	$2,343
Total Fees	C$1,777,240	$1,161,471

Notes:
(1) Audit Fees. The aggregate audit fees billed by the Company’s Auditor.

(2) Audit-Related Fees. This category refers to the aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements and are not reported under audit fees.
(3) Tax Fees. This category includes the aggregate fees billed (or accrued) for professional services provided by the Auditor rendered for tax compliance, tax advice and tax planning.
(4) All Other Fees. This category includes fees for a subscription to accounting publications and services related to the *Extractive Sector Transparency Measure Act* in Canada.

Pre-Approval Policies and Procedures

The Audit and Risk Committee Chair is authorized to pre-approve all non-audit services to be provided to the Company or its subsidiary entities by the Company's Auditor, subject to the Chair reporting the pre-approval(s) to the Audit and Risk Committee at the Committee's meeting subsequent to said approval(s).

ITEM 16D. EXEMPTIONS FROM THE LISTING STANDARDS FOR AUDIT COMMITTEES

Not applicable.

ITEM 16E. PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS

Not applicable.

ITEM 16F. CHANGE IN REGISTRANT'S CERTIFYING ACCOUNTANT

Not applicable.

ITEM 16G. CORPORATE GOVERNANCE

The Company's Shares are listed in the United States on the NYSE and in Canada on the TSX. The Company is incorporated under the laws of Switzerland listed on the TSX and is a "foreign private issuer" as defined in Rule 3b-4 under the Exchange Act. The Company has in place a system of corporate governance practices which is in line with applicable Canadian requirements, including National Instrument 58-101 *Disclosure of Corporate Governance Practices*, National Policy 58-201 *Corporate Governance Guidelines*, National Instrument 52-110 *Audit Committees* and rules of the TSX. Section 303A of the NYSE Listed Company Manual permits the NYSE to consider the laws, customs and practices of foreign private issuers in relaxing certain NYSE listing criteria, and to grant exemptions from NYSE listing criteria based on these considerations.

Shareholder Meeting Quorum Requirement

The NYSE typically expects listed companies to have a quorum requirement of a majority of the company's outstanding shares. There is no precisely corresponding requirement under Swiss law, however the Company's Articles of Association provide for quorum requirements. For resolutions or elections to be passed at a shareholders' meeting, at least two shareholders entitled to vote, either in person or by proxy, must be present at the commencement of the meeting and collectively represent at least 5% of the issued shares entitled to vote at the meeting.

Shareholder Approval Requirement for Issuing Securities

The NYSE requires a listed company to obtain the approval of its shareholders for certain types of securities issuances, including any transaction or series of transactions that would result in the issuance of Shares (or securities convertible into Shares) equal to 20% or more of presently outstanding shares (other than a public offering for cash or in certain other cases of financings for cash). The Company is also subject to TSX requirements, unless certain exemptions[1] are available.

[1] Subject to meeting certain exemptions for "Eligible Interlisted Issuers", the TSX requires shareholder approval for certain issuances of shares that: (i) materially affect control of the Company; or (ii) provide consideration to insiders in aggregate of 10% or greater of the market capitalization of the listed issuer and have not been negotiated at arm's length. Shareholder approval is also required, pursuant to TSX rules, in the case of private placements: (i) for an aggregate number of listed securities issuable greater than 25% of the number of securities of the listed issuer which are outstanding, on a non-diluted basis, prior to the date of closing of the transaction if the price per security is less than the market price; or (ii) that during any six month period are to insiders for listed securities or options, rights or other entitlements to listed securities greater than 10% of the number of securities of the listed issuer which are outstanding, on a non-diluted basis, prior to the date of the closing of the first private placement to an insider during the six month period.

According to Swiss law, a company's share capital may be increased by issuing new shares through an ordinary share capital increase, which requires approval by the shareholders and must be carried out by the Board within six months of the respective general meeting in order to become effective. Further, the shareholders may authorize the Board, by a resolution passed by two-thirds of the voting rights represented at a general meeting of shareholders and the absolute majority of the nominal/par value of the shares represented at such meeting, to increase the share capital by a specific aggregate nominal amount, up to a maximum of 50% of the share capital, (i) within the capital band (*Kapitalband*), to be utilized by the Board within a period determined by the shareholders but not exceeding five years from the date of the shareholder approval; or (ii) from the conditional capital (*bedingtes Kapital*) for the purpose of issuing shares in connection with, among other things, (i) option and conversion rights granted in connection with warrants and convertible rights or one of its subsidiaries or (ii) grants of rights to employees, members of the Board, consultants or other persons providing services to the company or a subsidiary to subscribe for new shares (conversion or option rights), without further shareholders' approval, provided the company's Articles of Association delegate such authority to the Board. The Company's Articles of Association provide for such capital band, conditional capital for financing purposes and conditional capital for equity incentive plans.

Shareholder Approval Requirements for Equity Compensation Plans

The NYSE requires shareholder approval of all equity compensation plans and material revisions to such plans, with limited exemptions set out in the NYSE Listed Company Manual. No such rule applies to a Swiss corporation, however shareholder approval is required as set forth above for the introduction of a so-called conditional capital in the Articles of Associations of the Company to issue shares under such equity compensation plan, unless those shares are sourced from treasury shares of the Company. The Company is also subject to TSX requirements, unless certain exemptions[2] are available.

[2] Subject to meeting certain exemptions for "Eligible Interlisted Issuers" TSX rules require shareholder approval of "security-based compensation arrangements," which are plans that involve newly issued shares, or specified amendments to such plans.

Proxy Delivery Requirements

The NYSE requires the solicitation of proxies and delivery of proxy statements for all shareholder meetings and requires that these proxies be solicited pursuant to a proxy statement that conforms to the proxy rules of the SEC. As a foreign private issuer, the Company is exempt from the proxy rules set forth under the Exchange Act. The Company solicits proxies in accordance with applicable rules and regulations in Switzerland. As a reporting issuer in Canada, the Company must comply with Canadian requirements subject to certain exceptions[3]. The foregoing is consistent with the laws, customs, and practices in Switzerland and Canadian reporting requirements.

[3] An issuer can follow certain U.S. requirements if it qualifies as an "SEC issuer" or "SEC foreign issuer".

The foregoing is consistent with the laws, customs, and practices in Switzerland.

ITEM 16H. MINE SAFETY DISCLOSURE

Pursuant to Section 1503(a) of the Dodd-Frank Act, issuers that are operators, or that have a subsidiary that is an operator, of a coal or other mine in the United States are required to disclose specified information about mine health and safety in their periodic reports. These reporting requirements are based on the safety and health requirements applicable to mines under the Federal Mine Safety and Health Act of 1977, which is administered by the U.S. Department of Labor's Mine Safety and Health Administration ("**MSHA**") under the Federal Mine Safety and Health Act of 1977 (the "**Mine Act**"). During the year ended December 31, 2024, the Company had no mines in the United States that were subject to regulation by the MSHA under the Mine Act and thus no disclosure is required under Section 1503(a) of the Dodd-Frank Act.

ITEM 16I. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

ITEM 16J. INSIDER TRADING POLICIES

The Company has adopted insider trading policies and procedures (the "**Securities Trading Policy**") that govern the purchase, sale, and other dispositions of the Company's securities by directors, senior management, and employees that are designed to promote compliance with applicable insider trading laws, rules and regulations, and any listing standards applicable to the Company. The Securities Trading Policy is filed hereto as Exhibit 11.1.

ITEM 16K. CYBERSECURITY

Cybersecurity Risk Management and Strategy

The Company recognizes the critical importance of cybersecurity in safeguarding its information assets, operational systems, and stakeholder interests. We have developed and implemented a cybersecurity risk management program designed to protect the confidentiality, integrity, and availability of our critical systems and information.

To protect our systems and information from cybersecurity threats, we use a variety of security tools and techniques. Given the Company's small corporate staff, cybersecurity risk management is primarily outsourced to third-party service providers with expertise in cybersecurity threat detection, prevention, and incident response.

Our cybersecurity risk management program is integrated into our overall enterprise risk management program and shares common methodologies and reporting channels that apply across the enterprise risk management program to other risk areas. Our Internal Audit & Risk team is principally responsible for facilitating our enterprise risk management program, in consultation with multiple functions at the Company and reporting to the Audit Committee.

The Company has established a cybersecurity risk management program designed to identify, assess, and mitigate cybersecurity risks. This program includes the engagement of external cybersecurity firms that provide ongoing monitoring, vulnerability assessments, and compliance with relevant security standards and regulatory requirements. The outsourced cybersecurity service providers implement industry best practices, including firewalls, encryption, multi-factor authentication, and intrusion detection systems, to mitigate potential threats.

The Company remains committed to safeguarding its information systems and data from cybersecurity threats. While no material cybersecurity incidents have occurred, the Company continues to enhance its cybersecurity risk management practices in response to the dynamic threat landscape. Through external expertise, robust governance, and periodic oversight by the Audit Committee, the Company seeks to effectively manage cybersecurity risks and ensure business continuity.

Cybersecurity Incidents and Governance

As of *the* date of this filing, the Company has not experienced any material cybersecurity incidents. However, in recognition of the evolving nature of cyber threats, the Company continuously evaluates and enhances its cybersecurity measures. In the event of a cybersecurity incident, the Company has a response plan in place, coordinated by its third-party cybersecurity partners, to contain, investigate, and remediate any breaches while ensuring compliance with applicable regulatory reporting obligations.

The Audit Committee has oversight responsibility for cybersecurity risk management. It receives quarterly and event specific from the Finance Operations Director and external cybersecurity advisors on emerging threats, mitigation strategies, and regulatory developments. The Audit Committee ensures that the Company's cybersecurity strategy aligns with its overall risk management framework and corporate governance principles.

Each employee is responsible for complying with the Company's Information Technology and Cybersecurity Policy. The Company's Information Technology Department assists employees and monitors compliance with the Information Technology and Cybersecurity Policy. The Information Technology Department ultimately reports to the Chief Financial Officer.

Third-Party Cybersecurity Risk Management

Given the Company's reliance on external vendors for key cybersecurity functions, it maintains a vendor risk management program. This includes contractual agreements with service providers that specify security requirements, data protection measures, and incident response obligations. Regular assessments of third-party vendors are conducted by the Company's Information Technology Department to ensure compliance with cybersecurity standards and to mitigate risks associated with outsourced IT functions.

PART III

ITEM 17. FINANCIAL STATEMENTS

See Item 18.

ITEM 18. FINANCIAL STATEMENTS

The financial information required by this item, including the audited consolidated financial statements for the years ended December 31, 2024, 2023 and 2022, together with the report of PricewaterhouseCoopers LLP, Chartered Professional Accountants, is filed as part of this annual report.

ITEM 19. EXHIBITS

Exhibit No.	Description
1.1	Lithium Argentina AG Articles of Association (incorporated by reference to Exhibit 3.1 to the Current Report on Form 8-K12b filed by Lithium Argentina AG on January 24, 2025)
1.2	Lithium Argentina AG By-laws (incorporated by reference to Exhibit 3.2 to the Current Report on Form 8-K12b filed by Lithium Argentina AG on January 24, 2025)
2.1	Description of securities registered under Section 12 of the Exchange Act (incorporated by reference to the Current Report on Form 8-K12B filed by Lithium Argentina AG on January 24, 2025)
3.1	First Supplemental Indenture dated October 3, 2023 between Lithium Americas (Argentina) Corp. and Computershare Trust Company, N.A. (incorporated by reference to Exhibit 99.6 to the Current Report on Form 6-K filed by Lithium Americas (Argentina) Corp. on October 4, 2023)
3.2	Second Supplemental Indenture dated January 23, 2025 between Lithium Americas (Argentina) Corp. and Computershare Trust Company, N.A. (incorporated by reference to Exhibit 99.1 to the Current Report on Form 6-K filed by Lithium Argentina AG on January 24, 2025)
3.3	Supplemental Transaction Agreement dated August 18, 2018 between Lithium Americas Corp. and GFL International Co., Ltd.(incorporated by reference to Exhibit 99.3 of the Current Report on Form 6-K filed by Lithium Argentina AG on August 27, 2018)
4.1#	Tax Indemnity and Cooperation Agreement dated October 3, 2023 between Lithium Americas (Argentina) Corp. and Lithium Americas Corp. (incorporated by reference to Exhibit 99.12 to the Current Report on Form 6-K filed by Lithium Americas Corp. on October 5, 2023)
4.2	Lithium Argentina AG Equity Incentive Plan, Effective January 23, 2025 (incorporated by reference to Exhibit 4.2 to the Registration Statement on Form S-8 filed by Lithium Argentina AG on January 24, 2025)
4.3	Arrangement Agreement dated June 14, 2023 between Lithium Americas Corp. and Lithium Americas (Argentina) Corp. (incorporated by reference to Exhibit 99.2 to the Current Report on Form 6-K filed by Lithium Americas Corp. on June 23, 2023)
4.4	Summary in English of the Purchase Option Agreement dated March 28, 2016, by and between Minera Exar S.A. and Grupo Minero Los Boros
8.1	List of Subsidiaries
11.1	Securities Trading Policy
12.1	Certification of the Principal Executive Officer pursuant to Rule 13a-14(a)
12.2	Certification of the Principal Financial Officer pursuant to Rule 13a-14(a)
13.1	Certificate of Principal Executive Officer pursuant to 18 U.S.C. Section 1350
13.2	Certificate of Principal Financial Officer pursuant to 18 U.S.C. Section 1350
15.1	Management's discussion and analysis of Lithium Argentina for the year ended December 31, 2024
15.2	S-K 1300 Technical Report - Operational Technical Report at the Cauchari-Olaroz Salars, Jujuy Province, Argentina, effective December 31, 2024
15.3	Consent of Qualified Person (David Burga)
15.4	Consent of Qualified Person (Daniel Weber)
15.5	Consent of Qualified Person (Anthony Sanford)
15.6	Consent of Qualified Person (Marek Dworzanowski)
15.7	Consent of Qualified Person (Andeburg Consulting Services)
15.8	Consent of Qualified Person (LRE Water)
15.9	Consent of Qualified Person (EnviroProTech-t)]
15.10	Consent of Qualified Person (CSU Projects)
15.11	Consent of Qualified Person (Frederik Reidel)
97.1	Incentive Compensation Recovery Policy
101.INS	XBRL Instance Document
101.SCH	Inline XBRL Taxonomy Extension Schema With Embedded Linkbase Documents
104	Cover Page Interactive Data File (formatting as Inline XBRL and contained in Exhibit 101)

Portions of this exhibit have been redacted in compliance with Regulation S-K Items 601(a)(5) and 601(b). The Company agrees to furnish a copy of any omitted schedule or exhibit to the SEC upon its request.

SIGNATURES

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this registration statement on its behalf.

LITHIUM ARGENTINA AG

By: */s/Sam Pigott*
Name: Sam Pigott
Title: President and Chief Executive Officer

Date: March 28, 2025

LithiumArgentina

LITHIUM AMERICAS (ARGENTINA) CORP. (FORMERLY LITHIUM AMERICAS CORP.)

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024

(Expressed in US Dollars)

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of Lithium Americas (Argentina) Corp. (formerly Lithium Americas Corp.)

Opinions on the Financial Statements and Internal Control over Financial Reporting
We have audited the accompanying consolidated statements of financial position of Lithium Americas (Argentina) Corp. (formerly Lithium Americas Corp.) and its subsidiaries (together, the Company) as of December 31, 2024 and 2023, and the related consolidated statements of comprehensive (loss) income, of changes in equity and of cash flows for each of the three years in the period ended December 31, 2024, including the related notes (collectively referred to as the consolidated financial statements). We also have audited the Company's internal control over financial reporting as of December 31, 2024, based on criteria established in *Internal Control – Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and its financial performance and its cash flows for each of the three years in the period ended December 31, 2024 in conformity with IFRS Accounting Standards as issued by the International Accounting Standards Board. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2024, based on criteria established in *Internal Control – Integrated Framework* (2013) issued by the COSO.

Change in Accounting Principle
As discussed in Note 3 to the consolidated financial statements, the Company changed the manner in which it presents the equity-settleable convertible notes in 2024.

Basis for Opinions
The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Report on Internal Control over Financial Reporting appearing under Item 15. Our responsibility is to express opinions on the Company's consolidated financial statements and on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting
A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matters
The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Valuation of embedded derivatives in equity-settleable convertible notes
As described in Notes 3 and 13 to the consolidated financial statements, the Company issued an aggregate of $258.8 million principal amount of 1.75% equity-settleable convertible notes in December 2021 (Convertible Notes). The Convertible Notes represent financial instruments that include a debt host and embedded derivatives related to the conversion and redemption options, which are separated from the debt host and accounted for at fair value with changes in fair value recorded in the statements of comprehensive loss. The embedded derivative liability was revalued on December 31, 2024 at $0.6 million. The valuation of the embedded derivative liability required management to make significant estimates and judgments. Management determined the fair value of the embedded derivative liability as of December 31, 2024 using a Partial Differential Equation method with Monte Carlo Simulation. The significant assumptions used by management to value the embedded derivative liability included the Company's expected traded instruments volatility and credit spread.

The principal considerations for our determination that performing procedures relating to the valuation of embedded derivatives in the Convertible Notes is a critical audit matter are (i) the significant judgments by management to determine the fair values of the embedded derivative liability, which included significant assumptions related to the Company's expected traded instruments volatility and credit spread; (ii) the significant audit effort due to a high degree of auditor subjectivity and judgment to evaluate the audit evidence obtained related to the significant assumptions used in the valuation; and (iii) the audit effort which involved the use of professionals with specialized skill and knowledge.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included testing the effectiveness of controls relating to the determination of the fair values of the embedded derivative liability. These procedures also included, among others, (i) the involvement of professionals with specialized skill and knowledge to assist in developing an independent range of possible valuations for the embedded derivative liability at inception and as of December 31, 2024, based on third party data and independently developed assumptions of the Company's expected traded instruments volatility and credit spread, and (ii) comparing the independent estimate to management's estimate to evaluate the reasonableness of management's estimate.

/s/PricewaterhouseCoopers LLP

Chartered Professional Accountants
Vancouver, Canada
March 17, 2025

We have served as the Company's auditor since 2015.

LITHIUM AMERICAS (ARGENTINA) CORP. (FORMERLY LITHIUM AMERICAS CORP.)
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in thousands of US dollars)

	Note	December 31, 2024 $	December 31, 2023 Restated * $	January 1, 2023 Restated * $
CURRENT ASSETS				
Cash and cash equivalents	5	85,543	122,293	194,471
Short-term bank deposits		-	-	157,631
Prepayments to Minera Exar for lithium carbonate purchases	9	-	6,673	-
Receivables from purchasers for lithium carbonate	9	17,436	-	-
Loans to Exar Capital	8	10,799	-	-
Other receivables, prepaids and deposits		3,631	4,609	3,990
		117,409	133,575	356,092
NON-CURRENT ASSETS				
Associates and other investments		-	-	31,343
Investment in Sal de la Puna Project	6	183,207	181,270	-
Loans to Exar Capital	8	369,616	320,869	223,122
Loans to Minera Exar	10	67,355	-	-
Investment in Cauchari-Olaroz Project	7	32,919	59,581	41,507
Long-term receivable from JEMSE	7	7,935	7,394	6,813
Property, plant and equipment	11	8,988	9,245	9,026
Exploration and evaluation assets	12	343,794	343,092	348,645
		1,013,814	921,451	660,456
TOTAL ASSETS		1,131,223	1,055,026	1,016,548
CURRENT LIABILITIES				
Accounts payable and accrued liabilities		8,375	9,649	16,540
Payable to Minera Exar for lithium carbonate purchases	9	21,152	-	-
Customer advances	9	-	2,322	-
Convertible notes interest and other liabilities		2,308	2,608	3,105
Equity-settleable convertible notes	13	208,437	200,361	204,472
		240,272	214,940	224,117
NON-CURRENT LIABILITIES				
Deferred income tax liability	23	-	10,659	-
Decommissioning provision		-	-	478
Other liabilities		21	496	7,951
		21	11,155	8,429
TOTAL LIABILITIES		240,293	226,095	232,546
EQUITY				
Share capital	14	1,619	1,607	1,350
Capital reserve		1,499,682	1,492,001	1,058,361
Accumulated other comprehensive loss		(3,487)	(3,487)	(3,487)
Deficit		(669,540)	(661,190)	(272,222)
TOTAL EQUITY ATTRIBUTABLE TO LITHIUM ARGENTINA'S SHAREHOLDERS		828,274	828,931	784,002
Non-controlling interest	10	62,656	-	-
TOTAL EQUITY		890,930	828,931	784,002
TOTAL LIABILITIES AND EQUITY		1,131,223	1,055,026	1,016,548

*The comparative information has been reclassified as discussed in Note 13 and Note 14.

Approved for issuance on March 14, 2025

On behalf of the Board of Directors:

"Robert Doyle"
Director

"George Ireland"
Director

LITHIUM AMERICAS (ARGENTINA) CORP. (FORMERLY LITHIUM AMERICAS CORP.)
CONSOLIDATED STATEMENTS OF COMPREHENSIVE (LOSS)/INCOME
(Expressed in thousands of US dollars, except for per share amounts; shares in thousands)

		Years Ended December 31,		
	Note	2024 $	2023 $	2022 $
EXPENSES				
Exploration and evaluation expenditures	17	(10,078)	(21,214)	(4,733)
General and administrative	16	(14,654)	(21,401)	(13,339)
Equity compensation		(7,229)	(8,399)	(2,602)
Share of (loss)/income of Cauchari-Olaroz Project	7	(28,232)	16,211	(83,276)
Share of loss of Arena Minerals		-	(677)	(1,359)
Share of loss of Sal de la Puna Project	6	(176)	(866)	-
		(60,369)	(36,346)	(105,309)
OTHER ITEMS				
Transaction costs	19	(6,818)	(7,569)	-
Gain on financial instruments measured at fair value	13	12,530	22,379	44,570
Gain on modification of the loans to Exar Capital		-	-	20,354
Finance costs	18	(25,176)	(22,702)	(20,874)
Foreign exchange gain		2,147	19,579	3,433
Finance and other income	20	51,787	52,899	25,299
		34,470	64,586	72,782
(LOSS)/INCOME FROM CONTINUING OPERATIONS BEFORE TAXES		(25,899)	28,240	(32,527)
Tax recovery/(expense)	23	10,659	(10,659)	-
(LOSS)/INCOME FROM CONTINUING OPERATIONS		(15,240)	17,581	(32,527)
INCOME/(LOSS) FROM DISCONTINUED OPERATIONS	4	-	1,270,788	(61,041)
NET (LOSS)/INCOME		(15,240)	1,288,369	(93,568)
ATTRIBUTABLE TO:				
Equity holders of Lithium Argentina		(15,234)	1,288,369	(93,568)
Non-controlling interest		(6)	-	-
TOTAL COMPREHENSIVE (LOSS)/INCOME		(15,240)	1,288,369	(93,568)
BASIC AND DILUTED (LOSS)/INCOME PER SHARE FROM CONTINUING OPERATIONS*	**14**			
(Loss)/income per share - basic		(0.09)	0.11	(0.24)
(Loss)/income per share - diluted		(0.09)	0.11	(0.24)
BASIC AND DILUTED (LOSS)/INCOME PER SHARE FROM DISCONTINUED OPERATIONS				
Income/(loss) per share - basic		-	8.18	(0.46)
Income/(loss) per share - diluted		-	7.91	(0.46)
BASIC AND DILUTED (LOSS)/INCOME PER SHARE TOTAL				
(Loss)/income per share - basic		(0.09)	8.29	(0.70)
(Loss)/income per share - diluted		(0.09)	8.02	(0.70)
Weighted average number of common shares outstanding – basic total	**14**	161,338	155,331	133,709
Weighted average number of common shares outstanding – diluted total	**14**	161,338	160,630	133,709

*The comparative (loss) income per share information has been restated as discussed in Note 14.

LITHIUM AMERICAS (ARGENTINA) CORP. (FORMERLY LITHIUM AMERICAS CORP.)
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Expressed in thousands of US dollars, shares in thousands)

	Share capital							
	Number of shares	Amount $	Capital Reserve $	Accumulated other comprehensive loss $	Deficit $	Shareholders' equity $	Non-controlling interest $	Total equity $
Authorized share capital: Unlimited common shares without par value								
Balance December 31, 2021 (Note 14)	120,831	1,208	717,248	(3,487)	(178,654)	536,315	-	536,315
Shares issued on conversion of RSUs, DSUs and exercise of stock options	1,005	10	1,910	-	-	1,920	-	1,920
Shares issued pursuant to the acquisition of Millennial	13,199	132	333,680	-	-	333,812	-	333,812
Equity compensation	-	-	3,530	-	-	3,530	-	3,530
RSUs issued in lieu of accrued bonuses	-	-	1,374	-	-	1,374	-	1,374
DSUs issued in lieu of directors' fees	-	-	619	-	-	619	-	619
Net loss	-	-	-	-	(93,568)	(93,568)	-	(93,568)
Balance, December 31, 2022 (Note 14)	135,035	1,350	1,058,361	(3,487)	(272,222)	784,002	-	784,002
Shares issued on conversion of RSUs, DSUs, PSUs, and exercise of stock options	2,186	22	150	-	-	172	-	172
Shares issued pursuant to the GM investment	15,002	150	286,804	-	-	286,954	-	286,954
Share issuance costs	-	-	(15,217)	-	-	(15,217)	-	(15,217)
Shares issued pursuant to Arena Minerals acquisition	8,456	85	163,118	-	-	163,203	-	163,203
Equity compensation	-	-	14,254	-	-	14,254	-	14,254
DSUs issued in lieu of directors' fees	-	-	628	-	-	628	-	628
Distribution of assets upon separation	-	-	(16,097)	-	(1,677,337)	(1,693,434)		(1,693,434)
Net income	-	-	-	-	1,288,369	1,288,369	-	1,288,369
Balance, December 31, 2023 (Note 14)	160,679	1,607	1,492,001	(3,487)	(661,190)	828,931	-	828,931
Shares issued on conversion of RSUs, DSUs, PSUs, and exercise of stock options	1,253	12	(12)	-	-	-	-	-
Equity compensation (Note 14)	-	-	7,693	-	-	7,693	-	7,693
Pastos Grandes Transaction (Note 10)	-	-	-	-	6,884	6,884	62,662	69,546
Net loss	-	-	-	-	(15,234)	(15,234)	(6)	(15,240)
Balance December 31, 2024 (Note 14)	161,932	1,619	1,499,682	(3,487)	(669,540)	828,274	62,656	890,930

LITHIUM AMERICAS (ARGENTINA) CORP. (FORMERLY LITHIUM AMERICAS CORP.)
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in thousands of US dollars)

	Note	Years Ended December 31, 2024 $	2023 $	2022 $
OPERATING ACTIVITIES				
(Loss)/income from continuing operations		(15,240)	17,581	(32,527)
Items not affecting cash and other items:				
Equity compensation	14	7,229	8,399	1,175
Depreciation		758	1,067	222
Deferred tax (recovery)/expense	23	(10,659)	10,659	-
Foreign exchange gain		(2,147)	(13,774)	(3,433)
Share of loss/(income) of Cauchari-Olaroz Project	7	28,232	(16,211)	83,276
Share of loss of Arena Minerals		-	677	1,359
Share of loss of Sal de la Puna Project	6	176	866	-
Gain on modification of the loans to Exar Capital			-	(20,354)
Gain on financial instruments measured at fair value	13	(12,530)	(22,379)	(44,570)
Finance costs (net)		(21,336)	(8,285)	(151)
Payment of interest on the convertible notes and debt facilities		(4,528)	(4,528)	(6,297)
Changes in non-cash working capital items:				
(Increase)/decrease in receivables, prepaids and deposits		(16,458)	(1,018)	175
Increase in accounts payable and accrued liabilities		20,342	3,009	4,356
Decrease/(increase) in net prepayments made for lithium carbonate		4,351	(4,353)	-
Cash used in operating activities of continuing operations		(21,810)	(28,290)	(16,769)
Cash used in operating activities of discontinued operations		-	(30,679)	(48,453)
Net cash used in operating activities		(21,810)	(58,969)	(65,222)
INVESTING ACTIVITIES				
Loans to Exar Capital	8	(41,978)	(64,680)	(79,674)
Proceeds from repayment of loans by Exar Capital	8	26,476	-	-
Loans to Minera Exar	10	(65,000)	-	-
Contribution to Investment in Cauchari-Olaroz project	7	(1,570)	(1,863)	(3,138)
Contribution to Investment in Sal de la Puna Project	6	(2,113)	-	-
Proceeds from withdrawal of/ (investments in) short-term bank deposits		-	155,000	(155,000)
Investment in Arena Minerals		-	-	(2,745)
Change in cash as a result of Arena Minerals acquisition		-	(2,887)	-
Change in cash as a result of Millennial acquisition		-	-	31,352
Additions to exploration and evaluation assets	12	(702)	(2,577)	(1,188)
Additions to property, plant and equipment	11	(971)	(5,291)	(169)
Cash (used)/provided by investing activities of continuing operations		(85,858)	77,702	(210,562)
Cash used in investing activities of discontinued operations		-	(116,804)	(20,320)
Net cash used in investing activities		(85,858)	(39,102)	(230,882)
FINANCING ACTIVITIES				
Proceeds from equity awards exercises		-	172	1,920
Financing costs related to separation		-	(15,647)	-
Cash distributed upon separation	4	-	(275,499)	-
Repayment of the subordinate loan facility		-	-	(24,708)
Proceeds from Pastos Grandes Transaction	10	70,000	-	-
Transaction costs related to Pastos Grandes Transaction	10	(455)	-	-
Lease liabilities		(774)	338	(303)
Cash provided/(used) in financing activities of continuing operations		68,771	(290,636)	(23,091)
Cash provided by financing activities of discontinued operations		-	302,755	(374)
Net cash provided/(used) in financing activities		68,771	12,119	(23,465)
Effect of foreign exchange on cash		2,147	13,774	3,433
CHANGE IN CASH AND CASH EQUIVALENTS		(36,750)	(72,178)	(316,136)
CASH AND CASH EQUIVALENTS - BEGINNING OF THE PERIOD		122,293	194,471	510,607
CASH AND CASH EQUIVALENTS - END OF THE PERIOD		85,543	122,293	194,471

Supplemental disclosure with respect to cash flows (Note 22)

1. NATURE OF OPERATIONS

Lithium Argentina AG ("Lithium Argentina", the "Company" or "LAR"), formerly Lithium Americas (Argentina) Corp. and prior to the Separation Lithium Americas Corp. (Note 4), is a Swiss- domiciled resource company with lithium projects located in Argentina.

On January 23, 2025, the Company completed a plan of arrangement under the laws of the province of British Columbia (the "Arrangement") involving the Company's continuation from the province of British Columbia under the name "Lithium Americas (Argentina) Corp." into Zug, Canton of Zug, Switzerland, as a Swiss share corporation under the name "Lithium Argentina AG." As a result, the Company ceased to be governed by the Business Corporations Act (British Columbia). Following the Arrangement, the shareholders of the Company prior to the Arrangement continued to hold all the issued and outstanding common registered shares of the Company (the "Continuation") (Note 14). On January 27, 2025, the Company began trading under the new symbol "LAR" on the Toronto Stock Exchange ("TSX") and the New York Stock Exchange ("NYSE").

The Company is focused on the operations of the Cauchari-Olaroz project ("Cauchari-Olaroz"). Cauchari-Olaroz is a lithium brine operation located in the Salar de Olaroz and Salar de Cauchari in Jujuy province, north-western Argentina. The Company's interest in Cauchari-Olaroz is held through a 44.8% ownership interest in Minera Exar S.A. ("Minera Exar"), a company incorporated under the laws of Argentina. Ganfeng Lithium Co. Ltd. ("Ganfeng") owns 46.7% of Minera Exar with the remaining 8.5% interest held by Jujuy Energia y Mineria Sociedad del Estado ("JEMSE"), a mining investment company owned by the provincial government of Jujuy. Cauchari-Olaroz is in the production stage and achieved commercial production effective October 1, 2024.

The Company also owns 85.1% interest in the Pastos Grandes lithium project ("Pastos Grandes") acquired through the acquisition of Millennial Lithium Corp. ("Millennial") on January 25, 2022, and a 65% ownership interest in the Sal de la Puna project ("Sal de la Puna"), held by the Company's wholly-owned subsidiary Arena Minerals Inc. ("Arena Minerals") which was acquired on April 20, 2023. Pastos Grandes and Sal de la Puna are lithium brine projects located in Salta province, in north-western Argentina.

The Company's registered office is located at Dammstrasse 19, 6300 Zug, Switzerland.

2. BASIS OF PREPARATION AND PRESENTATION

These consolidated financial statements of the Company have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) (IFRS Accounting Standards) and were approved by the Board of Directors on March 14, 2025.

These consolidated financial statements are expressed in United States dollars ("US$" or "US dollar"), the Company's presentation currency, and have been prepared on a historical cost basis. The accounting policies set out in Note 3 have been applied consistently to all the years presented in these consolidated financial statements, unless otherwise stated.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

Material accounting policies

Principles of Consolidation

These consolidated financial statements include the accounts of Lithium Argentina and its corporate group of companies, consisting of (i) Argentine subsidiaries, Proyecto Pastos Grandes S.A. and Potassium S.A.; (ii) Dutch wholly owned subsidiaries 2265866 Ontario Inc. and Millennial, (iii) Canadian wholly owned subsidiary 1511210 BC Ltd.; and (iv) US wholly owned subsidiary Lithium Americas (Argentina) Services Corp. All intercompany transactions and balances have been eliminated. 2265866 Ontario Inc. and Millennial were re-domiciled from Canada to the Netherlands as part of the Continuation in November 2024.

Subsidiaries are all entities over which the Company has control. The Company is considered to control an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the entity's activities. Subsidiaries are fully consolidated from the date on which control is transferred to the Company and are deconsolidated from the date that control ceases. Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated. Where necessary, the accounting policies of subsidiaries are adjusted to align with those of the Company.

Investments in Associates

Associates are all entities over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting.

Under the equity method, the initial investment is recorded at cost, and the carrying value is subsequently adjusted for the Company's share of post-acquisition net income or loss, depreciation, amortization, or impairment of fair value adjustments made to the underlying balance sheet at the acquisition date. The carrying value is also adjusted for dividends, cash contributions, and the Company's share of post-acquisition movements in Other Comprehensive Income ("OCI").

If the Company's share of losses of an associate exceeds the carrying value of its interest in the associate, it discontinues recognizing its share of further losses. Once the Company's interest is reduced to zero, additional losses are provided for, and a liability is recognized, only to the extent that the entity incurs legal or constructive obligations or makes payments on behalf of the associate or joint venture. If the associate subsequently reports profits, the Company resumes recognizing its share of those profits only after its share of the profits equals the share of losses that were not recognized.

At each reporting date, the Company considers whether there is objective evidence of impairment of the investments in associates. If such evidence exists, the Company determines the amount of impairment to record, if any, by reference to the recoverable amount of investment determined in accordance with IAS 36, Impairment of Assets as described in the Company's accounting policy for impairment of property, plant and equipment.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(continued)*

Foreign Currency Translation

Functional and Presentation Currency

Items included in the financial statements of each of the entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency).

The consolidated financial statements are presented in US dollars. The functional currency of the parent entity, Lithium Argentina, as well as all its subsidiaries, is the US dollar. The functional currency of the Company's associates, Minera Exar and Exar Capital B.V. ("Exar Capital"), is also the US dollar.

Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are recognized in profit or loss. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash held with banks and highly liquid short-term investments which can be withdrawn at any time and are subject to an insignificant risk of changes in value.

Exploration and Evaluation Assets

Exploration expenditures, excluding acquisition costs and claim maintenance costs, are expensed until the technical feasibility and commercial viability are established. These factors are assessed based on the following:

- The extent to which mineral reserves or mineral resources, as identified through a feasibility study or similar document; and
- The status of mining leases, environmental and mining permits.

Costs related to the acquisition and maintenance of mineral property claims, including option payments and annual fees to keep the property in good standing are capitalized and deferred on a property-by-property basis. This also applies to exploration expenditures incurred within the geologic formation of an existing brownfield mining project, until the project is sold, abandoned, impaired, or placed into production. After recognition, the Company applies the cost model for exploration and evaluation assets.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(continued)*

The Company evaluates its exploration and evaluation assets for impairment at each balance sheet date, as well as whenever events or circumstances suggest the possibility of impairment. If the Company determines that a property has been impaired or if exploration results indicate no further work is warranted, the property is written down or written off. Additionally, exploration and evaluation assets are tested for impairment immediately before being reclassified to mineral property development costs.

Property, Plant and Equipment

On initial recognition, property, plant and equipment are valued at cost. Cost includes the purchase price and directly attributable acquisition or construction costs necessary to bring the asset to its intended location and condition for it to be capable of operating in the manner intended by the Company, including

appropriate borrowing costs and foreign exchange losses or gains on borrowings, and any related cash used to construct qualifying assets, as defined under IFRS.

Capitalization of costs ceases when the asset is capable of operating in the manner intended by management. The Company exercises judgment in determining when the asset is considered ready for use in accordance with management's intended purpose.

Subsequently, property, plant, and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses, with the exception of land which is not depreciated. When different parts of a single item of property, plant, and equipment have varying useful lives, they are treated as separate items or major components.

Property, plant and equipment that are currently in use are depreciated as follows:

- Laboratory, exploration, and pilot plant equipment included in "Equipment and machinery" – straight-line basis over the estimated useful life of 10 years;
- Buildings – straight-line basis over the estimated useful life of 20 years;
- Right-of-use assets included in "Other" – depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis; and
- Office equipment included in "Other" – declining balance method at 20% annual rate.

The assets' residual values, useful lives, and depreciation methods are reviewed and, if appropriate, adjusted at least annually. The gain or loss on the disposal of an item of property, plant, and equipment is determined by the difference between the sale proceeds and the carrying amount of the asset and is recognized in profit or loss.

Impairment of Property, Plant and Equipment

Property, plant, and equipment are assessed for impairment indicators at each reporting date, or when an impairment indicator arises outside of a reporting date. If an impairment indicator is identified, an impairment assessment is carried out. If an impairment loss is recognized, it is for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and its value in use.

3. **SUMMARY OF MATERIAL ACCOUNTING POLICIES** *(continued)*

Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable, willing parties.

In assessing value in use, estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For impairment assessment purposes, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). These are typically individual mines or development projects.

Where the factors that led to an impairment loss subsequently reverse, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but not above the carrying amount that would have been determined had no impairment loss been recognized in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Leases

At the inception of a contract, the Company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company evaluates whether the contract involves the use of an identified asset, whether it has the right to obtain substantially all of the economic benefits from the use of the asset during the term of the arrangement, and whether it has the right to direct the use of the asset. At inception, or upon reassessment of a contract that contains one or more lease components, the Company allocates the consideration in the contract to each lease component based on their relative standalone prices.

The Company leases offices, buildings, and equipment. Lease contracts are typically entered into for fixed periods of 3 to 5 years. Lease terms are negotiated on an individual basis and include a range of different terms and conditions.

Leases are recognized as a right-of-use asset and a corresponding liability on the date the leased asset is available for use by the Company. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease term, such that a constant periodic rate of interest is applied to the remaining balance of the liability. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term, on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments based on an index or a rate;
- amounts expected to be payable by the lessee under residual value guarantees;

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(continued)*

- the exercise price of a purchase option, if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee's decision to exercise that option.

Lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used.

This is the rate the lessee would pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment, with similar terms and conditions.

Right-of-use assets are measured at cost, which includes the following:

- the amount of the initial measurement of the lease liability;
- any lease payments made on or before the commencement date, less any lease incentives received;
- any initial direct costs; and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognized as an expense in profit or loss on a straight-line basis. Short-term leases are defined as leases with a lease term of 12 months or less.

Financial Instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, financial assets are classified and measured at amortized cost, fair value through profit or loss ("FVTPL") or fair value through OCI, based on their contractual cash flow characteristics and the business models under which they are held.

Financial assets are measured at amortized cost if they are held for the collection of contractual cash flows, where those cash flows solely represent payments of principal and interest, and if the Company's intent is to hold these financial assets to collect those cash flows. Financial liabilities are measured at amortized cost unless they are required to be measured at FVTPL or are measured at FVTPL at the Company's election.

Financial assets are derecognized when the rights to receive cash flows from the assets have expired, or when they have been transferred and the Company has transferred substantially all of the risks and rewards of ownership.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(continued)*

Derivative instruments

Derivative instruments, including embedded derivatives in executory contracts or financial liability contracts, are classified as FVTPL and are recorded on the balance sheet at fair value. Unrealized gains and losses on derivatives that are not designated in a hedging relationship are recognized in income (expense). Fair values for derivative instruments are determined using inputs based on market conditions existing at the balance sheet date or the settlement date of the derivative.

Embedded derivatives in non-derivative contracts are recognized separately unless they are closely related to the host contract.

Impairment of financial assets

The Company assesses the expected credit losses associated with its financial assets carried at amortized cost on a forward-looking basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition.

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction, or production of assets that require a substantial period of time to prepare for their intended use or sale are capitalized as part of the cost of those assets. Capitalization of borrowing costs begins when borrowings are made, and activities commence to prepare the asset for its intended use. Capitalization ends when substantially all activities necessary to prepare the qualifying asset for its intended use are complete.

When proceeds from project-specific borrowings are temporarily invested, borrowing costs are capitalized net of any investment income. Capitalization of borrowing costs is suspended during extended periods when active development is interrupted.

Income Taxes

Income tax expense comprises current and deferred tax. Income tax is recognized in profit or loss, except to the extent that it relates to items recognized directly in equity. Current tax expense is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at the period-end, adjusted for amendments to tax payable related to previous years.

Deferred tax is recorded using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. No deferred tax is provided for the initial recognition of assets or liabilities that affect neither accounting nor taxable profit or loss, unless arising in a business combination, nor for differences relating to investments in subsidiaries, to the extent that they are not probable to reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amounts of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. If it is not probable that a deferred tax asset will be recovered, it is not recognized.

3. **SUMMARY OF MATERIAL ACCOUNTING POLICIES** *(continued)*

Share Capital

Common shares are classified as equity. Incremental costs directly attributable to the issuance of shares are recognized as a deduction from equity (Note 14).

Earnings (loss) per Share

Basic earnings (loss) per share is computed by dividing the net earnings or loss attributable to shareholders of the Company by the weighted average number of common shares outstanding during the reporting period.

Diluted earnings (loss) per share is calculated based on the weighted average number of common shares outstanding during the period, plus the effects of dilutive common share equivalents. The dilutive effect of outstanding equity awards and warrants is calculated using the treasury stock method.

This method assumes that all common share equivalents are exercised at the beginning of the period (or at the time of issuance, if later), and that the funds obtained from such exercises are used to purchase common shares of the Company at the average trading price during the period, but only if dilutive.

Equity-Based Compensation

The Company's equity incentive plan permits the grant of restricted share units, performance share units, deferred share units, and stock options. The cost of equity-settled payment arrangements is recorded based on the estimated fair value at the grant date and charged to the statement of comprehensive income (loss) over the vesting period. Each tranche in an award is considered a separate award with its own vesting period and grant date fair value.

The fair value of each tranche is measured at the grant date using the appropriate pricing model, including the Black-Scholes option pricing model for stock options and the Monte Carlo simulation methodology for performance share units. Compensation expense is recognized over the vesting period of each tranche based on the number of awards expected to vest, with an increase in contributed surplus. The number of awards expected to vest is reviewed at least annually, with any adjustments recognized immediately.

When equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received in the statement of comprehensive income (loss), unless related to the issuance of equity instruments. Amounts related to the issuance of shares are recorded as a reduction of share capital. When the fair value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is determined using an appropriate valuation model.

Estimation Uncertainty and Accounting policy judgments

Impairment of investments in associates and joint ventures

The application of the Company's accounting policy for impairment assessment of its investments in associates and joint ventures requires judgment to determine whether objective evidence of impairment exists. The investment in Cauchari-Olaroz includes the Company's equity-accounted investments in associates, Minera Exar and Exar Capital, which are equity investees holding interests in the underlying Cauchari-Olaroz project. The Company's interest in Sal de la Puna is considered a joint venture and is accounted for using the equity method of accounting.

3. **SUMMARY OF MATERIAL ACCOUNTING POLICIES** *(continued)*

Management's assessment of whether objective evidence of impairment exists includes considering whether any events have impacted estimated future cash flows (loss events) or if there is any information regarding significant changes with an adverse effect on the investments in associates and joint ventures. These considerations include (i) significant financial difficulties of the associates and joint ventures; (ii) a breach of contract, such as default or delinquency in payments by the associates and joint ventures; (iii) changes in the development plan or strategy for the underlying Cauchari-Olaroz or Sal de la Puna; or (iv) changes in significant assumptions that drive the valuation of the underlying Cauchari-Olaroz or Sal de la Puna, including forecasted commodity prices, reserve and resource estimates, and capital expenditure requirements.

Management has performed an assessment and concluded that no objective evidence of impairment exists as of December 31, 2024.

Impairment of Exploration and Evaluation Assets

The application of the Company's accounting policy for impairment of exploration and evaluation assets requires judgment to determine whether indicators of impairment exist including information such as, the period for which the Company has the right to explore including expected renewals, whether substantive expenditures on further exploration and evaluation of resource properties are budgeted and evaluation of the results of exploration and evaluation activities up to the reporting date. Management has performed an impairment indicator assessment on the Company's exploration and evaluation assets and has concluded that no impairment indicators exist as of December 31, 2024.

Accounting for Acquisition of Arena Minerals

The Company accounted for the acquisition of Arena Minerals in April 2023 as an asset acquisition. Significant judgment was required to determine whether this accounting treatment was appropriate for the transaction. This included, among other considerations, the determination that Arena Minerals does not meet the definition of a business under IFRS 3 - Business Combinations, as it lacked inputs and substantive processes that could collectively contribute to the creation of outputs.

Accounting for Joint Arrangements

A joint arrangement is defined as an arrangement over which two or more parties have joint control, which is the contractually agreed sharing of control. Joint control exists only when decisions about the relevant activities (those that significantly affect the returns of the arrangement) require the unanimous consent of the parties sharing control. There are two types of joint arrangements: joint operations and joint ventures.

A joint operation is a joint arrangement where the parties with joint control have rights to the assets and are responsible for funding the liabilities related to the arrangement. The Company recognizes its share of the assets, liabilities, revenues, and expenses of a joint operation. A joint venture is a joint arrangement where the parties with joint control have rights to the net assets of the arrangement. Investments in joint ventures are accounted for using the equity method.

The Company's 65% ownership interest in Sal de la Puna is considered to be a joint venture and accounted for using the equity method of accounting (Note 6).

3. **SUMMARY OF MATERIAL ACCOUNTING POLICIES** *(continued)*

Fair value of derivatives

The fair values of financial instruments that are not traded in an active market are determined using valuation techniques. The valuation of the convertible notes embedded derivative liability required management to make significant estimates. Management exercises judgment in selecting the appropriate valuation method and in making estimates of specific model inputs based on conditions existing at the end of each reporting period.

The valuation of the convertible note embedded derivatives was performed using a partial differential equation method with Monte Carlo simulation, which required significant assumptions, including expected volatility of traded instruments, credit spreads, and estimates related to other inputs.

Refer to Note 13 for further details on the methods and assumptions used in the measurement of the convertible note embedded derivatives.

Determination of Commercial Production for the Cauchari Olaroz project

Judgment is a requirement in determining whether a project's assets are available for use (referred to as "commercial production"). In making this determination, management considers specific facts and circumstances, including, but not limited to, whether the product produced by the plant is saleable, the

completion of a reasonable commissioning period, and the achievement of consistent operating results at a predetermined level of design capacity for a reasonable period of time.

Minera Exar determined that commercial production was achieved at the Cauchari-Olaroz project as of October 1, 2024. As a result, the project's assets were considered ready for their intended use, and depreciation of these assets commenced on October 1, 2024.

New IFRS Pronouncements

Amendments to IAS 1 – Presentation of Financial Statements

In October 2022, the IASB issued amendments to IAS 1, *Presentation of Financial Statements* titled *Non-current liabilities with covenants*. These amendments sought to improve the information that an entity provides when its right to defer settlement of a liability is subject to compliance with covenants within 12 months after the reporting period. These amendments to IAS 1 override but incorporate the previous amendments, Classification of liabilities as current or non-current, issued in January 2020, which clarified that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period.

Liabilities should be classified as non-current if a company has a substantive right to defer settlement for at least 12 months at the end of the reporting period. The Company adopted these amendments effective January 1, 2024, applied them retrospectively as required by the transitional provisions of the amendments and included restated consolidated statements of financial position for the comparative periods ended December 31, 2023, and January 1, 2023.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES *(continued)*

Amendments to IAS 1 resulted in a reclassification of equity-settleable convertible notes (the "Convertible Notes", "Notes", or "equity-settleable convertible notes") from non-current liabilities to current liabilities as at January 1, 2023 and December 31, 2023. The Convertible Notes are convertible at the option of the holders upon satisfaction of certain conditions that are beyond the control of the Company. If such conditions are satisfied, the convertible notes would be convertible at the option of the holders and upon conversion, the Notes may be settled, at the Company's election, in common shares of the Company, cash or a combination thereof. As a result, the Company does not have the right to defer settlement of the Notes for more than 12 months after the end of the reporting periods (Note 13).

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, *Presentation and Disclosure in Financial Statements* which will replace IAS 1, *Presentation of Financial Statements*. IFRS 18 introduces new requirements on presentation within the statement of profit or loss, including specified totals and subtotals.

It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes.

In addition, there are consequential amendments to other accounting standards; some requirements previously included in IAS 1 have been moved to IAS 8 and limited amendments have been made to IAS 7 and IAS 34. IFRS 18 is effective for the reporting period beginning on or after January 1, 2027, with early application permitted. Retrospective application is required in both annual and interim financial statements. The Company is currently assessing the impact of this standard on its financial statements and has not yet applied it.

Amendments to IFRS 9 and IFRS 7 – Amendments to the Classification and Measurement of Financials Instruments

In May 2024, the IASB issued amendments to IFRS 9 and IFRS 7, *Amendments to the Classification and Measurement of Financials Instruments*. These amendments updated classification and measurement requirements in IFRS 9 *Financial Instruments* and related disclosure requirements in IFRS 7 *Financial Instruments: Disclosures*. The IASB clarified the recognition and derecognition date of certain financial assets and liabilities, and amended the requirements related to settling financial liabilities using an electronic payment system. It also clarified how to assess the contractual cash flow characteristics of financial assets in determining whether they meet the solely payments of principal and interest criterion, including financial assets that have environmental, social and corporate governance (ESG)-linked features and other similar contingent features. These amendments require additional disclosures for financial instruments with contingent features that do not relate directly to basic lending risks and costs and amended disclosures relating to equity instruments designated at fair value through other comprehensive income.

The amendments are effective for annual periods beginning on or after January 1, 2026. Early adoption is permitted, with an option to early adopt the amendments for contingent features only. The Company is currently assessing the impact of these amendments on its financial statements and has not yet applied it.

4. DISTRIBUTED OPERATIONS

On July 31, 2023, at the annual, general and special meeting of the Company, the Company's shareholders approved the separation of the Company into Lithium Argentina and a new Lithium Americas Corp. ("Lithium Americas (NewCo)"), pursuant to a statutory plan of arrangement (the "Separation"). The Separation was completed on October 3, 2023, pursuant to a final order dated August 4, 2023, from the Supreme Court of British Columbia approving the plan of arrangement. As a result of the transaction, on October 3, 2023, the Company transferred its North American business, including, among other assets, the Thacker Pass Project ("Thacker Pass") and $275,499 of cash to Lithium Americas (NewCo).

Pursuant to the plan of arrangement, each shareholder received one common share of Lithium Argentina and one common share of Lithium Americas (NewCo) in exchange for each common share of the Company previously held. As part of the approval of the Separation, the Company's shareholders also approved amendments to the equity incentive plan to allow holders of restricted share units, performance share units and deferred share units to receive on Separation one similar instrument in each of Lithium Argentina (subject to adjustment) and Lithium Americas (NewCo). The Company has no further interest in Lithium Americas (NewCo) subsequent to the Separation.

The distributed operations were presented and accounted for using IFRS 5, Non-Current Assets Held for Sales and Discontinued Operations, and IFRIC 17, Distribution of Assets to Owners. Under this guidance, a dividend was recognized in deficit measured at the fair value of the net assets distributed with a corresponding dividend payable. The dividend payable was then settled through the distribution of the net assets. The fair value of the net assets distributed was $1,680,501, determined based on the share price of Lithium Americas (Newco) on October 4, 2023.

The difference of $1,267,552 between the fair value of the dividend and the carrying value of the net assets was recognized as a gain on distribution of assets within discontinued operations during the year ended December 31, 2023.

(Expressed in thousands of US dollars, except for per share amounts; shares and equity instruments in thousands)

4. **DISTRIBUTED OPERATIONS** *(continued)*

As at October 3, 2023, the carrying value of Lithium Americas (NewCo) which was distributed comprised the following assets and liabilities:

	$
Assets	
Cash and cash equivalents	275,499
Receivables, prepaids and deposits	16,877
Property, plant and equipment	131,182
Exploration and evaluation assets	770
Investment in Green Technology Metals	3,590
Investment in Ascend Elements	8,582
Assets distributed upon separation	**436,500**
Liabilities	
Accounts payable and accrued liabilities	(17,157)
Current portion of long-term liabilities	(808)
GM transaction derivative liability	(370)
Decommissioning provision	(601)
Other liabilities	(4,617)
Liabilities distributed upon separation	**(23,553)**
Net assets distributed upon separation	**412,947**

The results and cash flows of Lithium Americas (NewCo) presented as discontinued operations are as follows:

	Years Ended December 31,		
	2024	**2023**	**2022**
	$	**$**	**$**
EXPENSES			
Exploration and evaluation expenditures	-	(5,779)	(44,464)
General and administrative	-	(8,073)	(9,544)
Equity compensation	-	(5,309)	(4,036)
	-	(19,161)	(58,044)
OTHER ITEMS			
Transaction costs	-	(10,095)	-
Gain/(loss) on financial instruments measured at fair value	-	32,545	(2,564)
Finance costs	-	(43)	(447)
Other (loss)/income	-	(10)	14
Gain on distribution of assets upon separation		1,267,552	-
	-	1,289,949	(2,997)
INCOME/(LOSS) FROM DISCONTINUED OPERATIONS	-	1,270,788	(61,041)

(Expressed in thousands of US dollars, except for per share amounts; shares and equity instruments in thousands)

4. DISTRIBUTED OPERATIONS *(continued)*

	Years Ended December 31,		
	2024	2023	2022
	$	$	$
Cash used in operating activities of discontinued operations	-	(30,679)	(48,453)
Cash used in investing activities of discontinued operations	-	(116,804)	(20,320)
Cash provided/(used) in financing activities of discontinued operations	-	302,755	(374)

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents

	December 31, 2024	December 31, 2023
	$	$
Cash	11,460	42,169
Cash equivalents	74,083	80,124
	85,543	122,293

As at December 31, 2024, $156 of cash and cash equivalents was held in Canadian dollars (December 31, 2023 – $2,438), $85,289 in US dollars (December 31, 2023 – $119,569) and $98 were held in Argentine Pesos (December 31, 2023 – $286). During the year ended December 31, 2024, cash and cash equivalents generated an interest income of $4,217 (2023 – $19,188).

6. SAL DE LA PUNA JOINT VENTURE

On April 20, 2023, the Company completed the acquisition of Arena Minerals through the purchase of all the issued and outstanding shares of Arena Minerals not already owned by the Company, payable in a combination of the Company's common shares and cash of $0.0001 per Arena Mineral share, for total consideration of $185,805. The consideration included the carrying value of the investment in Arena Minerals that the Company held at the time of the acquisition and $4,186 in transaction costs that were incurred by the Company. The transaction was accounted for as an asset acquisition.

Arena Minerals owns 65% of Sal de la Puna through a joint venture interest in Sal de la Puna Holdings Ltd., the 100% owner of Argentine entity, Puna Argentina S.A.U. ("PASA"), the owner of the claims forming part of the Sal del la Puna Project. The remaining 35% of PASA is owned by joint venture partner Ganfeng New Energy Technology Development (Suzhou) Co., Ltd. Therefore, after the acquisition of Arena Minerals, the Company holds a 65% ownership interest in Sal de la Puna covering approximately 13,200 hectares of the Pastos Grandes Basin. Arena Minerals also owns 100% of the Salar de Antofalla Project ("Antofalla Project") through its wholly owned subsidiary Antofalla Minerals S.A. ("AMSA"). Consideration for the purchase is as follows:

	$
Cash	28
Pre-existing investment in Arena Minerals shares and warrants	18,388
Lithium Americas common shares	163,203
Transaction costs	4,186
Consideration given	185,805

(Expressed in thousands of US dollars, except for per share amounts; shares and equity instruments in thousands)

6. SAL DE LA PUNA JOINT VENTURE *(continued)*

The allocation of the purchase price to the assets acquired and liabilities assumed is based upon estimated fair values at the date of acquisition as set out below:

	$
Cash and cash equivalents	4,538
Receivables, prepaids and deposits	902
Property, plant and equipment	55
Exploration and evaluation assets	1,385
Investment in Sal de la Puna Project	182,136
Accounts payable and accrued liabilities	(3,211)
Net assets acquired	185,805

Investment in Sal de la Puna Project

The Company's 65% ownership interest in Sal de la Puna is a joint venture and is accounted for using the equity method of accounting. Changes in the investment balance are summarized below:

	$
Investment in Sal de la Puna, as at December 31, 2022	-
Acquisition of interest in Sal de la Puna	182,136
Share of loss of Sal de la Puna	(866)
Investment in Sal de la Puna, as at December 31, 2023	181,270
Contribution to investment in Sal de la Puna	2,113
Share of loss of Sal de la Puna	(176)
Investment in Sal de la Puna, as at December 31, 2024	183,207

The following is the condensed financial information of Sal de la Puna Holdings Ltd. on a 100% basis.

	December 31, 2024 $	December 31, 2023 $
Current assets		
Cash and cash equivalents	49	88
Other current assets	1,540	348
Total current assets	1,589	436
Non-current assets (including purchase price allocation adjustments)	280,470	280,481
Current liabilities	(202)	(2,040)
Net assets	**281,857**	**278,877**
LAR's share of Sal de la Puna's net assets	**183,207**	**181,270**

(Expressed in thousands of US dollars, except for per share amounts; shares and equity instruments in thousands)

6. SAL DE LA PUNA JOINT VENTURE *(continued)*

	Years Ended December 31,		
	2024	2023	2022
	$	$	$
EXPENSES			
Exploration and evaluation expenditures	479	1,772	5,017
General and administrative	522	231	354
	1,001	2,003	5,371
Foreign exchange and other (income)/loss	(730)	762	(3,563)
Net loss	**271**	**2,765**	**1,808**

7. INVESTMENT IN CAUCHARI-OLAROZ PROJECT

As at December 31, 2024, the Company, Ganfeng, and JEMSE hold 44.8%, 46.7%, and 8.5% equity interests, respectively, in Minera Exar, the company that holds all rights, title, and interest in the Cauchari-Olaroz project, located in the Jujuy province of Argentina.

JEMSE acquired its 8.5% equity interest in Minera Exar in April 2021, which was divided as 4.2% from the Company and 4.3% from Ganfeng. The right to acquire this 8.5% interest was initially granted under a letter of intent signed in 2012, in compliance with the Province of Jujuy's regulations concerning government participation in mineral projects. As part of the closing of the JEMSE transaction, JEMSE has agreed to reimburse the Company and Ganfeng their pro-rata share of $23,496 (8.5%) for the equity financing provided for the construction of the Cauchari-Olaroz project in prior years. This reimbursement will be made through the assignment of one-third of the dividends otherwise payable to JEMSE in future periods. Annual dividend distributions by Minera Exar to all shareholders, including JEMSE, will only be considered once Minera Exar has met all project debt commitments for the Cauchari-Olaroz project. As of December 31, 2024, the carrying value of the long-term receivable from JEMSE was $7,935 (2023 – $7,394).

The Company's operations related to Cauchari-Olaroz are conducted through its equity investees, Minera Exar and Exar Capital, which are governed by a shareholders' agreement between the Company and Ganfeng. The shareholders' agreement regulates key aspects of governance of the project, and provides the Company with significant influence over Minera Exar. Under this agreement, the Company and Ganfeng are entitled to the project's production offtake on a 49%/51% basis. Construction costs were also shared on the same 49%/51% pro rata basis between the Company and Ganfeng.

The Company and Ganfeng are 49% and 51% shareholders, respectively, in Exar Capital, a company that provides shareholder financing to Minera Exar. Minera Exar and Exar Capital are accounted for using the equity method of accounting (the investment in Minera Exar and investment in Exar Capital together, the "Investment in Cauchari-Olaroz project").

(Expressed in thousands of US dollars, except for per share amounts; shares and equity instruments in thousands)

7. INVESTMENT IN CAUCHARI-OLAROZ PROJECT *(continued)*

Investment in Cauchari-Olaroz Project

Changes in the Investment in Cauchari-Olaroz Project are summarized below:

	$
Investment in Cauchari-Olaroz Project, as at December 31, 2022	41,507
Contribution to Investment in Cauchari-Olaroz Project	1,863
Share of income of Cauchari-Olaroz Project	53,555
Elimination of the Company's portion of capitalized intercompany interest	(37,344)
Investment in Cauchari-Olaroz Project, as at December 31, 2023	59,581
Contribution to Investment in Cauchari-Olaroz Project	1,570
Share of loss of Cauchari-Olaroz Project	(17,374)
Elimination of the Company's portion of capitalized intercompany interest	(10,858)
Investment in Cauchari-Olaroz Project, as at December 31, 2024	32,919

As of October 1, 2024, Minera Exar determined that commercial production had been achieved for the Cauchari Olaroz project after reaching elevated production levels for a sustained period. As a result, the Cauchari Olaroz project's assets were considered ready for their intended use, and depreciation of these assets commenced on October 1, 2024.

The following is the condensed financial information of Minera Exar on a 100% basis, as amended to reflect the Company's accounting policies.

	December 31, 2024 $	December 31, 2023 $
Total current assets	312,354	236,027
Non-current assets	1,479,969	1,324,668
Current liabilities:		
Third-party loans	(161,059)	(314,109)
Loans from Exar Capital	(584,474)	(265,881)
Derivative liability on loans from Exar Capital	(53,211)	(62,688)
Other payables to Exar Capital	(32,122)	(24,084)
Other current liabilities	(40,702)	(53,821)
Non-current liabilities:		
Third-party loans	(49,315)	(36,242)
Loans from Exar Capital	(455,821)	(501,066)
Loans from PGCo	(67,355)	-
Derivative liability on loans from Exar Capital and PGCo	(47,352)	(43,460)
Other non-current liabilities	(88,997)	(14,593)
Net assets	**211,915**	**244,751**

(Expressed in thousands of US dollars, except for per share amounts; shares and equity instruments in thousands)

7. **INVESTMENT IN CAUCHARI-OLAROZ PROJECT** *(continued)*

As of December 31, 2024, Minera Exar's outstanding third-party debt totaled $210,400, reflecting a decrease of $139,977 from December 31, 2023. The total debt includes the following:

- Approximately $100,000 from a major international bank, secured by guarantees and standby letters arranged by Ganfeng. The Company has also provided a guarantee to Ganfeng for its 49% share, amounting to $49,000, for these loans. The Company and Ganfeng have negotiated an extension of the loan maturity to three years, which is subject to regulatory approvals.
- $18,150 in loans secured by local bank guarantees arranged by Minera Exar, due in 2025.
- $42,315 in third-party unsecured loans, due in 2025.
- $49,900 in unsecured bonds issued by Minera Exar in November 2024, carrying a contractual interest rate of 8% with semi-annual interest payments. The bonds' principal will mature in two tranches: the first tranche of $25,000 is due in 30 months, on May 11, 2027, while the second tranche of $25,000 will mature in 36 months, on November 11, 2027.

	Years ended December 31,		
	2024 $	2023 $	2022 $
Sales	197,685	34,521	-
Cost of sales	(177,980)	(27,799)	-
Gross profit	19,705	6,722	-
Other (loss)/income	(52,540)	122,821	(131,868)
Net (loss)/income	**(32,835)**	**129,543**	**(131,868)**

Minera Exar has to settle the loans provided by Exar Capital and PGCo in US$ with sufficient Argentine Pesos ("ARS$") at the implied market exchange rate. This settlement mechanism requires Minera Exar to repay the loans with more US$ at the official exchange rate.

Since the repayment mechanism for the USD loans provided by Exar Capital and PGCo to Minera Exar is linked to the implied market foreign exchange rate in Argentina rather than the official foreign exchange rate, it results in an embedded derivative in the loans payable by Minera Exar. This embedded derivative is required to be measured at fair value at each reporting date. The gain or loss arising from changes in the fair value of this embedded derivative, as well as the corresponding tax impact, are included in the "Other (loss)/income," in Minera Exar's statement of comprehensive loss for the year ended December 31, 2024.

(Expressed in thousands of US dollars, except for per share amounts; shares and equity instruments in thousands)

7. **INVESTMENT IN CAUCHARI-OLAROZ PROJECT** *(continued)*

The following is the condensed financial information of Exar Capital on a 100% basis.

	December 31, 2024 $	December 31, 2023 $
Current assets:		
Loans advanced to Minera Exar	584,474	265,881
Other receivables from Minera Exar	32,122	24,084
Other current assets	15,235	88,687
Total current assets	631,831	378,652
Non-current assets		
Loans advanced to Minera Exar	455,821	501,066
Current liabilities		
Loans from Lithium Argentina	(380,415)	(320,869)
Loans from Ganfeng	(602,006)	(454,810)
Other current liabilities	(24,894)	(10,967)
Non-current liabilities	(13,155)	(19,348)
Net assets	**67,182**	**73,724**

Loans from Lithium Argentina and Ganfeng are presented as current liabilities in the financial statements of Exar Capital. In accordance with the terms of the loan agreements, the loans can be called at any time by unanimous agreement of Lithium Argentina and Ganfeng. As at December 31, 2024, Exar Capital had other receivables from Minera Exar amounting to $32,122 (2023 – $24,084). These receivables relate to payments made by Exar Capital to suppliers on behalf of Minera Exar.

	Years ended December 31,		
	2024 $	2023 $	2022 $
Interest income on loans to Minera Exar	113,364	83,357	58,614
Interest expense on loans from Lithium Argentina	(44,043)	(33,067)	(17,602)
Interest expense on loans from Ganfeng	(63,408)	(46,960)	(29,455)
Other losses	(12,454)	(12,472)	(7,353)
Net (loss)/ income	**(6,541)**	**(9,142)**	**4,204**

(Expressed in thousands of US dollars, except for per share amounts; shares and equity instruments in thousands)

7. **INVESTMENT IN CAUCHARI-OLAROZ PROJECT** *(continued)*

The following provides a reconciliation of the summarized financial information for Minera Exar and Exar Capital to carrying value:

	Minera Exar	Exar Capital
	$	$
Net assets, December 31, 2023	244,751	73,724
Company's share of net assets	109,648	36,125
Elimination of capitalized intercompany interest	(96,682)	-
Expenditures incurred by the Company in connection to the investee	10,490	-
Carrying value	23,456	36,125
Net assets, December 31, 2024	211,915	67,182
Company's share of net assets	94,938	32,919
Elimination of capitalized intercompany interest	(133,512)	-
Expenditures incurred by the Company in connection to the investee	12,531	-
Unrecognized losses	26,043	-
Carrying value as of December 31, 2024	**-**	**32,919**

As of December 31, 2023, the Company's investment in Minera Exar was $23,456, and its investment in Exar Capital was $36,125. During the year ended December 31, 2024, the Company contributed $1,570 to its investment in Minera Exar. Since the Company's share of Minera Exar loss for the year ended December 31, 2024, exceeded the carrying value of its investment in Minera Exar, the Company recognized a loss equal to the carrying value of the investment amounting to $25,026. The recognized and unrecognized shares of Minera Exar's losses for the year ended December 31, 2024, were $25,026 and $26,043, respectively. Additionally, the Company's share of Exar Capital loss for the year ended December 31, 2024, was $3,206.

As at December 31, 2024, the carrying value of the Company's investment in Minera Exar was $Nil, and its investment in Exar Capital was $32,919.

8. **LOANS TO EXAR CAPITAL**

The Company has entered into loan agreements with Exar Capital. Changes in the balances of loans to Exar Capital are summarized below.

	$
Loans to Exar Capital, as at December 31, 2022	223,122
Loans to Exar Capital	64,680
Accrued interest	33,067
Loans to Exar Capital, as at December 31, 2023	320,869
Loans to Exar Capital	41,978
Repayment of loans by Exar Capital	(26,476)
Accrued interest	44,044
Loans to Exar Capital, as at December 31, 2024	380,415

Loans advanced prior to January 1, 2022, carried an interest rate of London Interbank Offered Rate ("LIBOR") plus 9.495%, while loans advanced on or after January 1, 2022, carry an interest rate of the Secured Overnight Financing Rate ("SOFR") plus 10.305%.

8. LOANS TO EXAR CAPITAL *(continued)*

During the year ended December 31, 2024, $41,978 loans were provided by the Company to Exar Capital which in turn advanced the funds to Minera Exar for the construction of Cauchari-Olaroz and to support its working capital and other funding requirements. The maturity of each of the loans is 7 years from the date of drawdown.

In the prior year, a portion of Minera Exar's third-party loans were secured by bank letters of credit arranged by Exar Capital. Exar Capital held cash collateral for the bank letters of credit at the banks which issued the letters of credit. During the year ended December 31, 2024, Minera Exar repaid or refinanced these third-party loans, resulting in the release of cash collateral held by Exar Capital. Exar Capital utilized the Company's share of released collateral to repay $26,476 to LAR as settlement of a portion of loans advanced by LAR. As of December 31, 2024, no cash collateral was held by Exar Capital.

As of December 31, 2024, the total outstanding loans to Exar Capital, including accrued interest, amounted to $380,415. The recoverability of these loans is dependent on the future cash flows and performance of Cauchari-Olaroz. The Company performed an expected credit loss assessment based on the anticipated future performance of Cauchari-Olaroz and its associated cash flows. The assessment did not indicate any significant credit risk or factors that would result in default.

As at December 31, 2024, a total of 49 loans had been advanced to Exar Capital by the Company, with maturities (inclusive of accrued interest to December 31, 2024) as follows: $10,799 due in 2025, $28,085 due in 2026, $30,820 due in 2027, $73,659 due in 2028, $105,832 due in 2029, $83,121 due in 2030, and $48,099 due in 2031.

9. PURCHASES AND SALES OF LITHIUM CARBONATE

Prepayment of purchases and sales of lithium carbonate

In Q2 2023, the Company entered into an agreement to receive prepayments from Ganfeng with respect to the Company's sale of 80% of its 49% share of the future lithium carbonate production from Minera Exar. The agreement provided the Company the right to settle its obligation to Ganfeng through assigning its rights to receive a corresponding value of lithium carbonate from Minera Exar.

Concurrently, the Company entered into an agreement to make prepayments to Minera Exar with respect to the Company's 49% share of the future lithium carbonate production from Minera Exar. The prepayments to Minera Exar were non-interest bearing (except in the case of default) and were settled as a credit against the purchase of lithium carbonate within 365 days of the prepayment invoice.

As at December 31, 2023, there were $6,673 prepayments that had been made to Minera Exar and $2,322 prepayments received from Ganfeng, which were fully settled in Q1 2024 against the lithium carbonate purchases from Minera Exar and sales to Ganfeng respectively.

9. PURCHASES AND SALES OF LITHIUM CARBONATE *(continued)*

Offtake Agreement with Ganfeng and Bangchak

The Company and Ganfeng are entitled to a share of offtake from production at Cauchari-Olaroz. The Company is entitled to 49% of the offtake, which would amount to approximately 19,600 tonnes per annum ("tpa") of lithium carbonate assuming full capacity is achieved. The Company has entered into an offtake agreement with each of Ganfeng and BCP Innovation PTE. LTD ("Bangchak"), a wholly-owned subsidiary of Bangchak Corporation Public Company Ltd., to sell a fixed amount of offtake production at market-based prices, with Ganfeng entitled to 80% of the first 12,250 tpa of lithium carbonate (9,800 tpa assuming full production capacity) and Bangchak entitled to up to 6,000 tpa of lithium carbonate (assuming full production capacity).

The balance of the Company's offtake entitlement, amounting to up to approximately 3,800 tpa of lithium carbonate is uncommitted, but for limited residual rights available to Bangchak to the extent production does not meet full capacity.

Purchases and sales of lithium carbonate

During the year ended December 31, 2024, the Company purchased its 49% share of Minera Exar's lithium carbonate shipped during the period. The Company sold the purchased lithium carbonate to Ganfeng and Bangchak and acted in the capacity of agent in such sales transactions, as the Company's acquisition of title to lithium carbonate was simultaneous with the sale of lithium carbonate to Ganfeng and Bangchak and the Company was not directly exposed to inventory or price risk related to lithium carbonate.

During the year ended December 31, 2024, the Company made approximately $94,800 worth of purchases of lithium carbonate from Minera Exar and sold an equivalent amount, totaling approximately $94,800, to Ganfeng and Bangchak. Since there was no net commission earned by the Company, there was no impact on the Company's statement of comprehensive loss for the year ended December 31, 2024.

As at December 31, 2024, the Company had a payable of $21,152 to Minera Exar for lithium carbonate purchases, and receivables of $14,625 from Ganfeng and $2,811 from Bangchak for sales of lithium carbonate, as disclosed on the statement of financial position. The Company performed an expected credit loss assessment for these receivables, which did not indicate any significant credit risk or factors that would result in default, as all receivables were settled subsequent to the year-end.

10. PASTOS GRANDES

On August 16, 2024, PGCo, a wholly-owned subsidiary of the Company holding the Pastos Grandes project in Salta, Argentina, issued common shares representing approximately 14.9% of PGCo to Ganfeng for a consideration of approximately $70,000. As the Company retained control of PGCo, the transaction was accounted for as an equity transaction.

As a result, the Company recognized a non-controlling interest of $62,662, representing Ganfeng Lithium's 14.9% share in the net assets of PGCo, along with a reduction in deficit of $6,884, which includes a gain on sale of PGCo's minority interest of $7,338 and transaction costs of $454.

(Expressed in thousands of US dollars, except for per share amounts; shares and equity instruments in thousands)

10. PASTOS GRANDES *(continued)*

In Q3 2024, PGCo utilized the proceeds from the Pastos Grandes transaction and entered into a loan facility agreement for $65,000 with Minera Exar to fund its debt repayment, working capital and other requirements. The loan matures five years from the date of drawdown and carries an interest rate of SOFR plus 4.0%. Minera Exar has to settle the loans provided by PGCo in US$ with sufficient ARS$ at the implied market exchange rate. This settlement mechanism requires Minera Exar to repay the loans with more US$ at the official exchange rate.

	$
Loans advanced by PGCo to Minera Exar, as at December 31, 2023	-
Loans to Minera Exar	65,000
Accrued interest	2,355
Loans advanced by PGCo to Minera Exar, as at December 31, 2024	67,355

As at December 31, 2024, Lithium Argentina held an 85.1% controlling interest in PGCo, a subsidiary consolidated within the Company's financial statements. Summarized financial information for PGCo for the year ended December 31, 2024, is as follows:

- Net Income: $5,939
- Total Assets: $428,914
- Total Liabilities: $452

The summarized financial information provided represents PGCo's financial results, which contribute to the overall financial position of Lithium Argentina.

11. PROPERTY, PLANT AND EQUIPMENT

	Thacker Pass Project $	Buildings $	Equipment and machinery $	Other[1] $	Total $
Cost					
As at December 31, 2022	-	1,674	4,991	6,067	12,732
Transfers from E&E	9,514	-	-	-	9,514
Acquisition of Arena Minerals	-	-	-	55	55
Additions	118,454	3,529	239	1,964	124,186
Disposals	-	-	(98)	(282)	(380)
Assets distributed upon separation	(127,968)	-	(2,416)	(4,348)	(134,732)
As at December 31, 2023	-	5,203	2,716	3,456	11,375
Additions	-	660	-	311	971
Disposals	-	-	-	(701)	(701)
As at December 31, 2024	-	5,863	2,716	3,066	11,645

(Expressed in thousands of US dollars, except for per share amounts; shares and equity instruments in thousands)

11. PROPERTY, PLANT AND EQUIPMENT *(continued)*

	Thacker Pass Project $	Buildings $	Equipment and machinery $	Other[1] $	Total $
Accumulated depreciation					
As at December 31, 2022	-	106	1,327	2,273	3,706
Depreciation for the period	-	240	466	1,434	2,140
Disposals	-	-	-	(166)	(166)
Assets distributed upon separation	-	-	(1,653)	(1,897)	(3,550)
As at December 31, 2023	-	346	140	1,644	2,130
Depreciation for the period	-	80	27	651	758
Disposals	-	-	-	(231)	(231)
As at December 31, 2024	-	426	167	2,064	2,657

	Thacker Pass Project $	Buildings $	Equipment and machinery $	Other[1] $	Total $
Net book value					
As at December 31, 2023	-	4,857	2,576	1,812	9,245
As at December 31, 2024	-	5,437	2,549	1,002	8,988

[1] The "Other" category includes right of use assets with a cost of $1,503 and $1,366 of accumulated depreciation as at December 31, 2024.

12. EXPLORATION AND EVALUATION ASSETS

Exploration and evaluation assets were as follows:

	Thacker Pass $	Millennial Projects $	Other Claims $	Total $
Total exploration and evaluation assets				
As at December 31, 2022	9,514	339,131	-	348,645
Transfers to PP&E	(9,514)	-	-	(9,514)
Acquisition of Arena Minerals	-	-	1,385	1,385
Additions	-	2,646	770	3,416
Write offs	-	(70)	-	(70)
Assets distributed to the shareholders	-	-	(770)	(770)
As at December 31, 2023	-	341,707	1,385	343,092
Additions	-	702	-	702
As at December 31, 2024	-	342,409	1,385	343,794

The Company has certain commitments for royalty and other payments to be made for Pastos Grandes as set out below. These amounts will only be payable if the Company continues to hold the subject claims in the future and the royalties will only be incurred if the Company starts production from the project.

(Expressed in thousands of US dollars, except for per share amounts; shares and equity instruments in thousands)

12. EXPLORATION AND EVALUATION ASSETS *(continued)*

Pastos Grandes:

- 1.5% royalty on the gross operating revenues from production from certain Pastos Grandes claims, payable to the original vendors of the project; and
- royalties to a maximum of 3% over net-back income, payable to the Salta Province.

13. EQUITY-SETTLEABLE CONVERTIBLE NOTES

On December 6, 2021, the Company closed an offering (the "Offering") of $225,000 aggregate principal amount of 1.75% Convertible Notes due in 2027. On December 9, 2021, the initial purchasers under the Offering exercised in full their option to purchase up to an additional $33,750 aggregate principal amount of the Convertible Notes, increasing the total Offering size to $258,750.

The Convertible Notes represent financial instruments that include a debt host accounted for at amortized cost and conversion option and redemption option derivatives, which are separated from the debt host and accounted for at fair value with changes in fair value recorded in the statement of comprehensive loss. These derivatives are accounted for together as a single derivative when separated from the debt host.

	Debt host $	Convertible note derivative $	Total $
Convertible notes			
As at December 31, 2022	169,127	35,345	204,472
Gain on change in fair value of convertible notes derivative	-	(22,207)	(22,207)
Accrued Interest	22,623	-	22,623
Interest payment	(2,452)	-	(2,452)
Reclassification of short-term accrued interest to short-term liability	(2,075)	-	(2,075)
As at December 31, 2023	187,223	13,138	200,361
Gain on change in fair value of convertible notes derivative	-	(12,530)	(12,530)
Accrued Interest	25,134	-	25,134
Interest payment	(2,453)	-	(2,453)
Reclassification of short-term accrued interest to short-term liability	(2,075)	-	(2,075)
As at December 31, 2024	207,829	608	208,437

The fair value of the derivative as at December 31, 2024, was estimated using a partial differential equation method with Monte Carlo simulation with the following inputs: volatility of 61.15%, share price of $2.62, a risk-free rate of 4.25%, an expected dividend of 0%, and a credit spread of 11.49%. Valuation of the embedded derivative is highly sensitive to changes in the Company's share price and to a lesser extent to changes in the risk-free interest rate and the assumed volatility of the Company's share price. A gain on change in fair value for the year ended December 31, 2024, of $12,530 was recognized in the statement of comprehensive loss.

Interest expense for the year ended December 31, 2024, of $25,134 was recognized as finance costs in the statement of comprehensive loss.

13. EQUITY-SETTLEABLE CONVERTIBLE NOTES *(continued)*

Amendments to IAS 1 resulted in a reclassification of equity-settleable convertible notes from non-current liabilities to current liabilities as at January 1, 2023 and December 31, 2023 (Note 3). The Convertible Notes are convertible at the option of the holders upon satisfaction of certain conditions that are beyond the control of the Company. If such conditions are satisfied, the Convertible Notes would be convertible at the option of the holders and upon conversion, the Notes may be settled, at the Company's election, in common shares of the Company, cash or a combination thereof. As a result, the Company does not have the right to defer settlement of the Convertible Notes for more than 12 months after the end of the reporting periods.

The Convertible Notes are unsecured and accrue interest payable semi-annually in arrears at a rate of 1.75% per annum payable on January 15th and July 15th of each year, beginning on July 15, 2022. Prior to October 15, 2026, the Notes are convertible at the option of the holders during certain periods, upon the satisfaction of certain conditions including:

(i) If the Notes' trading price for any five consecutive trading day period was, on each day, less than 98% of the conversion value of such Notes;

(ii) if the Company elects to (a) issue equity instruments to all holders of the Company's common shares entitling them, for a period of not more than 45 calendar days after issue, to subscribe for or purchase common shares at a price per share that is less than the average reported sales prices of the common shares for the 10-trading day period ending the trading day before the announcement of such issuance of equity instruments; or (b) make a distribution to all holders of the Company's common shares, whether such distribution is of assets, securities, or rights to purchase the Company's securities, and has a per share value exceeding at least 10% of the trading price of the common shares on the date immediately preceding the announcement date of such distribution;

(iii) upon the occurrence of certain significant business events;

(iv) if, at any time after the calendar quarter ending on March 31, 2022 (and only during such calendar quarter), the last reported price of the Company's common shares for at least 20 trading days (whether or not consecutive) during the last period of 30 trading days of the immediately preceding calendar quarter is greater than or equal to 130% of the conversion price on each applicable trading day (this has not occurred for the year ended December 31, 2024); or,

(v) upon a call for redemption by the Company, or upon the Company's failure to pay the redemption price therefor.

13. EQUITY-SETTLEABLE CONVERTIBLE NOTES *(continued)*

The Convertible Notes mature on January 15, 2027, unless earlier repurchased, redeemed or converted. The Company may not redeem the Convertible Notes prior to December 6, 2024, except upon the occurrence of certain changes to the laws governing Canadian withholding taxes. After December 6, 2024, the Company has the right to redeem the Convertible Notes at its option in certain circumstances including:

(i) on or after December 6, 2024, if the Company's share price for at least 20 trading days during any 30 consecutive trading day period ending on, and including, the last trading day of the immediately preceding calendar quarter is over 130% of the conversion price on each applicable trading day, at a redemption price equal to 100% of the principal plus accrued and unpaid interest; and

(ii) if the Company becomes obligated to pay additional amounts as a result of its obligation to bear the cost of Canadian or non-Canadian withholding tax, if applicable;

Redemption can result in exercisability of the conversion option. Holders of Convertible Notes have the right to require the Company to repurchase their Convertible Notes upon the occurrence of certain events.

Pursuant to the indenture governing the terms of the Convertible Notes, as amended by a first supplemental indenture to reflect the name change of the Company in connection with the Separation and a second supplemental indenture to reflect the effects of the Continuation (the "Indenture"), the holders of the Convertible Notes, at their election, were permitted to surrender the Convertible Notes for conversion (i) into common shares of the Company during the approximate 30-trading day period prior to the closing of the Continuation and (ii) into Lithium Argentina common shares during the period from and after the closing of the Continuation until approximately the 35th trading day after the closing of the Continuation. The Conversion Rate (as defined in the Indenture) for the Convertible Notes was initially 21.2307 common shares per $1,000 principal amount of the Convertible Notes. Pursuant to the terms and conditions of the Indenture, the Conversion Rate for the Convertible Notes was adjusted on October 17, 2023, to 52.6019 common shares of the Company per $1,000 principal amount of the Convertible Notes based on the trading prices of the Company's common shares over the preceding 10-trading day period due to the Separation transaction. The Conversion Rate for the Convertible Notes was not adjusted as a result of the Continuation. None of the Convertible Notes were surrendered for conversion during the permitted conversion period in connection with the Continuation.

Thereafter, the Convertible Notes will be convertible at any time until the close of business on the business day immediately preceding the maturity date. Upon conversion, the Convertible Notes may be settled, at the Company's election, in common shares of the Company, cash or a combination thereof.

14. SHARE CAPITAL AND EQUITY COMPENSATION

On January 23, 2025, the Company completed the Continuation from Canada to Switzerland (Note 1). As a result of the Continuation, Lithium Argentina's shares were established with a nominal par value of $0.01 per share, resulting in share capital of $1,619 and a capital reserve of $1,499,682. The number of shares outstanding remained unchanged. The components of shareholders' equity have been retrospectively adjusted to reflect the Swiss capital structure in all periods presented.

(Expressed in thousands of US dollars, except for per share amounts; shares and equity instruments in thousands)

14. SHARE CAPITAL AND EQUITY COMPENSATION *(continued)*

The share capital is fully paid-in, meaning that the entire issue price of the shares has been fully paid to Lithium Argentina. Lithium Argentina has one class of shares outstanding, being the Common Shares. The Common Shares are not convertible into shares of any other class or series.

Equity Incentive Plan

The Company has an equity incentive plan ("Plan") in accordance with the policies of the TSX whereby, from time to time at the discretion of the Board of Directors, eligible directors, officers, employees and consultants are awarded restricted share units ("RSUs") and performance share units ("PSUs") that, subject to a recipient's deferral right in accordance with the Income Tax Act (Canada), convert automatically into common shares upon vesting. In addition, independent directors are awarded deferred share units ("DSUs"), generally as partial compensation for their services as directors. DSUs may be redeemed by directors for common shares upon retirement or termination from the Board.

The Plan also permits the grant of incentive stock options exercisable to purchase common shares of the Company ("stock options"). The Plan is a "rolling plan" pursuant to which the aggregate number of common shares to be issued shall not exceed 8% of the outstanding shares from time to time.

Restricted Share Units

During the year ended December 31, 2024, the Company granted 1,913 RSUs (2023 – 1,241) to its employees and consultants. The total estimated fair value of the RSUs granted was $7,346 (2023 – $13,543) based on the market value of the Company's shares on the grant date. As at December 31, 2024, there was $6,969 (2023 – $4,794) of total unamortized compensation cost relating to unvested RSUs. During the year ended December 31, 2024, equity compensation expense related to RSUs of $3,118 was charged to expenses (2023 – $3,942).

A summary of changes to the number of outstanding RSUs is as follows:

	Number of RSUs (in 000's)
Balance, RSUs outstanding as at December 31, 2022	2,367
Converted into shares pre-separation	(547)
Forfeited pre-separation	(12)
Granted pre-separation	363
Balance, RSUs outstanding prior to separation	2,171
Net adjustment upon separation	(281)
Converted into shares post-separation	(521)
Granted post-separation	878
Balance, RSUs outstanding as at December 31, 2023	2,247
Converted into shares	(615)
Granted	1,913
Forfeited	(267)
Balance, RSUs outstanding as at December 31, 2024	3,278

(Expressed in thousands of US dollars, except for per share amounts; shares and equity instruments in thousands)

14. SHARE CAPITAL AND EQUITY COMPENSATION *(continued)*

Deferred Share Units

During the year ended December 31, 2024, the Company granted 203 DSUs (2023 – 357) with a total estimated fair value of $780 (2023 – $2,386).

	Number of DSUs (in 000's)
Balance, DSUs outstanding as at December 31, 2022	252
Granted pre-separation	32
Converted into common shares pre-separation	(59)
Balance, DSUs outstanding as at September 30, 2023	225
Net adjustment upon separation	(29)
Converted into shares post-separation	(83)
Granted post-separation	325
Balance, DSUs outstanding as at December 31, 2023	438
Granted	203
Balance, DSUs outstanding as at December 31, 2024	641

Stock Options

During the year ended December 31, 2024, the Company granted 1,225 stock options (2023 – 1,740) to its officers and employees. The fair value of stock options granted was estimated on the date of grant using the Black Scholes Option Pricing Model with the following assumptions used for the grants:

	December 3, 2023	June 20, 2024	November 15, 2024
Number of options granted ('000's)	1,740	1,225	30
Risk-free rate	4.04%-4.27%	4.27%-4.29%	4.31 %
Expected life (in years)	7	5-7	5
Annualized volatility	73.14%-73.66%	73.66 %	82.98 %
Dividend rate	0 %	0 %	0 %
Fair value per stock option granted ($)	$2.22-$3.98	$2.20-$3.52	$ 2.21
Total fair value of stock options granted ($)	$ 5,869	$ 2,824	$ 66

None of the stock options were exercisable as at December 31, 2024. A summary of changes to outstanding stock options is as follows:

	Number of Options (in 000's)
Balance, stock options outstanding as at December 31, 2022	690
Exercised pre-separation	(690)
Granted post-separation	1,740
Balance, stock options outstanding as at December 31, 2023	1,740
Granted	1,255
Forfeited	(280)
Balance, stock options outstanding as at December 31, 2024	2,715

(Expressed in thousands of US dollars, except for per share amounts; shares and equity instruments in thousands)

14. SHARE CAPITAL AND EQUITY COMPENSATION *(continued)*

During the year ended December 31, 2024, no stock options (2023 – 670) were exercised under the cashless exercise provision of the Plan, resulting in no issuance of shares (2023 – 525) of the Company.

As at December 31, 2024, there was $4,179 (2023 – $6,637) of total unamortized compensation cost relating to unvested stock options. During the year ended December 31, 2024, stock-based compensation expense related to stock options of $3,285 (2023 – $288) was charged to operating expenses on the statement of comprehensive loss.

Performance Share Units

During the year ended December 31, 2024, the Company did not grant any PSUs (2023 – 204). As at December 31, 2024, there was $412 (2023 – $965) of total unamortized compensation cost relating to unvested PSUs.

During the year ended December 31, 2024, equity compensation expense related to PSUs of $554 was charged to operating expenses (2023 – $4,488).

A summary of changes to the number of outstanding PSUs is as follows:

	Number of PSUs (in 000's)
Balance, PSUs outstanding as at December 31, 2022	766
Granted pre-separation	204
Converted into common shares pre-separation	(215)
Forfeited pre-separation	(6)
Balance, PSUs outstanding as at September 30, 2023	749
Net adjustment upon separation	153
Converted into shares post-separation	(28)
Balance, PSUs outstanding as at December 31, 2023	874
Converted into shares	(638)
Balance, PSUs outstanding as at December 31, 2024	236

15. RELATED PARTY TRANSACTIONS

Any transactions between the Company and its equity-accounted investees Minera Exar, Exar Capital, and Sal de la Puna are considered related party transactions (refer Note 6, 7, 8 and 9).

Minera Exar, one of the Company's equity-accounted investee, has entered into the following transactions with companies controlled by the family of its President, who is also a director of Lithium Argentina:

- Option Agreement with Grupo Minero Los Boros S.A. on March 28, 2016, for the transfer to Minera Exar of title to certain mining properties that comprised a portion of the Cauchari-Olaroz project.
- Expenditures under the construction services contract for the Cauchari-Olaroz project with Magna Construcciones S.R.L. ("Magna") were $534 for the year ended December 31, 2024.

(Expressed in thousands of US dollars, except for per share amounts; shares and equity instruments in thousands)

15. RELATED PARTY TRANSACTIONS *(continued)*

- Service agreement with a consortium owned 49% by Magna. The agreement entered into Q1 2022, is for servicing of the evaporation ponds at Cauchari-Olaroz over a five-year term, for total consideration of $68,000 (excluding VAT). During the year ended December 31, 2024, Minera Exar spent $17,141 (excluding VAT) on the servicing of the evaporation ponds at Cauchari-Olaroz.

During the year ended December 31, 2024, director's fees paid by Minera Exar to its President, who is also a director of the Company, totaled $70 (2023 – $76). Refer Note 7 for other transactions entered into between the Company and the Company's equity investees.

The amounts due by Minera Exar to related parties arising from such transactions are unsecured, non-interest bearing and have no specific terms of payment.

Compensation of Key Management

Key management are the Company's board of directors, and the executive management team. The remuneration of directors and members of the executive management team and amounts due as of December 31, 2024, were as follows:

	Years Ended December 31,	
	2024 $	2023 $
Equity compensation	7,399	4,115
Salaries, bonuses, benefits and directors' fees included in general & administrative expenses	2,639	5,189
Salaries, bonuses and benefits included in exploration expenditures	305	180
Salaries and benefits capitalized to Investment in Cauchari-Olaroz project	439	625
	10,782	10,109

	December 31, 2024 $	December 31, 2023 $
Total due to directors	111	66

As of January 23, 2025, the Company entered into new employment contracts with certain members of the executive management team. These contracts were implemented to ensure compliance with Swiss law and include amendments to provisions related to termination and termination upon a change of control.

In consideration for entering into these new employment agreements, the affected executive management team members were granted restricted share units, with a total aggregate grant value of $3,856 for all impacted individuals.

(Expressed in thousands of US dollars, except for per share amounts; shares and equity instruments in thousands)

16. GENERAL AND ADMINISTRATIVE EXPENSES

The following table summarizes the Company's general and administrative expenses:

	Years Ended December 31,		
	2024	2023	2022
	$	$	$
Salaries, benefits and directors' fees	6,017	10,310	5,200
Office and administration	2,836	4,918	2,981
Professional fees	3,565	3,541	4,127
Regulatory and filing fees	381	269	165
Travel	531	1,074	336
Investor relations	764	848	350
Depreciation	560	441	180
	14,654	21,401	13,339

17. EXPLORATION AND EVALUATION EXPENDITURES

The following table summarizes the Company's exploration and evaluation expenditures:

	Years Ended December 31,							
	2024			2023			2022	
	Millennial Projects	Other	Total	Millennial Projects	Other	Total	Millennial Projects	Total
	$	$	$	$	$	$	$	$
Consulting and salaries	4,372	1,641	6,013	6,086	3,153	9,239	1,700	1,700
Permitting and environmental	222	-	222	-	-	-	5	5
Field supplies and other	2,289	-	2,289	5,986	10	5,996	2,673	2,673
Depreciation	207	-	207	468	-	468	199	199
Drilling and geological expenses	1,347	-	1,347	5,511	-	5,511	156	156
Total exploration expenditures	8,437	1,641	10,078	18,051	3,163	21,214	4,733	4,733

18. FINANCE COSTS

The following table summarizes the Company's finance costs:

	Years Ended December 31,		
	2024	2023	2022
	$	$	$
Interest on convertible notes	25,134	22,623	20,496
Interest on credit facilities	-	-	335
Other	42	79	43
	25,176	22,702	20,874

(Expressed in thousands of US dollars, except for per share amounts; shares and equity instruments in thousands)

19. TRANSACTION COSTS

	Years Ended December 31		
	2024	2023	2022
	$	$	$
Transaction costs	6,818	7,569	-
	6,818	7,569	-

Transaction costs for the year ended December 31, 2024, totaled $6,818, which included legal fees, consulting and advisory fees, and audit fees, primarily related to the Continuation (Note 1). In comparison, transaction costs for the year ended December 31, 2023, amounted to $7,569, primarily related to the Separation (Note 4).

20. FINANCE AND OTHER INCOME

The following table summarizes the Company's finance and other income:

	Years Ended December 31,		
	2024	2023	2022
	$	$	$
Interest on loans to Exar Capital	44,043	33,068	17,602
Interest on loans to Minera Exar	2,355	-	-
Interest on cash and cash equivalents and deposits	4,217	19,188	7,115
Other	1,172	643	582
	51,787	52,899	25,299

21. SEGMENTED INFORMATION

The Company is engaged in production, exploration and development of mineral properties in Argentina. Operating segments are reported in a manner consistent with the internal reporting to the executive leadership team who act as the operating decision-makers. The company has identified two operating segments which include Cauchari-Olaroz, Pastos Grandes Basin. Discontinued operations includes results from the Thacker Pass project. (Note 4). The Company's reportable segments and corporate assets are summarized in the following tables:

	Cauchari-Olaroz	Pastos Grandes Basin	Corporate	Total
	$	$	$	$
As at December 31, 2024				
Property, plant and equipment	-	8,584	404	8,988
Exploration and evaluation assets	-	343,779	15	343,794
Total assets	421,270	614,286	95,667	1,131,223
Total liabilities	-	(575)	(239,718)	(240,293)
For the year ended December 31, 2024				
Property, plant and equipment additions	-	764	207	971
(Loss)/income	(28,232)	4,614	8,378	(15,240)
Exploration expenditures	-	(9,819)	(259)	(10,078)
Interest expense	-	-	(25,176)	(25,176)

(Expressed in thousands of US dollars, except for per share amounts; shares and equity instruments in thousands)

21. SEGMENTED INFORMATION *(continued)*

	Thacker Pass $	Cauchari-Olaroz $	Pastos Grandes Basin $	Corporate $	Total $
As at December 31, 2023					
Property, plant and equipment	-	-	8,372	873	9,245
Exploration and evaluation assets	-	-	343,078	14	343,092
Total assets	-	387,844	536,364	130,818	1,055,026
Total liabilities	-	-	(1,858)	(224,237)	(226,095)
For the year ended December 31, 2023					
Property, plant and equipment additions	-	-	4,789	559	5,348
Income from discontinued operations	1,256,294	-	-	14,494	1,270,788
Income /(loss) from continuing operations	-	16,211	(7,399)	8,769	17,581
Exploration expenditures	-	-	(20,623)	(591)	(21,214)
Interest expense	-	-	-	(22,702)	(22,702)

The Company's non-current assets are segmented geographically as follows:

	Canada $	Argentina $	Total $
Non-current assets [(1)]			
As at December 31, 2024	244	385,457	385,701
As at December 31, 2023	571	411,347	411,918

[1] Non-current assets attributed to geographical locations exclude financial and other assets.

22. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

Arena Minerals Acquisition

On April 20, 2023, the Company completed the acquisition of Arena Minerals (Note 6). The acquisition of Arena Minerals involved non-cash financing activities, as the total consideration of $185,805 was settled as follows:

- Issuance of common shares: $163,203 (non-cash financing activity)
- Pre-existing investment in Arena Minerals: $18,388
- Transaction costs: $4,186 (cash outflow reported in investment activities)
- Cash: $28 (cash outflow reported in investment activities)

(Expressed in thousands of US dollars, except for per share amounts; shares and equity instruments in thousands)

22. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS *(continued)*

The issuance of common shares represents a non-cash financing activity resulting in an increase in equity.

The Separation transaction

As part of the separation of the Company's North American business into Lithium Argentina and Lithium Americas (NewCo) (Note 4), the following non-cash activities occurred:

- Dividend payable of $1,680,501 settled through the distribution of assets (non-cash financing activity).
- Net assets transferred to shareholders: $412,947 (non-cash investing activity).

The dividend payable, settled through asset distribution, is a non-cash financing activity. The net assets transferred to Lithium Americas (NewCo) were part of a non-cash investing activity.

23. INCOME TAXES

Income tax recognized in profit or loss is comprised of the following:

	Years ended December 31,	
	2024	2023
	$	$
Deferred income tax (recovery)/expense	(10,659)	10,659
Total income tax (recovery)/expense	(10,659)	10,659

A reconciliation of income taxes at Canadian statutory rates with reported taxes is as follows:

	Years ended December 31,		
	2024	2023	2022
	$	$	$
(Loss)/income from continuing operations before taxes	(25,899)	28,240	(32,527)
Income/(loss) from discontinuing operations before taxes	-	1,270,788	(61,041)
Total (loss)/income before taxes	(25,899)	1,299,028	(93,568)
Statutory tax rate	27 %	27 %	27 %
Expected income tax (recovery)/expense at statutory tax rate	(6,993)	350,737	(25,263)
Items not taxable for income tax purposes	(4,311)	(348,159)	9,846
Effect of lower tax rate in foreign jurisdiction	-	(162)	3,048
Foreign exchange related to the weakening of the Argentine Pesos	-	5,670	-
Change in unrecognized deferred tax assets and other	645	2,573	12,369
Tax (recovery)/expense	(10,659)	10,659	0

(Expressed in thousands of US dollars, except for per share amounts; shares and equity instruments in thousands)

23. **INCOME TAXES** *(continued)*

The significant components of the Company's deferred tax assets and liabilities are as follows:

	December 31, 2024 $	December 31, 2023 $
Deferred tax assets:		
Tax loss carryforwards	8,351	16,498
Loans to Exar Capital	217	217
Exploration and evaluation assets	21	-
Capital assets	5,234	95
Investment in Cauchari-Olaroz project	71	-
Other	-	268
Deferred tax assets	13,894	17,078
Deferred tax liabilities:		
Investment in Cauchari-Olaroz project	-	(1,313)
Investment in Arena Minerals	-	(10,659)
Financing costs	(2,295)	(2,295)
Convertible debt	(11,290)	(13,470)
Other	(309)	-
Deferred tax liabilities	(13,894)	(27,737)
Deferred income tax liability	0	(10,659)

Deductible temporary differences for which no deferred tax assets are recognized as follows:

	December 31, 2024 $	December 31, 2023 $
Tax loss carryforwards	45,848	48,771
Other	32,564	25,965
	78,412	74,736

The Company had deductible temporary differences for which deferred tax assets have not been recognized because it is not probable that future profits will be available against which the Company can utilize the benefits. The Company completed the Continuation from Canada to Switzerland on January 23, 2025, as such, the Canadian tax losses and other Canadian tax attributes are not available for carry forward to future years after the Continuation. The deductible temporary differences for which no deferred tax assets have been recognized in Canada are $62,372 (2023 – $101,545) and in Argentina are $14,405 (2023 – $8,330).

The Company recognized a deferred tax recovery of $10,659 during the year ended December 31, 2024, due to inflation adjustments on the tax basis of Pastos Grandes assets in Argentina partially offset by the weakening of the Argentine Peso against the US dollar on the tax basis of Pastos Grandes assets.

24. FINANCIAL INSTRUMENTS

Financial instruments recorded at fair value on the consolidated statements of financial position and presented in fair value disclosures are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for assets or liabilities, either directly or indirectly; and

Level 3 – Inputs for assets and liabilities that are not based on observable market data.

The fair value hierarchy requires the use of observable market inputs whenever such inputs are available. A financial instrument is classified at the lowest level of the hierarchy for which a significant input has been used in measuring fair value.

The Convertible Notes derivatives (Note 13) are classified at level 2 of the fair value hierarchy and are measured at fair value on the statement of financial position on a recurring basis. Cash and cash equivalents, receivables and payable associated with lithium carbonate sales and purchases, other receivables/payables, and the debt host of the Convertible Notes are measured at amortized cost on the statement of financial position. As at December 31, 2024, the fair value of financial instruments measured at amortized cost approximates their carrying value.

The Company manages risks to minimize potential losses. The primary objective of the Company's risk management process is to ensure that the risks are properly identified and monitored, and that the capital base maintained by the Company is adequate in relation to those risks. The principal risks impacting the Company's financial instruments are described below.

Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash, cash equivalents, receivables from the two purchasers of lithium carbonate, long-term receivable from JEMSE, and receivables related to loans advanced to Exar Capital and Minera Exar (refer Note 7, 8, 9 and 10).

The Company's maximum exposure to credit risk for cash, cash equivalents, receivables, long-term receivable from JEMSE, and loans to Exar Capital is the amount disclosed in the consolidated statements of financial position. The Company limits its exposure to credit loss on cash and cash equivalents by placing its cash and cash equivalents with two major financial institutions and investing in only short-term obligations, with expected credit losses on cash and cash equivalents estimated to be de minimis. As of December 31, 2024, the Company holds a significant portion of its cash and cash equivalents with a single financial institution. This concentration exposes the Company to credit risk in the event that the financial institution encounters liquidity or credit issues.

The Company has assessed the creditworthiness of this institution and believes that the risk of default is minimal, given its credit rating. However, the Company intends to further mitigate this risk by diversifying its cash holdings to additional financial institutions subsequent to the year-end. This strategy is designed to reduce concentration risk and enhance overall liquidity management.

(Expressed in thousands of US dollars, except for per share amounts; shares and equity instruments in thousands)

24. FINANCIAL INSTRUMENTS *(continued)*

The Company and its subsidiaries and investees, including Minera Exar, may from time to time make short-term investments in Argentine government securities, financial instruments guaranteed by Argentine banks, and other Argentine securities. These investments may or may not result in short-term gains or losses.

The Central Bank of Argentina maintains certain currency controls that limit the Company's ability to remit cash to and from Argentina. Blue chip swaps are trade transactions that effectively allow companies to transfer US dollars into and out of Argentina at market exchange rates. The Company used this mechanism to transfer funds to Argentina, which resulted in foreign exchange gain due to the divergence between the Blue Chip Swap market exchange rate and the official Argentine Central Bank rate.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to evaluate current and expected liquidity requirements under both normal and stressed conditions, in order to estimate and maintain sufficient reserves of cash and cash equivalents to meet its liquidity requirements in both the short and long-term. The Company prepares annual budgets, which are regularly monitored and updated as considered necessary.

As at December 31, 2024, the Company had $75,000 available under its undrawn limited recourse loan facility with Ganfeng. As at December 31, 2024, the Company had a cash and cash equivalents balance of $85,543 and receivables from purchasers for lithium carbonate of $17,436 to settle current liabilities of $31,835 (excluding equity-settleable convertible notes).

The following table summarizes the contractual maturities of the Company's financial liabilities on an undiscounted basis:

	Years ending December 31,			
	2025	2026	2027 and later	Total
	$	$	$	$
Convertible senior notes (including interest)	4,528	4,528	261,014	270,070
Accounts payable and accrued liabilities	29,527	-	-	29,527
Obligations under office leases[1]	249	22	-	271
Total	34,304	4,550	261,014	299,868

[1]*Include principal and interest/finance charges.*

The Convertible Notes were classified as current liabilities as at December 31, 2024, since the Notes are convertible at the option of the holders upon satisfaction of certain conditions that are beyond the control of the Company. If such conditions are satisfied, the Notes would be convertible at the option of the holders and upon conversion, the Notes may be settled, at the Company's election, in common shares of the Company, cash or a combination thereof (Note 13).

The above table summarizes the contractual maturities as at December 31, 2024, with respect to the Convertible Notes assuming such conditions will not be satisfied before the due date.

24. FINANCIAL INSTRUMENTS *(continued)*

Market Risk

Market risk encompasses a range of risks. Movement in risk factors, such as market price risk, the Company's share price, and currency risk, can affect the fair values of financial assets and liabilities. The Company is exposed to foreign currency risk, as described below.

Foreign Currency Risk

The Company's operations in foreign countries are subject to currency fluctuations, which may affect its financial results.

The Company and its subsidiaries and associates have a US dollar functional currency, and it incurs expenditures in Canadian dollars ("CDN$"), Argentine Pesos ("ARS$") and US$, with the majority of the expenditures being incurred in US$ by the Company's subsidiaries and investees. As at December 31, 2024, the Company held nominal amounts in CDN$ and ARS$ denominated cash and cash equivalents.

25. CAPITAL DISCLOSURE

The Company's objectives in managing capital are to safeguard its ability to continue as a going concern in order to pursue the exploration and development of its mineral properties, as well as those of its associates, and to maintain a flexible capital structure. The capital structure of the Company consists of long-term borrowings, project debt facilities, and equity attributable to common shareholders, comprising issued capital, contributed surplus, and deficit. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets.

To carry out the planned exploration and development of its projects and cover administrative costs, the Company will use its existing working capital, draw on its limited recourse loan facility, or raise additional funds as needed and if available.

Management reviews its capital management approach on an ongoing basis and believes that, given the relative size of the Company, this approach is reasonable. There were no changes in the Company's approach to capital management during the year ended December 31, 2024.

26. SUBSEQUENT EVENTS

a) On January 23, 2025, the Company completed the Continuation from Canada to Switzerland. As a result of the Continuation, Lithium Argentina's shares were established with a nominal par value of $0.01 per share, resulting in share capital of $1,619 and a capital reserve of $1,499,682.

   The share capital is fully paid-in, meaning that the entire issue price of the shares has been fully paid to Lithium Argentina. Lithium Argentina has one class of shares outstanding, being the Common Shares. The Common Shares are not convertible into shares of any other class or series.

b) As of January 23, 2025, the Company entered into new employment contracts with certain members of the executive management team. These contracts were implemented to ensure compliance with Swiss law and include amendments to provisions related to termination and termination upon a change of control.

   In consideration for entering into these new employment agreements, the affected executive management team members were granted restricted share units, with a total aggregate grant value of $3,856 for all impacted individuals.

Summary of Los Boros Option Agreement

Note: *This summary does not contain a full or direct translation of the terms of the original Spanish-language agreement, and is designated solely for the purpose of providing a general presentation of such agreement.*

On March 28, 2016, Minera Exar S.A. ("**Exar**") entered into a purchase option agreement ("**Option Agreement**") with Grupo Minero Los Boros ("**Los Boros**") for the transfer of title to Exar for certain mining properties that comprised a portion of the Cauchari-Olaroz Operation. Under the terms of the Option Agreement, Exar paid US$100,000 upon signing, and obtained a right to exercise the purchase option at any time within 30 months for the total consideration of US$12M payable in sixty quarterly installments of US$200,000.

On November 12, 2018, Exar exercised the purchase option, acquired the properties by taking on the obligation to pay US$12,000,000 in 60 quarterly payments of US$200,000 and, as a result, the following royalty became payable to Los Boros:

- US$300,000 was paid on November 27, 2018 because the commercial plant construction started (purchase option established payment within 10 days of the commercial plant construction start date);
- Quarterly installments of US$200,000; and
- 3% net profit interest for 40 years, to be paid annually in Argentine pesos, within 10 business days after calendar year end.

Exar can cancel the first 20 years of net profit interest in exchange for a one-time payment of US$7M and the second 20-year period for an additional US$7M.

On March 28, 2016, Sociedad Química y Minera de Chile S.A. ("**SQM**") and Exar executed a shareholders agreement that established the terms by which the parties planned to develop the Cauchari-Olaroz Operation.

The net profit interest is calculated as revenues less all the capital and operating expenses incurred.

Exhibit 8.1

Subsidiaries of the Company

Subsidiary	Jurisdiction of Incorporation
Lithium Americas (Argentina) Services Corp	Delaware, USA
1511210 B.C. Ltd.	British Columbia, Canada
Millennial Lithium B.V.	Netherlands
Proyecto Pastos Grandes S.A.	Argentina
Potassium S.A.	Argentina
Arena Mineral Holdings B.V.	Netherlands
Arena Chile SpA	Chile
Antofella Minerals S.A.	Argentina
Sal de la Puna Holdings S.à r.l.	Luxembourg
Puna Argentina S.A.U.	Argentina
2265866 Ontario Holdings B.V.	Netherlands
Minera Exar S.A.	Argentina
Exar Capital B.V.	Netherlands

LithiumArgentina

Securities Trading Policy

January 2025

I. Objective and Scope

The objective of the Securities Trading Policy (the "**Policy**") is to ensure that the employees, officers, directors and consultants (collectively, "**Covered Persons**") of Lithium Argentina AG and its subsidiaries and joint venture interests (together with its subsidiaries and joint venture interests are referred to as the "**Company**" or "**Lithium Argentina**" herein) are in compliance with applicable laws, rules and regulations when they trade in securities issued by the Company, and comply with the requirements of the Company's long-term equity incentive plan.

The Policy also extends to any trading by trusts and holding companies controlled by a Covered Person. The Company expects Covered Persons will ensure compliance by family and other members of their household.

The trading restrictions in this Policy will continue to apply after employment, or for any other relevant relationship between the Company and Covered Person and ceases for so long as the former Covered Person is in possession of material non-public information. No trading may occur until the information becomes public or ceases to be material. Transactions that may be necessary or justifiable for independent reasons, such as the need to raise money for an emergency expenditure, are no exception. Even the appearance of an improper transaction must be avoided.

Directors and certain officers, including the Company's named executive officers, the principal financial and accounting officers, vice presidents in charge of principal business units, divisions or other functions and other officers who have similar policy-making authority (collectively, the "**Section 16 Insiders**"), are subject to additional requirements under the United States Securities Exchange Act of 1934, as amended (the "**Exchange Act**").

II. Securities Trading Restrictions

The Company is a public company in Canada and the U.S. as its common shares are listed for trading on the Toronto Stock Exchange and the New York Stock Exchange. As such, the Company and its Covered Persons are subject to restrictions against trading in securities of the Company while in possession of material information that has not been publicly disclosed. Trading while in possession of material undisclosed information is generally known as insider trading.

"Trade in securities" or "trading in securities" when used in this policy includes, but is not limited to:

A. purchases or sales of shares, bonds, options, puts and calls;

B. sales of Company shares upon vesting and settlement of RSUs, DSUs and PSUs, and sales of Company shares acquired upon options exercise;

C. borrowing money against a trading account if the loan results in the liquidation of any portion of common shares issued by the Company;

D. pre-paying a loan if the pre-payment results in an allocation of the proceeds to Company shares.

This policy does not apply in the case of the following transactions under employee plans, except as specifically noted:

A. Stock Option Exercises. This policy does not apply to the exercise of an employee stock option acquired pursuant to the Company's plans, or to the exercise of a tax withholding right pursuant to which a person has elected to have the Company withhold shares subject to an option to satisfy tax withholding requirements. This policy does apply, however, to any sale of stock as part of a broker-assisted cashless exercise of an option, or any other market sale for the purpose of generating the cash needed to pay the exercise price of an option or the taxes related to such exercise.

B. Restricted Stock Awards. This policy does not apply to the vesting of restricted stock, or the exercise of a tax withholding right pursuant to which you elect to have the Company withhold shares of stock to satisfy tax withholding requirements upon the vesting of any restricted stock. The policy does apply, however, to any market sale of restricted stock, including for the purpose of generating the cash needed to pay the taxes related to such vesting.

III. Definitions

"**Director**" means a member of the Board.

"**Executive Management**" means the Executive Chairman, the Chief Executive Officer ("**CEO**"), Chief Financial Officer ("**CFO**") and the Executive Vice President, Corporate Development.

"**Financial Executive**" means the CFO and their direct reports responsible for financial or internal audit functions of the Company, holding the title of Executive Vice President, Senior Vice President and Vice President.

"**Officer**" means all the Company's employees appointed by the Board or CEO in accordance with the Company's Articles of Association.

"**Workforce**" means all the Company's employees, consultants and anyone working at a Company project, operation or office.

IV. Material Nonpublic Information

"Material Information" generally includes:

- "Material Changes" – any changes in the business, operations or capital of an issuer (such as Lithium Argentina) that would reasonably be expected to have a significant effect on the market price or value of the issuer's securities; and

- "Material Facts" – facts that would reasonably be expected to have a significant effect on the market price or value of an issuer's (such as Lithium Argentina's) securities.

Insider trading prohibitions come into play only when you possess information that is material and "nonpublic." The fact that information has been disclosed to a few members of the public does not make it public for insider trading purposes. To be "public" the information must have been disseminated in a manner designed to reach investors generally, and the investors must be given the opportunity to absorb the information. Even after public disclosure of information about the Company, you must wait until the close of business on the second trading day after the information was publicly disclosed before you can treat the information as public.

"Nonpublic" information may include:

- information available to a select group of analysts or brokers or institutional investors;

- undisclosed facts that are the subject of rumors, even if the rumors are widely circulated; and

- information that has been entrusted to the Company on a confidential basis until a public announcement of the information has been made and enough time has elapsed for the market to respond to a public announcement of the information (normally two trading days).

As with questions of materiality, if you are not sure whether information is considered public, you should either consult with the Chief Financial Officer or the Vice President, Legal & Corporate Secretary or assume that the information is nonpublic and treat it as confidential.

V. Prohibited Transactions

Covered Persons are prohibited under applicable securities laws and this policy from:

A. Insider Trading – A Covered Person must not, directly or indirectly through a third party acting on their behalf, trade in securities of the Company while in possession of Material Nonpublic Information.

B. Trading During Blackout Periods – A Covered Person must not trade, directly or indirectly through a third party acting on their behalf, any securities of the Company during any blackout period imposed by the Company.

C. Tipping and Disclosure of Information – A Covered Person must not "tip" or disclose Material Nonpublic Information to any third party outside of the Company unless the disclosure is necessary in the ordinary course of the Company's business. This includes a prohibition against selecting providing information to service providers, analysts, investors, news media, related persons and friends or family members, or posting information on social media.

D. Trading Advice – Generally, a Covered Person should not provide any trading advice to friends or family members, but especially not while in possession of Material Nonpublic Information.

E. Hedging and Derivatives Trading – A Covered Person must not engage in short-selling activities, or hold speculative or derivative positions (such as put options, call options, forward contracts, futures contracts, equity swaps, spread bets, contracts for difference or other derivative securities) that have the effect of hedging or offsetting a decrease in the market value of any of the Company's securities in order to limit the Covered Person's or a third party's economic risk arising from such person's holdings, ownership or interest in securities of the Company.

F. Short Sales for Sales of Options and Warrants – A short sale will be permitted in limited circumstances only, where a Covered Person, other than a Section 16 Insider, is exercising a security granted under an incentive plan of the Company (such as a DSU, RSU, PSU, option or warrant) and requires the funds to facilitate the exercise or pay taxes arising from such exercise, provided it does not occur during a blackout period.

G. Trading on Margin or Pledging – A Covered Person may not hold Company securities in a margin account or pledge Company securities as collateral for a loan.

H. Trading in Securities of Other Companies – A Covered Person may not purchase or sell any security of any other company while in possession of Material Nonpublic Information that was obtained in the course of his or her involvement with the Company. No Covered Person who knows of any such Material Nonpublic Information may communicate that information to, or tip, any other person, including family members and friends, or otherwise disclose such information without the Company's authorization.

VI. Blackout Periods

The Company will impose trading blackouts from time to time during which trading, including buying, selling or engaging in any other activities concerning the securities of the Company, will be strictly prohibited unless the transaction is subject to a Rule 10b5-1 plan. Trading blackouts may be initiated by the Company that apply to all Covered Persons or to specific Covered Persons only, and may also be extended to include external advisors such as legal counsel and financial advisors.

Blackout periods will specifically apply to Covered Persons during the period commencing on the earlier of:

i. the fifteenth (15th) day before the end of any fiscal quarter of the Company (the "Quarter"); and

ii. two weeks prior to the date on which the Company's audit committee is scheduled to review the interim financial reporting for the Quarter,

and ending on the day that is two full business days after the Company's release of earnings to the public. The Chief Financial Officer may designate other blackout periods or adjust the start of the Year-End and Quarter-End periods if he/she deems it appropriate.

Covered Persons subject to the blackout period restrictions whose employment or other relationship with the Company terminates during a blackout period will remain subject to the restrictions until the end of the blackout period, regardless of the date of their departure or termination of the relationship, and ending on the day that is one full business day after the Company's interim financial reporting for the Quarter is filed.

Covered Persons subject to the blackout period restrictions whose employment or other relationship with the Company terminates during a blackout period will remain subject to the restrictions until the end of the blackout period, regardless of the date of their departure or termination of the relationship.

VII. Pre-Clearance of Trades

To protect the reputation of the Company and avoid the appearance of impropriety, all Covered Persons of the Company are required to pre-clear all proposed direct and indirect trades in the Company's securities, including common shares and the exercise of stock options, DSUs, RSUs and PSUs with the Chief Financial Officer or Vice President, Legal & Corporate Secretary of the Company, or such other person as may be designated by the Company from time to time.

VIII. Insider Reporting

Pursuant to National Instrument 55-104 *Insider Reporting Requirements and Exemptions* ("NI55-104"), all Reporting Insiders (as that term is defined under NI55-104) must file an insider report in respect of the Company within 10 days of becoming a Reporting Insider and subsequently within five days of a change in the Reporting Insider's holdings.

IX. Communication and Non-Compliance

This Policy extends to all Covered Persons of the Company and is available on the Company's external website and intranet. New Covered Persons will be provided with a copy and educated about its importance. This Policy will be circulated to all Covered Persons whenever any changes are made, and an updated version posted to the website and intranet.

Any Covered Person who violates this Policy may be disciplined by the Company, up to termination of employment or any contractual relationship with the Company without notice. Also, Covered Persons should be aware that the violation of this Policy could also violate certain securities laws. As a result, the Covered Person could be exposed to regulatory actions such as penalties and fines, bans on trading or acting as a director or officer of a public company, or other disciplinary action or punishment as determined by securities regulators or other authorities in their discretion.

X. Amendments

This policy will be reviewed periodically as determined necessary by Executive Management and submitted to the Board of Directors for its approval. Any minor changes that do not impact the objectives of this policy may be updated by Executive Management as necessary.

Effective Date:	January 23, 2025
Approved by:	Board of Directors

Exhibit 12.1

CERTIFICATION REQUIRED BY RULE 13a-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934

I, Sam Pigott, of Lithium Argentina AG certify that:

1. I have reviewed this annual report on Form 20-F of Lithium Argentina AG (the "Issuer");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Issuer as of, and for, the periods presented in this report;

4. The Issuer's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Issuer and have:
   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c) Evaluated the effectiveness of the Issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d) Disclosed in this report any change in the Issuer's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the Issuer's internal control over financial reporting.

5. The Issuer's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Issuer's auditor and the audit committee of the Issuer's board of directors (or persons performing the equivalent functions):
   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Issuer's ability to record, process, summarize and report financial information; and
   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Issuer's internal control over financial reporting.

Date: March 28, 2025

By: */s/Sam Pigott*
Sam Pigott
Chief Executive Officer
(Principal Executive Officer)

Exhibit 12.2

CERTIFICATION REQUIRED BY RULE 13a-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934

I, Alex Shulga, of Lithium Argentina AG certify that:

1. I have reviewed this annual report on Form 20-F of Lithium Argentina AG (the "Issuer");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Issuer as of, and for, the periods presented in this report;

4. The Issuer's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Issuer and have:
   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c) Evaluated the effectiveness of the Issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d) Disclosed in this report any change in the Issuer's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the Issuer's internal control over financial reporting.

5. The Issuer's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Issuer's auditor and the audit committee of the Issuer's board of directors (or persons performing the equivalent functions):
   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Issuer's ability to record, process, summarize and report financial information; and
   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Issuer's internal control over financial reporting.

Date: March 28, 2025

By: */s/Alex Shulga*
Alex Shulga
Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 13.1

CERTIFICATION PURSUANT TO
18 U.S.C. §1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Lithium Argentina AG (the "Company") on Form 20-F for the period ended December 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Sam Pigott, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
(2) The information contained in this Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 28, 2025

/s/ Sam Pigott
Sam Pigott
Chief Executive Officer
(Principal Executive Officer)

Exhibit 13.2

CERTIFICATION PURSUANT TO
18 U.S.C. §1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Lithium Argentina AG (the "Company") on Form 20-F for the period ended December 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Alex Shulga, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
(2) The information contained in this Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 28, 2025

/s/ Alex Shulga
Alex Shulga
Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 15.1

LithiumArgentina

LITHIUM ARGENTINA AG (FORMERLY LITHIUM AMERICAS (ARGENTINA) CORP.)

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2024

(Expressed in US Dollars)

BACKGROUND

Lithium Argentina AG ("**Lithium Argentina**", the "**Company**" or "**LAR**"), formerly Lithium Americas (Argentina) Corp. and Lithium Americas Corp., is a Swiss-domiciled resource company with lithium projects located in Argentina. On January 23, 2025, the Company, completed a plan of arrangement under the laws of the province of British Columbia (the "**Arrangement**") involving the Company's continuation from the province of British Columbia under the name "Lithium Americas (Argentina) Corp." into Zug, Canton of Zug, Switzerland, as a Swiss share corporation under the name "Lithium Argentina AG." As a result, the Company ceased to be governed by the Business Corporations Act (British Columbia). Following the Arrangement, the shareholders of the Company prior to the Arrangement continued to hold all the issued and outstanding registered common shares of the Company (the "**Continuation**"). On January 27, 2025, the Company began trading under the new symbol "LAR" on the Toronto Stock Exchange ("**TSX**") and the New York Stock Exchange ("**NYSE**").

This Management's Discussion and Analysis ("**MD&A**") of Lithium Argentina provides an overview of Lithium Argentina's financial condition and results of operations for the year ended December 31, 2024, and has been prepared as of March 14, 2025. It analyzes key factors influencing the Company's performance of the Cauchari-Olaroz lithium operation ("**Cauchari-Olaroz**"), financing activities, and market conditions.

This MD&A should be read in conjunction with the Company's audited consolidated financial statements and the notes thereto for the year ended December 31, 2024 ("**YE 2024 financial statements**"). Refer to Notes 2 and 3 of the YE 2024 financial statements for disclosure of the Company's material accounting policies. All amounts are expressed in United States dollars ("**US dollars**" or "**US$**"), unless otherwise stated. References to CDN$ are in Canadian dollars. This MD&A includes certain statements that may be deemed "forward-looking statements," "forward-looking information," "future-oriented financial information," and/or "financial outlook." Readers should refer to the cautionary note in the section titled "Forward-Looking Statements" of this MD&A. Information contained on the Company's website or in other documents referred to in this MD&A is not incorporated by reference herein and does not form part of this MD&A unless otherwise specifically stated.

The Company's head office and principal address is Dammstrasse 19, 6300 Zug, Switzerland. The Company's shares trade in Canada on the TSX and in the United States on the NYSE under the symbol "LAR". Additional information relating to the Company, including key risk factors which may impact the Company's business and financial condition, as well as other information, is contained in the Company's then-current Annual Information Form ("AIF"), which will be updated in the Company's Annual Report on Form 20-F for the year ended December 31, 2024 ("Form 20-F"), and other filings, which are and will be available on the Company's website at www.lithium-argentina.com, on SEDAR+ at www.sedarplus.ca and on EDGAR at www.sec.gov.

Highlights

Cauchari-Olaroz (information presented on a 100% basis, the Company's economic interest is 44.8%)

- **Lithium Production:** Lithium carbonate production totaled 25,400 tonnes in 2024, exceeding the high-end of production guidance[1].
  - Fourth quarter lithium carbonate production was 8,500 tonnes, representing a 25% increase compared to the previous quarter, and achieved 85% of design capacity.
- **2025 Guidance:** For 2025, lithium carbonate production is guided to be between 30,000 – 35,000 tonnes.
  - Lithium production is expected to be higher during the second half of 2025 reflecting planned shutdowns scheduled during the first half of the year, designed to increase recoveries in the chemical process and reduce costs.
- **Operating Costs:** Cost of sales in 2024 was $178 million with cash operating costs[2] of $7,130 per tonne of lithium carbonate sold.
  - Cost of sales during the fourth quarter of 2024 was $67 million and cash operating costs were $6,630 per tonne of lithium carbonate sold during the same period.
  - For 2025, operating costs are expected to be similar to those in 2024 as the operation completes ongoing optimization efforts aimed at increasing recoveries and improving product quality.
  - Sustaining capex2 for 2025 is expected to be approximately $600-$700 per tonne.
- **Pricing:** Revenue in 2024 was $198 million with average realized price[3] of approximately $7,800 per tonne of lithium carbonate sold.
  - At current market reference prices of approximately $10,400 per tonne for battery-quality lithium carbonate, the realized price is about $8,300 per tonne, reflecting the additional costs for processing, taxes and logistics.
  - Following a review of product quality and pricing formula for 2025, the pricing adjustment to the battery-quality lithium carbonate reference prices was reduced to reflect improved product quality and market conditions.
- **Technical Report:** In January 2025, the Company filed an updated technical report for the 40,000 tonnes per annum ("**tpa**") lithium carbonate plant ("**Stage 1**"), providing updated operational, cost and economic parameters for Cauchari-Olaroz[4].
  - The revised long-term cash operating cost estimate, based on current operating performance, is approximately $6,543 per tonne of lithium carbonate.
  - The after-tax $NPV_{(8\%)}$ for Stage 1 is estimated at $3.6 billion on a 100% basis, using long-term price forecast provided by an independent consulting firm.

[1] The Company provided 2024 annual production guidance of 20,000-25,000 metric tonnes.

[2] Cash operating costs include all cash expenditures incurred at site in addition to Exar's general and administrative costs and sales logistics to bring the product to port. Sustaining capex is the capital spending required to support delivery of the current mine plan. Cash operating cost per tonne and sustaining capex per tonne are non-GAAP financial measures and do not have standardized meanings under IFRS and might not be comparable to similar financial measures disclosed by other issuers. Refer to section titled "Non-IFRS and Other Financial Measures" below.

[3].Average realized lithium price per tonne is defined as lithium revenue divided by total lithium tonnes sold.

[4]. See detailed scientific and technical information on the Cauchari-Olaroz Operation, including key assumptions, risks and parameters in the National Instrument 43-101 technical report entitled "NI 43-101 Technical Report – Operational Technical Report at the Cauchari-Olaroz Salars, Jujuy Province, Argentina" with an effective date of December 31, 2024, available on the Company's SEDAR+ profile at www.sedarplus.ca.

Regional Growth / Cauchari-Olaroz Expansion

- **Demonstration Plant:** A 5,000 tpa demonstration plant on the solvent extraction ("SX") process is being integrated into Stage 1. Once complete, Exar expects to confirm the new processing technology on a commercial scale to support future growth plans in Argentina.
  - The demonstration plant utilizes advanced processing technologies developed by Ganfeng Lithium Co. Ltd. ("**Ganfeng**") in China, including a solvent extraction-based direct lithium extraction ("DLE") process.
  - The new processing technologies are designed to leverage the solar evaporation process and high concentration brine resources to improve recoveries and reduce the processing requirements while minimizing fresh water and reagent consumption.
  - In early March of 2025, the Province of Jujuy approved the permit modification to implement the demonstration plant with commissioning expected to begin by the end of 2025.
- **Stage 2 Expansion:** Cauchari-Olaroz is advancing an expansion plan considering an additional production capacity of 40,000 tpa of LCE ("**Stage 2**").
  - Stage 2 is expected to utilize the existing Stage 1 infrastructure and solar evaporation process and include the new processing technologies.
  - An application is being prepared for Stage 2 under the large investments' incentive regime (**RIGI**) in Argentina.
- **Regional Growth:** The Company and Ganfeng continue to advance a regional development plan on the separate development-stage projects, including Ganfeng's Pozuelos-Pastos Grandes and the jointly-owned Pastos Grandes (85% owned by Lithium Argentina) and Sal de la Puna (65% owned by Lithium Argentina), in the Province of Salta.
  - Based on a phased development approach that utilizes solar evaporation and new processing technologies, the regional growth plan aims for a production capacity of up to 150,000 tpa of LCE.

Financial and Corporate

- In January 2025, the Company completed the Continuation from Canada to Switzerland.
  - As part of the Continuation, the Company changed its name to Lithium Argentina AG and began trading on the TSX and NYSE under the new ticker symbol "LAR".
- As of December 31, 2024, Lithium Argentina had $86 million in cash and cash equivalents with a $75 million undrawn credit facility with Ganfeng.
- As of December 31, 2024, Minera Exar S.A. ("**Exar**") had, on a 100% basis, approximately $210 million of US dollar and US dollar-linked third-party debt at the official foreign exchange ("**FX**") rate including:
  - $50 million in bonds issued in Argentina, with an approximate three-year maturity and an interest rate of 8.0%.
  - $100 million in a bank debt facility with a three-year term, subject to regulatory approval for the full term.
- In early 2025, Exar secured an additional $150 million bank facility, which is expected to be finalized in Q2 2025.
  - The new facility provides increased financial flexibility, at a lower cost of capital, and a three-year maturity, subject to regulatory approval.

LITHIUM OPERATIONS AND PROJECTS

Cauchari-Olaroz is a lithium carbonate operation located in Jujuy province, in the northwestern region of Argentina. The Company owns 44.8% of the operation through its ownership interest in Exar, a company incorporated under the laws of Argentina. The Company also has a pipeline of exploration and evaluation stage projects, including the Pastos Grandes project ("**Pastos Grandes**") and the Sal de la Puna project

(“**Sal de la Puna**”), both located in Salta Province in northwestern Argentina, adjacent to Jujuy province. Pastos Grandes is an 85.1% owned project, while Sal de la Puna is a project in which the Company holds a 65% interest. The Company is advancing development plans for these assets, including evaluating opportunities to achieve synergies through joint development of the projects.

The Company’s operations related to Cauchari-Olaroz are conducted through its equity investees, Exar and Exar Capital B.V. (“**Exar Capital**”), which are governed by a shareholders’ agreement between the Company and Ganfeng. The Company and Ganfeng collectively own 91.5% of Exar (and thus Cauchari-Olaroz, with the remaining 8.5% owned by Jujuy Energia y Mineria Sociedad de Estado (“**JEMSE**”)) and 100% of Exar Capital (a Netherlands entity that provides funding to Exar). As of December 31, 2024, the Company has advanced a total of $447.8 million loans to the Cauchari-Olaroz project, including $380.4 million in loans through Exar Capital and $67.4 million directly to Exar (all amounts with accrued interest). These loans were made to fund the construction, debt repayment, and other requirements associated with Cauchari-Olaroz. Exar Capital, in turn, has advanced a total of $1,040 million, including accrued interest, to Exar.

For Pastos Grandes, the Company conducts activities through its indirectly 85.1% owned subsidiary, Proyecto Pastos Grandes S.A. (“**PGCo**”) (with Ganfeng owning the remaining 14.9%) in Argentina. Activities concerning Sal de la Puna are conducted through the Company’s 65% ownership interest in Sal de la Puna Holdings S.à r.l. (with Ganfeng owning the remaining 35%), which owns Puna Argentina S.A.U., an Argentine company that holds the project.

Health and Safety

The Total Recordable Injury Frequency rate for Cauchari-Olaroz during 2024 was 0.7 per 200,000 hours worked (including contractors at site), representing a significant decrease of approximately 28% compared to 2023. This highlights the ongoing focus on creating a safe and supportive work environment at site.

Operational Performance

<u>Cauchari-Olaroz</u>

Lithium Carbonate Operations		2024			
(100% basis unless otherwise indicated)	Units	4Q24	3Q24	QoQ	YTD
Lithium Carbonate Production	k tonnes	8.5	6.8	25%	25.4

During 2024, the operation continued to refine its processes and equipment, leading to variations in efficiency, resource usage, and production output, and ultimately costs for most of the year. Commercial production was achieved at Cauchari-Olaroz as of October 1, 2024.

During the fourth quarter of 2024, production at Cauchari-Olaroz reached approximately 8,500 tonnes, representing a 25% increase compared to the third quarter of the year. Annual production reached 25,400 tonnes, exceeding the high-end of production guidance. During the fourth quarter, production was approximately 85% of design capacity. There will be a focus on sustaining production levels near these levels throughout 2025. Annual production guidance for 2025 was set at 30,000 to 35,000 tonnes.

The majority of the Company’s share of sales volumes from Cauchari-Olaroz were sold to Ganfeng, Lithium Argentina’s partner in the operation. The pricing of lithium carbonate sold to Ganfeng is based on market prices for battery quality lithium carbonate, less Chinese import taxes, transportation costs, and a deduction for the estimated additional processing costs required to reduce trace impurities to meet battery quality specifications. As a result of reduced impurity levels, this price deduction was lowered, effective September 2024, and that deduction remained throughout the fourth quarter. Following a review of pricing with Ganfeng, and in anticipation of improved stability and quality of the product, adjustments for processing, Chinese import taxes, and transportation costs were further reduced, and a positive increase in the average price is expected in 2025. During 2024, the average realized price of lithium carbonate sold was approximately $7,800 per tonne. At current market references prices of approximately $10,400 per tonne for battery-quality lithium carbonate, the realized price is about $8,300 per tonne, reflecting the additional costs for processing, taxes and logistics.

During 2024, cash operating costs were approximately $7,130 per tonne of lithium carbonate sold., which is higher than the estimate of $6,543 that was outlined in the updated technical report for Cauchari-Olaroz in January 2025. In 2025, operating costs are expected to be similar to those in 2024 as the operation completes ongoing optimization efforts aimed at increasing recoveries and improving product quality. As we approach steady state operations in the coming quarters, we anticipate that costs will adjust downward in line with the expectations outlined in the updated Cauchari-Olaroz technical report.

At current price levels, Cauchari-Olaroz is anticipated to generate positive cash flows from operations in 2025 when adjusted for working capital.

Pastos Grandes

In August 2024, Ganfeng Lithium acquired $70 million in newly issued shares of PGCo, the Company's Argentine subsidiary holding Pastos Grandes in Salta, Argentina, representing a 14.9% interest in Pastos Grandes (the "**Pastos Grandes Transaction**").

The Company and Ganfeng continue to advance a regional development plan on the separate development-stage projects, including Ganfeng's Pozuelos-Pastos Grandes and the jointly-owned Pastos Grandes (85% owned by Lithium Argentina) and Sal de la Puna (65% owned by Lithium Argentina), in the Province of Salta. Based on a phased development approach that utilizes solar evaporation and new processing technologies, the regional growth plan aims for a production capacity of up to 150,000 tpa of LCE.

The offtake rights for Pastos Grandes remain uncommitted, allowing Lithium Argentina to explore opportunities to bring in new customers and financing to accelerate and support the development of a global lithium chemical supply chain.

Environmental and Social Responsibility

Cauchari-Olaroz conducted its fourth participatory environmental monitoring process of 2024 in December. This process was carried out in collaboration with an external environmental consultancy and laboratory, with observers from various communities participating.

During 2024, Cauchari-Olaroz initiated the Responsible Minerals Initiative (RMI) Responsible Sourcing Assurance Process ("**RMAP**") to ensure its supply chain adheres to the highest ethical and environmental standards. In December 2024, Cauchari-Olaroz was added to the RMAP active list. The next step in this process will be an on-site audit in 2025 for external verification of compliance with all requirements.

FINANCIAL INFORMATION OF EXAR

The following is the condensed financial information of Exar on a 100% basis, as amended to reflect the Company's accounting policies. The Company holds a 44.8% economic interest in Exar and accounts for its interest using the equity method of accounting. Accordingly, the recorded results and financial position of Exar are included in a single line item in the Company's consolidated statements of comprehensive (loss)/income and financial position, respectively.

	Three months ended December 31,		Years ended December 31,	
Exar Income Statement	**2024**	**2023**	**2024**	**2023**
(100% basis unless otherwise indicated)	**$**	**$**	**$**	**$**
Sales	66.8	34.5	197.7	34.5
Cost of sales	(67.0)	(27.8)	(178.0)	(27.8)
Gross (loss)/profit	(0.2)	6.7	19.7	6.7
Other (loss)/income	(0.2)	187.3	(52.5)	122.8
Net (loss)/income	**(0.4)**	**194.0**	**(32.8)**	**129.5**

Exar Balance Sheet	**December 31, 2024**	**December 31, 2023**
(100% basis unless otherwise indicated)	**$**	**$**
Total current assets	312.4	236.0
Non-current assets	1,480.0	1,324.7
Current liabilities:	-	-
Third-party loans	(161.1)	(314.1)
Loans from Exar Capital	(584.5)	(265.9)
Derivative liability on loans from Exar Capital	(53.2)	(62.7)
Other payables to Exar Capital	(32.1)	(24.1)
Other current liabilities	(40.7)	(53.8)
Non-current liabilities:	-	-
Third-party loans	(49.3)	(36.2)
Loans from Exar Capital	(455.8)	(501.1)
Loans from PGCo	(67.4)	-
Derivative liability on loans from Exar Capital and PGCo	(47.4)	(43.5)
Other non-current liabilities	(89.0)	(14.6)
Net assets	**211.9**	**244.7**

Changes in the balance sheet compared to the previous year are primarily driven by the following:

- an increase in current assets due to higher sales receivable and prepayments for reagents as well as higher inventory balance due to a ramp up in production, along with a related increase in warehouse reagents, spare parts offset by the sale of inventory during the year; and
- an increase in loans from Exar Capital and PGCo, resulting from loans provided by the Company and Ganfeng, and PGCo respectively, as well as FX losses during the year.

As of December 31, 2024, Exar had approximately $210.4 million in third-party debt in Argentina at the official FX rate, down from $350 million at the end of 2023. The Company's proportionate share of this debt is $103.1 million at the official rate. Exar's debt includes bonds issued in November 2024 in Argentina, totaling $50 million, which carry a contractual interest rate of 8% with semi-annual interest payments. These bonds mature in two tranches, the first half in May 2027 and the other half in November of 2027. Proceeds from the bonds were used to repay Exar's short-term debt. As of December 31, 2024, the remaining debt of $160.4 million is due in 2025.

The Company and Ganfeng negotiated an increase in Exar's $80 million loan facility with a major bank to $100 million, along with an extension of the maturity to three years. This extension of the maturity term is subject to customary closing conditions, including government approvals in China.

As such, together with the bonds, approximately $150 million of the third-party debt is being refinanced into long-term debt with maturity of three years, with the remaining $60.4 million due later in 2025. The Company is working with Ganfeng to pursue additional long term financing options as lending conditions in Argentina improve, which will support its longer-term growth plans. In early 2025, Exar secured an additional $150 million bank facility, which is expected to be finalized in Q2 2025. The new facility provides increased financial flexibility, at a lower cost of capital, and a three-year maturity, subject to regulatory approval.

In addition to the Company's equity interest in Exar, as of December 31, 2024, the Company had advanced a total of $447.8 million loans to Cauchari-Olaroz, including $380.4 million in loans through Exar Capital and $67.4 million directly to Exar (all amounts with accrued interest). These loans were made to fund the construction, debt repayment, and other requirements associated with Cauchari-Olaroz. Exar Capital, in turn, used funds from the Company and from Ganfeng to advance a total of $1,040 million, including accrued interest, to Exar.

The Company and Ganfeng are currently working on restructuring loans to Exar Capital and loans from Exar Capital to Exar, to better align their maturities with the expected cash flows of the project.

SELECTED FINANCIAL INFORMATION OF THE COMPANY

Liquidity

As of December 31, 2024, the Company had a cash and cash equivalents balance of $85.5 million, receivables of $17.4 million from purchasers of lithium carbonate, and $75.0 million available under its undrawn subordinated debt facility with Ganfeng (available until the end of 2025), to settle current liabilities of $31.8 million (excluding equity-settled convertible notes).

Quarterly Information

Selected consolidated financial information is as follows:

	2024				2023			
(in US$ millions)	**Q4**	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**
	$	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Total assets (excluding assets held for distribution)	1,131.2	1,121.8	1,046.1	1,046.1	1,055.0	1,063.4	1,501.9	1,328.4
Property, plant and equipment	9.0	9.1	9.6	9.8	9.2	8.0	90.9	35.6
Current assets	117.4	111.8	112.3	98.8	133.6	173.5	529.4	608.4
Current liabilities excluding equity-settleable convertible notes	(31.8)	(23.7)	(22.3)	(14.3)	(14.6)	(25.5)	(52.2)	(60.8)
Total liabilities (excluding liabilities held for distribution)	(240.3)	(228.1)	(222.1)	(226.0)	(226.1)	(221.6)	(255.8)	(274.5)
Expenses - continuing operations	(9.2)	(8.8)	(21.5)	(20.8)	(5.6)	(9.0)	(12.0)	(9.7)
(Loss)/income from continuing operations	(4.8)	(2.4)	2.2	(10.2)	(1.1)	6.8	14.9	(3.1)
(Loss)/income from discontinued operations	-	-	-	-	1,263.4	(0.2)	10.9	(3.3)
Net (loss)/income	(4.8)	(2.4)	2.2	(10.2)	1,262.3	6.6	25.8	(6.4)

Notes:

1. Quarterly amounts added together may not equal to the total reported for the period due to rounding.
2. The operations of Lithium Americas (NewCo) (as defined below) have been presented in prior periods as a discontinued operation.

On July 31, 2023, at the annual general and special meeting of the Company, the shareholders approved the separation of Lithium Americas into Lithium Argentina and a new entity, Lithium Americas Corp. ("**Lithium Americas (NewCo)**"), pursuant to a statutory plan of arrangement (the "**Separation**"). The Separation was completed on October 3, 2023. As a result of the transaction, the Company transferred its North American business, including, among other assets, the Thacker Pass Project ("**Thacker Pass**") and $275.5 million of cash to Lithium Americas (NewCo).

Changes in the Company's total assets, liabilities and net (loss)/income were primarily driven by increases in loans and contributions to Cauchari-Olaroz, expenses during the period, change in the fair value of the Convertible Notes derivative liability, the Company's share of the results of Cauchari-Olaroz and the distribution of assets and liabilities to the shareholders upon completion of the Separation.

In Q4 2024, total assets increased primarily due to an accrued interest receivables on loans to Exar Capital, higher receivables from purchasers for lithium carbonate, offset by a decrease in cash and cash equivalents, which were used to fund the Company's operations. Total liabilities increased due to accrued interest on the Convertible Notes and an increase in payables to Exar for lithium carbonate purchases.

In Q3 2024, the Company completed the Pastos Grandes Transaction, resulting in PGCo issuing common shares that represent approximately 14.9% of its equity to Ganfeng for a consideration of $70.0 million. Since the Company retains control of PGCo, this transaction was accounted for as an equity transaction. Subsequently, PGCo entered into a loan facility agreement with Exar, advancing a $65.0 million loan funded by the proceeds from the Pastos Grandes Transaction. These funds supported the refinancing of debt, working capital and other requirements for Cauchari-Olaroz. Total liabilities increased due to accrued interest on the Convertible Notes and an increase in payables to Exar for lithium carbonate purchases.

In February 2023, General Motors Holdings LLC ("**GM**") acquired approximately 15,000,000 shares of the Company. In connection with that transaction, GM agreed to a 'lock-up' restricting the transfer of those shares pursuant to the terms of an investor rights agreement with the Company. The principal lock-up expired in October 2024 (with certain specified transfer limitations remaining in place), and GM is no longer contractually restricted from selling its shares of the Company through the facilities of a stock exchange.

In Q2 2024, total assets remained consistent compared to the previous quarter. Total liabilities decreased by $3.9 million, primarily due to a $10.7 million decrease in deferred tax liability, caused by inflation adjustments on the tax basis of the Pastos Grandes assets in Argentina, partially offset by an increase in purchases payable to Exar for lithium carbonate.

In Q1 2024, total assets decreased primarily due to a decrease in cash and cash equivalents, which were used to fund the Company's operations, and a reduction in the investment in Cauchari-Olaroz due to the Company's share of the results of Cauchari-Olaroz, partially offset by an increase in loans advanced to Exar Capital.

In Q4 2023, total assets decreased primarily due to the distribution of assets to shareholders upon the Separation. Net income increased mainly due to the recognition of a gain on the distribution of assets to shareholders upon the Separation, partially offset by expenses in the period and a deferred tax expense of $10.7 million due to the weakening of the Argentine Peso against the U.S. dollar. The fair value of the net assets distributed was $1,680.5 million, determined based on the share price of Lithium Americas (NewCo) on October 4, 2023, its first date of trading. The $1,267.5 million difference between the fair value of the dividend and the carrying value of the net assets was recognized as a gain on the distribution of assets in the statement of comprehensive income (loss).

Results of Operations

Year Ended December 31, 2024, versus Year Ended December 31, 2023

Financial results (in US$ million)	Years Ended December 31, 2024 $	2023 $	Change $
EXPENSES			
Exploration and evaluation expenditures	(10.1)	(21.2)	11.1
General and administrative	(14.7)	(21.4)	6.7
Equity compensation	(7.2)	(8.4)	1.2
Share of (loss)/income of Cauchari-Olaroz Project	(28.2)	16.2	(44.4)
Share of loss of Arena Minerals	-	(0.7)	0.7
Share of loss of Sal de la Puna Project	(0.2)	(0.9)	0.7
	(60.4)	(36.4)	(24.0)
Transaction costs	(6.8)	(7.6)	0.8
Gain on financial instruments measured at fair value	12.5	22.4	(9.9)
Finance costs	(25.2)	(22.7)	(2.5)
Foreign exchange gain	2.2	19.6	(17.4)
Finance and other income	51.8	52.9	(1.1)
	34.5	64.6	(30.1)
(LOSS)/INCOME FROM CONTINUING OPERATIONS BEFORE TAXES	**(25.9)**	**28.2**	**(54.1)**
Tax recovery/(expense)	10.7	(10.7)	21.4
(LOSS)/INCOME FROM CONTINUING OPERATIONS	**(15.2)**	**17.5**	**(32.7)**
INCOME FROM DISCONTINUED OPERATIONS	**-**	**1,270.8**	**(1,270.8)**
NET (LOSS)/INCOME	**(15.2)**	**1,288.3**	**(1,303.5)**
ATTRIBUTABLE TO:			
Equity holders of Lithium Argentina	(15.2)	1,288.3	(1,303.5)
Non-controlling interest	(0.0)	-	(0.0)

The net loss for the year ended December 31, 2024, compared to net income in the comparable period, was primarily attributable to:

- recognition of a $28.2 million share of the loss from Cauchari-Olaroz during the year ended December 31, 2024, versus a $16.2 million income in the comparable period. The Company's share of the loss from the Cauchari-Olaroz Operation during the year was primarily due to a derivative loss caused by the foreign exchange revaluation of intercompany loans and deferred tax expense. Since the Company's share of Exar's loss for the year exceeded the carrying value of its investment in Exar, the Company recognized its share of the loss up to the point at which the carrying value of the investment in Exar was reduced to $nil. The unrecognized share of Exar's losses as of December 31, 2024, was $26.1 million;
- lower gain on the change in fair value of financial instruments, with a gain of $12.5 million during the year ended December 31, 2024, compared to a gain of $22.4 million in the comparable period, primarily due to a smaller reduction in the Company's share price in 2024;
- lower FX gain of $2.2 million during the year ended December 31, 2024, versus a gain of $19.6 million in the comparable period, primarily due to fewer blue-chip swap transactions and lower margin on funds transferred to Argentina;
- lower finance income from interest earned on cash investments with financial institutions; and

- income from discontinued operations of $1,270.8 million in the comparable period, versus no income/loss in the current period. Income from discontinued operations in the comparative period was mainly attributable to the recognition of a gain on the distribution of assets to shareholders upon the Separation ($1,267.5 million), a gain on the change in fair value of financial instruments, partially offset by Thacker Pass exploration expenditures, general and administrative expenses, equity compensation expense, and transaction costs.

partially offset by:

- recognition of a deferred tax recovery of $10.7 million during the year ended December 31, 2024, due to inflation adjustments on the tax basis of the Pastos Grandes assets in Argentina, partially offset by the weakening of the Argentine Peso against the US dollar on the tax basis of the Pastos Grandes assets;
- lower exploration and evaluation expenditures, as well as general and administrative expenses, in the current period compared to the comparative period, due to decreased activities and a cost reduction program; and
- lower transaction costs during the year ended December 31, 2024, totaling $6.8 million, primarily related to the Continuation, compared to $7.6 million in the comparative period, which were related to the Separation.

Purchases and sales of lithium carbonate

During the year ended December 31, 2024, the Company purchased its share of Exar's lithium carbonate shipped during the period, with Ganfeng purchasing the remaining product shipped. The Company sold the purchased lithium carbonate to Ganfeng and BCP Innovation PTE. LTD ("**Bangchak**"), a wholly-owned subsidiary of Bangchak Corporation Public Company Ltd. and acted in the capacity of agent in such sales transactions, as the Company's acquisition of title to lithium carbonate was simultaneous with its sale to Ganfeng and Bangchak. As a result, the Company was not directly exposed to inventory or price risk related to the lithium carbonate.

Since there was no net commission earned by the Company, there was no impact on the Company's statement of comprehensive loss for the year ended December 31, 2024.

As at December 31, 2024, the Company had a payable of $21.2 million to Exar for lithium carbonate purchases and a receivable of $17.4 million from Ganfeng and Bangchak for sales of lithium carbonate, as disclosed on the statement of financial position.

Expenses

Exploration and evaluation expenditures for the year ended December 31, 2024, of $10.1 million (2023 – $21.2 million), include costs incurred for Pastos Grandes and the Salar de Antofalla Project ("**Antofalla Project**"), the latter of which is 100% owned by Arena Mineral Holdings B.V. ("**Arena Minerals**") through its wholly owned subsidiary, Antofalla Minerals S.A. ("**AMSA**"). These expenditures consist of consulting and salary costs, field supplies, permitting, and environmental expenses incurred during the period for the projects. The reduction in costs in 2024 is related to decreased activities at the projects and a Company-wide cost reduction program.

Equity compensation for the year ended December 31, 2024, amounted to $7.2 million (2023 – $8.4 million), representing a non-cash expense related to restricted share units ("**RSUs**"), preferred share units ("**PSUs**"), and stock options.

Included in general and administrative expenses for the year ended December 31, 2024, of $14.7 million (2023 – $21.4 million), were:

- Office and administrative expenses of $2.8 million (2023 – $4.9 million), which includes insurance costs, IT expenses, office rent, supplies, and other items.
- Professional fees of $3.5 million (2023 – $3.5 million), consisting mainly of legal and consulting fees.
- Salaries and benefits of $6.0 million (2023 – $10.3 million), which decreased primarily due to a lower headcount in the current period compared to the comparative period.

Other Items

Gain on change in fair value of financial instruments during the year ended December 31, 2024, amounted to $12.5 million (2023 – $22.4 million), relates to a gain on the change in fair value of the Convertible Notes derivative liability. The fair value of the derivative as at December 31, 2024, was estimated using a partial differential equation method with Monte Carlo simulation, with the following inputs: volatility of 61.15%, share price of $2.62, a risk-free rate of 4.25%, an expected dividend of 0%, and a credit spread of 11.49%. The gain was primarily due to a decrease in the Company's share price from $6.32 as at December 31, 2023, to $2.62 as at December 31, 2024, and a decrease in the credit spread from 17.63% as at December 31, 2023, to 11.49% as at December 31, 2024.

Finance and other income for the year ended December 31, 2024, was $51.8 million (2023 – $52.9 million), and primarily includes interest income on the Company's loans to Exar Capital and Exar, as well as interest earned on cash, cash equivalents, and short-term bank deposits.

- Interest income on the Company's loans to Exar Capital for the year ended December 31, 2024, was $44.1 million (2023 – $33.1 million).
- Interest income on loans advanced by PGCo to Exar for the year ended December 31, 2024, was $2.4 million (2023 – $Nil).
- Interest earned on cash, cash equivalents, and short-term bank deposits for the year ended December 31, 2024, was $4.2 million (2023 – $19.2 million). The decrease was primarily due to a reduction in the cash balance and lower interest rates in the current period compared to the prior period.

Finance costs for the year ended December 31, 2024, were $25.2 million (2023 – $22.7 million) and primarily include interest on the Convertible Notes.

Transaction costs for the year ended December 31, 2024, were $6.8 million (2023 – $7.6 million) and include legal fees, consulting or advisory fees, and audit fees, primarily attributable to the Continuation.

Year Ended December 31, 2023, versus Year Ended December 31, 2022

Financial results (in US$ million)	**Years Ended December 31, 2023**	**2022**	**Change**
	$	**$**	**$**
EXPENSES			
Exploration and evaluation expenditures	(21.2)	(4.7)	(16.5)
General and administrative	(21.4)	(13.3)	(8.1)
Equity compensation	(8.4)	(2.6)	(5.8)
Share of gain/(loss) of Cauchari-Olaroz Project	16.2	(83.3)	99.5
Share of loss of Arena Minerals	(0.7)	(1.4)	0.7
Share of loss of Sal de la Puna Project	(0.9)	-	(0.9)
	(36.4)	(105.3)	68.9
OTHER ITEMS			
Transaction costs	(7.6)	-	(7.6)
Gain on financial instruments measured at fair value	22.4	44.6	(22.2)
Gain on modification of the loans to Exar Capital	-	20.4	(20.4)
Finance costs	(22.7)	(20.9)	(1.8)
Foreign exchange gain	19.6	3.4	16.2
Finance and other income	52.9	25.3	27.6
	64.6	72.8	(8.2)
INCOME/(LOSS) FROM CONTINUING OPERATIONS BEFORE TAXES	**28.2**	**(32.5)**	**60.7**
Tax expense	(10.7)	-	(10.7)
INCOME/(LOSS) FROM CONTINUING OPERATION	**17.5**	**(32.5)**	**50.0**
INCOME/(LOSS) FROM DISCONTINUED OPERATIONS	**1,270.8**	**(61.1)**	**1,331.9**
NET INCOME/(LOSS)	**1,288.3**	**(93.6)**	**1,381.9**

The net income for the year ended December 31, 2023, compared to net loss in the comparable period, was primarily attributable to:

- share of gain of the Cauchari-Olaroz project of $16.2 million during the year ended December 31, 2023, compared to a loss of $83.3 million in the comparable period, primarily due to the foreign exchange revaluation of intercompany loans
- higher foreign exchange gain of $19.6 million during the year ended December 31, 2023, compared to a gain of $3.4 million in the comparable period, primarily due to blue chip swap transactions. The Company used blue chip swaps to transfer funds to Argentina, resulting in a foreign exchange gain due to the divergence between the blue chip swap market exchange rate and the official Argentinian Central Bank rate;
- higher finance income from interest on the loans to Exar Capital and interest earned on cash investments with financial institutions; and
- income from discontinued operations of $1,270.8 million during the year ended December 31, 2023, compared to a loss of $61.1 million in the comparable period, mainly due to the recognition of a gain on the distribution of assets to shareholders upon the Separation of $1,267.5 million. Other contributing factors include a decrease in exploration expenditures related to the commencement of construction at Thacker Pass and the capitalization of the majority of project costs starting February 1, 2023, as well as a gain on the change in the fair value of financial instruments.

partially offset by:

- an increase in Pastos Grandes exploration and evaluation expenditures, related to drilling, geological services, field supplies, and consulting expense;
- an increase in general and administrative expenses due to higher salaries, benefits, office and administration costs, and travel expenditures;
- gain in the comparative period on the modification of loans to Exar Capital due to the introduction of interest on the loans;
- lower gain on the change in the fair value of financial instruments, with a gain of $22.4 million in FY 2023 compared to a gain of $44.6 million in FY 2022;
- recognition of a deferred tax expense of $10.7 million in FY 2023, primarily due to the weakening of the Argentine Peso against the US dollar; and
- an increase in transaction costs, mainly associated with the Separation.

Three Months Ended December 31, 2024 ("Q4 2024"), versus Three Months Ended December 31, 2023 ("Q4 2023")

Financial results	**Three Months Ended December 31,**		**Change**
(in US$ million)	**2024**	**2023**	
	$	**$**	**$**
EXPENSES			
Exploration and evaluation expenditures	(2.5)	(11.2)	8.7
General and administrative	(4.1)	(9.4)	5.5
Equity compensation	(2.1)	(5.7)	3.6
Share of (loss)/income of Cauchari-Olaroz Project	(0.4)	21.2	(21.6)
Share of loss of Sal de la Puna Project	(0.1)	(0.5)	0.4
	(9.2)	(5.6)	(3.6)
OTHER ITEMS			
Transaction costs	(4.8)	(2.7)	(2.1)
Gain/(loss) on financial instruments measured at fair value	1.5	(0.2)	1.7
Finance costs	(6.6)	(5.9)	(0.7)
Foreign exchange gain	0.3	12.6	(12.3)
Finance and other income	14.0	11.4	2.6
	4.4	15.2	(10.8)
(LOSS)/INCOME FROM CONTINUING OPERATIONS BEFORE TAXES	**(4.8)**	**9.6**	**(14.4)**
Tax expense	-	(10.7)	10.7
(LOSS)/INCOME FROM CONTINUING OPERATIONS	**(4.8)**	**(1.1)**	**(3.7)**
INCOME/(LOSS) FROM DISCONTINUED OPERATIONS	**-**	**1,263.4**	**(1,263.4)**
NET (LOSS)/INCOME	**(4.8)**	**1,262.3**	**(1,267.1)**
ATTRIBUTABLE TO:			
Equity holders of Lithium Argentina	(4.8)	1,262.3	(1,267.1)
Non-controlling interest	(0.0)	-	(0.0)

Net loss in Q4 2024 compared to net income in Q4 2023 was primarily attributable to:

- recognition of a $0.4 million share of the loss from Cauchari-Olaroz during the year ended December 31, 2024, versus a $21.2 million income in the comparable period. Since the Company's share of Exar's loss for the year exceeded the carrying value of its investment in Exar, the Company recognized its share of the loss up to the point at which the carrying value of the investment in Exar was reduced to $nil. The unrecognized share of Exar's losses as of December 31, 2024, was $26.1 million;

- higher transaction costs in Q4 2024 of $4.8 million, primarily related to the Continuation, compared to $2.7 million in the comparative period;
- lower foreign exchange gain of $0.3 million in Q4 2024, compared to a $12.6 million gain in the comparable period, primarily due to fewer blue-chip swap transactions and a lower margin on funds transferred to Argentina; and
- income from discontinued operations of $1,263.4 million in the comparable period, versus no income or loss in the current period. Income from discontinued operations in the comparative period was mainly attributable to the recognition of a gain on the distribution of assets to shareholders upon the Separation.

partially offset by:

- lower exploration and evaluation expenditures related to consulting and salaries, drilling, and field supplies for the Pastos Grandes and Antofalla projects, due to decreased activities and a cost reduction program;
- lower general and administrative costs in Q4 2024 ($4.1 million) versus the comparative period ($9.4 million) due to a Company-wide cost reduction program;
- lower equity compensation of $2.1 million in Q4 2024, compared to $5.7 million in the comparative period;
- higher finance income from interest income earned on the Company's loans to Exar Capital and Exar in Q4 2024, compared to Q4 2023; and
- recognition of deferred tax expense of $10.7 million in Q4 2023, due to the significant weakening of the Argentine Peso against the US dollar.

Three Months Ended December 31, 2023, versus Three Months Ended December 31, 2022

Financial results (in US$ million)	Three Months Ended December 31, 2023 $	2022 $	Change $
EXPENSES			
Exploration and evaluation expenditures	(11.2)	(1.9)	(9.3)
General and administrative	(9.4)	(5.3)	(4.1)
Equity compensation	(5.7)	(1.5)	(4.2)
Share of gain/(loss) of Cauchari-Olaroz Project	21.2	(2.3)	23.5
Share of loss of Arena Minerals	-	(0.7)	0.7
Share of loss of Sal de la Puna Project	(0.5)	-	(0.5)
	(5.6)	(11.7)	6.1
OTHER ITEMS			
Transaction costs	(2.7)	-	(2.7)
(Loss)/gain on financial instruments measured at fair value	(0.2)	35.9	(36.1)
Finance costs	(5.9)	(5.4)	(0.5)
Foreign exchange gain	12.6	1.7	10.9
Finance and other income	11.4	8.9	2.5
	15.2	41.1	(25.9)
INCOME FROM CONTINUING OPERATIONS BEFORE TAXES	**9.6**	**29.4**	**(19.8)**
Tax expense	(10.7)	-	(10.7)
(LOSS)/INCOME FROM CONTINUING OPERATIONS	**(1.1)**	**29.4**	**(30.5)**
INCOME/(LOSS) FROM DISCONTINUED OPERATIONS	**1,263.4**	**(19.3)**	**1,282.7**
NET INCOME	**1,262.3**	**10.1**	**1,252.2**

Higher net income in Q4 2023 compared to Q4 2022 was primarily attributable to:

- share of gain of the Cauchari-Olaroz project of $21.2 million in Q4 2023, compared to a loss of $2.3 million in Q4 2022, primarily due to the foreign exchange revaluation of intercompany loans;
- higher foreign exchange gain of $12.6 million in Q4 2023, compared to a gain of $1.7 million in the comparable period, primarily due to blue chip swap transactions. The Company used blue chip swap transactions to transfer funds to Argentina, resulting in a foreign exchange gain due to the divergence between the blue chip swap market exchange rate and the official Argentinian Central Bank rate;
- higher finance income from interest on loans to Exar Capital and interest earned on cash investments with financial institutions; and
- income from discontinued operations of $1,263.4 million in Q4 2023, compared to a loss of $19.3 million in the comparable period, primarily due to the recognition of a gain on the distribution of assets to shareholders upon the Separation.

partially offset by:

- an increase in Pastos Grandes exploration and evaluation expenditures, related to consulting and salaries, drilling and field supplies expenses;
- an increase in general and administrative expenses due to higher salaries, legal and consulting fees, office expenses, and administration costs;
- recognition of a deferred tax expense of $10.7 million in FY 2023, primarily due to the significant weakening of the Argentine Peso against the US dollar; and
- loss on the change in the fair value of financial instruments of $0.2 million in Q4 2023, compared to a gain of $35.9 million in Q4 2022.

LIQUIDITY AND CAPITAL RESOURCES

Cash Flow Highlights (in US$ million)	Years Ended December 31, 2024 $	2023 $	2022 $
Net cash used in operating activities	(21.8)	(59.0)	(65.2)
Net cash used in investing activities	(85.9)	(39.1)	(230.8)
Net cash provided/(used) in financing activities	68.8	12.1	(23.5)
Effect of foreign exchange on cash	2.1	13.8	3.4
Change in cash and cash equivalents	**(36.8)**	**(72.2)**	**(316.1)**
Cash and cash equivalents - beginning of the year	**122.3**	**194.5**	**510.6**
Cash and cash equivalents - end of the year	**85.5**	**122.3**	**194.5**

As at December 31, 2024, the Company had cash and cash equivalents of $85.5 million and an undrawn $75 million available under the limited recourse loan facility.

The Company expects that its existing cash balance, proceeds from operations, and other sources of financing will provide sufficient resources to fund the planned expenditures at Pastos Grandes, Sal de la Puna, its share of Cauchari-Olaroz planned expenditures, as well as general and administrative costs and other obligations.

The timing and amount of expenditures for Pastos Grandes are within the Company's control due to its controlling interests in the project. However, pursuant to the agreements governing Cauchari-Olaroz and Sal de la Puna, decisions regarding capital budgets for these projects require agreement between Lithium Argentina and the projects' co-owner, Ganfeng.

The Company continues to support the operation of Cauchari-Olaroz and the development of its other projects. The Company's capital resources are driven by the status of its assets, the operation at Cauchari-Olaroz, and its ability to secure investor support for its initiative.

In the long-term, the Company expects to meet its obligations and fund the development of its projects through the financing plans described above. However, given the conditions associated with such financing, there can be no assurance that the Company will successfully complete all of its contemplated financing plans. Except as disclosed, the Company is not aware of any trends, demands, commitments, events, or uncertainties that are likely to materially affect its liquidity and capital resources, either positively or negatively, in the near or foreseeable future. The Company does not engage in currency hedging to mitigate any risks related to currency fluctuations.

Operating Activities

Cash used in operating activities for the year ended December 31, 2024, was $21.8 million (2023 – $59.0 million, with $28.3 million and $30.7 million used in operating activities of continued and discontinued operations, respectively). The significant components of operating activities are discussed in the "Results of Operations" section above.

Investing Activities

Cash used in investing activities for the year ended December 31, 2024, was $85.9 million (2023 – $39.1 million, with $77.7 million and $116.8 million in cash provided by/used in investing activities of continued and discontinued operations, respectively).

During the year ended December 31, 2024, the Company advanced $41.9 million in loans to Exar Capital, contributed $1.6 million and $2.1 million to the investments in Cauchari-Olaroz and Sal de la Puna, respectively, and advanced $65.0 million in loans from PGCo to Exar.

In the prior year, a portion of Minera Exar's third-party loans were secured by bank letters of credit arranged by Exar Capital with security issued under bank credit lines provided to Exar Capital. The Company and Ganfeng provided cash collateral, which was held by Exar Capital at the banks which issued letters of credit. During the year ended December 31, 2024, Exar repaid or refinanced a portion of these outstanding third-party loans, resulting in the release of cash collateral held by Exar Capital. Exar Capital utilized the Company's share of released collateral to repay $26.5 million to the Company as settlement of a portion of loans advanced by the Company. Additionally, the Company spent $1.7 million on PP&E and exploration and evaluation asset additions.

Financing Activities

Equity-settleable Convertible Notes

On December 6, 2021, the Company closed an offering (the "**Offering**") of $225 million aggregate principal amount of 1.75% convertible senior notes due in 2027 (the "**Convertible Notes**" or "**Notes**"). On December 9, 2021, the initial purchasers under the Offering exercised, in full, their option to purchase up to an additional $33.75 million aggregate principal amount of the Convertible Notes, increasing the total Offering size to $258.75 million.

Pursuant to the indenture governing the terms of the Convertible Notes, as amended by a first supplemental indenture to reflect the name change of the Company in connection with the Separation and a second supplemental indenture to reflect the effects of the Continuation (the "**Indenture**"), the holders of the Convertible Notes, at their election, were permitted to surrender the Convertible Notes for conversion (i) into shares of the Company during the approximate 30-trading day period prior to the closing of the Continuation and (ii) into Lithium Argentina shares during the period from and after the closing of the Continuation until approximately the 35th trading day after the closing of the Continuation. The Conversion Rate (as defined in the Indenture) for the Convertible Notes was initially 21.2307 shares per $1,000 principal amount of the Convertible Notes. Pursuant to the terms and conditions of the Indenture, the Conversion Rate for the Convertible Notes was adjusted on October 17, 2023, to 52.6019 shares of the Company per $1,000 principal amount of the Convertible Notes based on the trading prices of the Company's shares over the preceding 10-trading day period due to the Separation transaction. The Conversion Rate for the Convertible Notes was not adjusted as a result of the Continuation. None of the Convertible Notes were surrendered for conversion during the permitted conversion period in connection with the Continuation.

In October 2022, the IASB issued amendments to IAS 1, *Presentation of Financial Statements* titled *Non-current liabilities with covenants*. These amendments clarified that liabilities should be classified as either current or non-current depending on the rights that exist at the end of the reporting period. Liabilities should be classified as non-current if a company has a substantive right to defer settlement for at least 12 months at the end of the reporting period. The Company adopted these amendments effective January 1, 2024, and applied them retrospectively as required by the transitional provisions of the amendments.

These amendments to IAS 1 resulted in a reclassification of equity-settleable convertible notes from non-current liabilities to current liabilities as at January 1, 2023, and December 31, 2023. The Convertible Notes are convertible at the option of the holders, upon satisfaction of certain conditions that are beyond the control of the Company. If such conditions are met, the Convertible Notes would be convertible at the holders' option, and upon conversion, the Notes may be settled, at the Company's election, in shares, cash or a combination thereof. As a result, the Company does not have the right to defer settlement of the Convertible Notes for more than 12 months after the end of the reporting periods.

Loan Facility

As at December 31, 2024, the limited recourse loan facility remains undrawn with $75 million available under the facility until the end of 2025.

CURRENT SHARE DATA

Issued and outstanding securities of the Company as at the date of this MD&A were as follows:

Shares issued and outstanding	161.9 million
Restricted Share Units (RSUs)	7.8 million
Deferred Share Units (DSUs)	1.0 million
Stock Options	2.7 million
Performance Share Units (PSUs)	0.2 million
Shares, fully diluted	173.6 million

RELATED PARTY TRANSACTIONS

Any transactions between the Company with Exar, Exar Capital, and Sal de la Puna are considered related party transactions (refer Note 6, 7, 8 and 9 of the YE 2024 financial statements).

Exar, the Company's equity accounted investee, entered into the following transactions with companies controlled by the family of its director, who is also a director of Lithium Argentina:

- Option Agreement with Grupo Minero Los Boros S.A. on March 28, 2016, for the transfer of title to certain mining properties that form part of Cauchari-Olaroz.
- Expenditures under a construction services contract for Cauchari-Olaroz with Magna Construcciones S.R.L. ("**Magna**") were $0.5 million for the year ended December 31, 2024 (on a 100% basis).
- Service agreement with a consortium 49% owned by Magna, entered into in Q1 2022, for the servicing of the evaporation ponds at Cauchari-Olaroz over a five-year term, with total consideration of $68 million (excluding VAT). During the year ended December 31, 2024, Exar spent $17.1 million (excluding VAT) on the servicing of the evaporation ponds at Cauchari-Olaroz.

During the year ended December 31, 2024, fees paid by Exar to its director, who is also a director of the Company, totalled $70 thousand (2023 – $76 thousand) (on a 100% basis).

As of December 31, 2024, Exar's outstanding third-party debt totaled $210.4 million, reflecting a decrease of $139.9 million since December 31, 2023. The total debt includes the following loans:

- $100 million from a major international bank, secured by guarantees and standby letters arranged by Ganfeng. The Company has also provided a guarantee to Ganfeng for its 49% share, amounting to $49 million, for these loans. The Company and Ganfeng have negotiated an extension of the loan's maturity to three years, which is subject to regulatory approvals.
- $18.2 million in loans secured by local bank guarantees arranged by Exar, due in 2025.
- $42.3 million in third-party unsecured loans, due in 2025.
- Approximately $50 million in unsecured bonds issued by Exar in November 2024, carrying a contractual interest rate of 8% with semi-annual interest payments. The bonds' principal will mature in two tranches: the first tranche of $25 million is due in 30 months, on May 11, 2027, while the second tranche of $25 million will mature in 36 months, on November 11, 2027.

As of December 31, 2024, $160.4 million of Exar's outstanding third-party debt is classified as current, including the $100 million bank loan for which extension of maturity to three years is subject to regulatory approval, $18.2 million in loans secured by local bank guarantees, and $42.3 million in unsecured loans. The remaining $50 million in unsecured bonds, maturing in 2027, is classified as non-current.

Compensation of Key Management

The Company's key management consists of the executive management team, who supervise day-to-day operations, and independent directors on the Company's Board of Directors, who oversee management. Their compensation was as follows:

	Years Ended December 31,	
(in US$ million)	**2024**	**2023**
	$	**$**
Equity compensation	7.4	4.1
Salaries, bonuses, benefits and directors' fees included in general and administrative expenses	2.6	5.2
Salaries, bonuses and benefits included in exploration expenditures	0.3	0.2
Salaries and benefits capitalized to Investment in Cauchari-Olaroz Operation	0.4	0.6
	10.7	10.1

Amounts due to directors as at December 31, 2024, include $0.1 million owed to the independent directors of the Company for a portion of 2024 directors' fees, which were paid in January 2025.

(in US$ million)	**December 31, 2024**	**December 31, 2023**
	$	**$**
Total due to directors	0.1	0.1

As of January 23, 2025, the Company entered into new employment contracts with certain members of the executive management team. These contracts were implemented to ensure compliance with Swiss law and include amendments to provisions related to termination and termination upon a change of control. In consideration for entering into these new employment agreements, the affected executive management team members were granted RSUs, with a total aggregate grant date fair value of $3.9 million for all impacted individuals.

Offtake Arrangements

Each of the Company and Ganfeng are entitled to a share of offtake from production at Cauchari-Olaroz. The Company will be entitled to 49% of the offtake, which would amount to approximately 19,600 tpa of lithium carbonate, assuming full capacity is achieved. The Company has entered into offtake agreements with both Ganfeng and Bangchak to sell a fixed amount of offtake production at market-based prices, with Ganfeng entitled to 80% of the first 12,250 tpa of lithium carbonate (9,800 tpa assuming full production capacity) and Bangchak entitled to up to 6,000 tpa of lithium carbonate (assuming full production capacity). The balance of the Company's offtake entitlement, amounting to up to approximately 3,800 tpa of lithium carbonate, remains uncommitted, except for limited residual rights available to Bangchak if production does not meet full capacity.

CONTRACTUAL OBLIGATIONS

As at December 31, 2024, the Company had the following contractual obligations on an undiscounted basis:

	Years ending December 31,			
	2025	**2026**	**2027 and later**	**Total**
	$	**$**	**$**	**$**
Convertible senior notes	4.5	4.5	261.0	270.0
Accounts payable and accrued liabilities	29.5	-	-	29.5
Obligations under office leases[1]	0.2	0.1	-	0.3
Total	34.2	4.6	261.0	299.8

[1] *Include principal and interest/finance charges.*

The Convertible Notes are classified as current liabilities as at December 31, 2024, since the Notes are convertible at the option of the holders upon satisfaction of certain conditions that are beyond the control of the Company. If such conditions are satisfied, the Notes would be convertible at the option of the holders and upon conversion, the Notes may be settled, at the Company's election, in shares, cash, or a combination thereof. The table above summarizes the contractual maturities as of December 31, 2024, with respect to the Convertible Notes, assuming that such conditions will not be satisfied before the due date.

The Company's commitments related to royalties and other payments are disclosed in Notes 10 of the YE 2024 financial statements filed on SEDAR+, most of which will be incurred in the future if the Company continues to hold the subject property, proceeds with construction, or begins production.

NON-IFRS AND OTHER FINANCIAL MEASURES

Cash Operating Costs and Total Cash Costs per Tonne

Lithium Argentina reports "**Cash Operating Costs per tonne**" and "**Total Cash Costs per tonne**" as key non-GAAP financial measures or ratios. These non-GAAP financial measures or ratios do not have a standardized meaning under IFRS and might not be comparable to similar financial measures disclosed by other issuers. The most directly comparable IFRS measure is Cost of Sales. These metrics provide investors with insight into the Company's cost structure by excluding non-cash and non-operating items, thereby enabling better comparability of operating performance.

Cash Operating Cost (C1) includes all expenditures incurred at the site, such as brine management, lithium plant processing, site and provincial office overheads, and inventory adjustments. These costs also include project general and administrative costs and sales logistics costs. **Total Cash Costs** (C2) include all C1 costs, along with export duties (net of refunds) and provincial royalties. Tonnes are reported on a tonnes sold basis FOB Buenos Aires port. Exar covers the cost of transporting lithium carbonate to the port, while the delivery cost to the buyer's factory in China, along with processing and other costs are subtracted from the sales price.

RECONCILIATION TO NON-GAAP MEASURES (Exar on a 100% basis) **In USD millions (unless stated otherwise)**		**Q4 2024**	**YTD 2024**
Cost of sales	M$	67	178
(-) Depreciation and inventory net realizable value adjustments	M$	(11)	(12)
(+) General & administration and sales logistics	M$	6	15
C1: Cash Operating Costs	M$	**62**	**180**
(+) Selling costs, duties and royalties	M$	2	8
C2: Total Cash Costs	**M$**	**65**	**188**
Li_2CO_3 Shipments (dry base)	tns	9,383	25,304
C1 Total Cash Costs per tonne	**M$/tn**	**6,630**	**7,131**
C2 Total Cash Costs per tonne	**M$/tn**	**6,881**	**7,413**

Sustaining capital expenditures

Capital expenditures are classified into sustaining capital expenditures or project capital expenditures depending on the nature of the expenditure. Sustaining capital expenditures are the capital spending required to support delivery of the current production plan. Project capital expenditures represent the capital spending at new projects and major, discrete projects at existing operations intended to increase net present value through higher production or longer production life.

Management believes this to be a useful indicator of the purpose of capital expenditures. Classifying capital expenditures is intended to provide additional information only and does not have any standardized definition under IFRS and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

Average realized lithium price

Average realized lithium price per tonne is defined as lithium revenue divided by total lithium tonnes sold.

FINANCIAL INSTRUMENTS

Financial instruments recorded at fair value on the consolidated statements of financial position of YE 2024 financial statements and presented in fair value disclosures are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for assets or liabilities, either directly or indirectly; and

Level 3 – Inputs for assets and liabilities that are not based on observable market data.

The fair value hierarchy requires the use of observable market inputs whenever such inputs are available. A financial instrument is classified at the lowest level of the hierarchy for which a significant input has been used in measuring fair value. The Convertible Notes derivatives are classified at level 2 of the fair value hierarchy and are measured at fair value on a recurring basis. Cash and cash equivalents, receivables and payable associated with lithium carbonate sales and purchases, other receivables/payables, and the debt host of the Convertible Notes are measured at amortized cost on the statement of financial position. As at December 31, 2024, the fair value of financial instruments measured at amortized cost approximates their carrying value.

The Company manages risks to minimize potential losses. Its primary objective is to ensure that risks are properly identified and monitored, and that its capital base is adequate relative to those risks. The principal risks affecting the Company's financial instruments are described below.

Credit Risk

Credit risk refers to the potential for loss due to a counterparty's inability to meet its financial obligations. The Company is exposed to credit risk through its cash, cash equivalents, receivables, and loans to Exar Capital and Exar. To limit its exposure, the Company places its cash and cash equivalents with reputable financial institutions and regularly monitors their creditworthiness. While a significant portion of the Company's cash is currently held with a single financial institution, the Company plans to diversify its holdings to reduce concentration risk.

As of December 31, 2024, the Company performed an expected credit loss assessment on the loans to Exar Capital and Exar, considering the anticipated future performance of the Cauchari-Olaroz project and its associated cash flows. The assessment did not indicate any significant credit risk or factors that would lead to default. Similarly, the Company assessed the credit risk for its receivables, which did not identify any significant credit risk or factors that would result in default, as the majority of these receivables were settled after the year-end.

Liquidity Risk

Liquidity risk is the risk that the Company may not be able to meet its financial obligations as they come due. The Company manages liquidity by assessing both current and projected liquidity requirements under normal and stressed conditions. This ensures it maintains adequate reserves of cash and cash equivalents to meet its short- and long-term obligations. The Company prepares annual budgets, which are regularly monitored and updated as necessary.

Market Risk

Market risk encompasses various risks, including those related to market prices, share price fluctuations, and currency movements, which can affect the fair values of financial assets and liabilities. The Company is exposed to foreign currency risk, as described below.

Foreign Currency Risk

The Company's operations in foreign countries expose it to currency fluctuations, which may impact its financial results. The Company and its subsidiaries have a US$ functional currency, but it incurs expenditures in Canadian dollars ("CDN$"), Argentine Pesos ("ARS$"), and US$, with the majority of expenditures being in US$. As of December 31, 2024, the Company held only nominal amounts in CDN$ and ARS$ denominated cash and cash equivalents.

ESTIMATION UNCERTAINTY AND ACCOUNTING POLICY JUDGMENTS

Impairment of investments in associates and joint ventures

The application of the Company's accounting policy for impairment assessment of its investments in associates and joint ventures requires judgment to determine whether objective evidence of impairment exists. The investment in Cauchari-Olaroz includes the Company's equity-accounted investments in associates, Exar and Exar Capital, which are equity investees holding interests in the underlying Cauchari-Olaroz operation. The Company's interest in Sal de la Puna is considered a joint venture and is accounted for using the equity method of accounting.

Management's assessment of whether objective evidence of impairment exists includes considering whether any events have impacted estimated future cash flows (loss events) or if there is any information regarding significant changes with an adverse effect on the investments in associates and joint ventures. These considerations include (i) significant financial difficulties of the associates and joint ventures; (ii) a breach of contract, such as default or delinquency in payments by the associates and joint ventures; (iii) changes in the development plan or strategy for the underlying Cauchari-Olaroz or Sal de la Puna; or (iv) changes in significant assumptions that drive the valuation of the underlying Cauchari-Olaroz or Sal de la Puna, including forecasted commodity prices, reserve and resource estimates, and capital expenditure requirements. Management has performed an assessment and concluded that no objective evidence of impairment exists as of December 31, 2024.

Impairment of Exploration and Evaluation Assets

The application of the Company's accounting policy for impairment of exploration and evaluation assets requires judgment to determine whether indicators of impairment exist including information such as, the period for which the Company has the right to explore including expected renewals, whether substantive expenditures on further exploration and evaluation of resource properties are budgeted and evaluation of the results of exploration and evaluation activities up to the reporting date. Management has performed an impairment indicator assessment on the Company's exploration and evaluation assets and has concluded that no impairment indicators exist as of December 31, 2024.

Accounting for Acquisition of Arena Minerals

The Company accounted for the acquisition of Arena Minerals in April 2023 as an asset acquisition. Significant judgment was required to determine whether this accounting treatment was appropriate for the transaction. This included, among other considerations, the determination that Arena Minerals does not meet the definition of a business under IFRS 3 - Business Combinations, as it lacked inputs and substantive processes that could collectively contribute to the creation of outputs.

Accounting for Joint Arrangements

A joint arrangement is defined as an arrangement over which two or more parties have joint control, which is the contractually agreed sharing of control. Joint control exists only when decisions about the relevant activities (those that significantly affect the returns of the arrangement) require the unanimous consent of the parties sharing control. There are two types of joint arrangements: joint operations and joint ventures.

A joint operation is a joint arrangement where the parties with joint control have rights to the assets and are responsible for funding the liabilities related to the arrangement. The Company recognizes its share of the assets, liabilities, revenues, and expenses of a joint operation. A joint venture is a joint arrangement where the parties with joint control have rights to the net assets of the arrangement. Investments in joint ventures are accounted for using the equity method.

The Company's 65% ownership interest in Sal de la Puna is considered to be a joint venture and accounted for using the equity method of accounting.

Fair value of derivatives

The fair values of financial instruments that are not traded in an active market are determined using valuation techniques. The valuation of the convertible notes embedded derivative liability required management to make significant estimates. Management exercises judgment in selecting the appropriate valuation method and in making estimates of specific model inputs based on conditions existing at the end of each reporting period.

The valuation of the Convertible Note embedded derivatives was performed using a partial differential equation method with Monte Carlo simulation, which required significant assumptions, including expected volatility of traded instruments, credit spreads, and estimates related to other inputs. Refer to the Company's YE 2024 financial statements for further details on the methods and assumptions used in the measurement of the Convertible Note embedded derivatives.

Determination of Commercial Production for the Cauchari-Olaroz Operation

Judgment is a requirement in determining whether a project's assets are available for use (referred to as "commercial production"). In making this determination, management considers specific facts and circumstances, including, but not limited to, whether the product produced by the plant is saleable, the completion of a reasonable commissioning period, and the achievement of consistent operating results at a predetermined level of design capacity for a reasonable period of time.

Exar determined that commercial production was achieved at Cauchari-Olaroz as of October 1, 2024. As a result, the Operation's assets were considered ready for their intended use, and depreciation of these assets commenced on October 1, 2024.

NEW IFRS PRONOUNCEMENTS

Amendments to IAS 1 – Presentation of Financial Statements

In October 2022, the IASB issued amendments to IAS 1, *Presentation of Financial Statements* titled *Non-current liabilities with covenants*. These amendments sought to improve the information that an entity provides when its right to defer settlement of a liability is subject to compliance with covenants within 12 months after the reporting period. These amendments to IAS 1 override but incorporate the previous amendments, Classification of liabilities as current or non-current, issued in January 2020, which clarified that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period.

Liabilities should be classified as non-current if a company has a substantive right to defer settlement for at least 12 months at the end of the reporting period. The Company adopted these amendments effective January 1, 2024, applied them retrospectively as required by the transitional provisions of the amendments and included restated consolidated statements of financial position for the comparative periods ended December 31, 2023, and January 1, 2023.

Amendments to IAS 1 resulted in a reclassification of convertible senior from non-current liabilities to current liabilities as at January 1, 2023 and December 31, 2023. The Convertible Notes are convertible at the option of the holders upon satisfaction of certain conditions that are beyond the control of the Company. If such conditions are satisfied, the convertible notes would be convertible at the option of the holders and upon conversion, the Notes may be settled, at the Company's election, in shares of the Company, cash or a combination thereof. As a result, the Company does not have the right to defer settlement of the Notes for more than 12 months after the end of the reporting periods.

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, *Presentation and Disclosure in Financial Statements* which will replace IAS 1, *Presentation of Financial Statements*. IFRS 18 introduces new requirements on presentation within the statement of profit or loss, including specified totals and subtotals. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes.

In addition, there are consequential amendments to other accounting standards; some requirements previously included in IAS 1 have been moved to IAS 8 and limited amendments have been made to IAS 7 and IAS 34. IFRS 18 is effective for the reporting period beginning on or after January 1, 2027, with early application permitted. Retrospective application is required in both annual and interim financial statements. The Company is currently assessing the impact of this standard on its financial statements and has not yet applied it.

Amendments to IFRS 9 and IFRS 7 – Amendments to the Classification and Measurement of Financials Instruments

In May 2024, the IASB issued amendments to IFRS 9 and IFRS 7, *Amendments to the Classification and Measurement of Financials Instruments*. These amendments updated classification and measurement requirements in IFRS 9 *Financial Instruments* and related disclosure requirements in IFRS 7 *Financial Instruments: Disclosures*. The IASB clarified the recognition and derecognition date of certain financial assets and liabilities, and amended the requirements related to settling financial liabilities using an electronic payment system. It also clarified how to assess the contractual cash flow characteristics of financial assets in determining whether they meet the solely payments of principal and interest criterion, including financial assets that have environmental, social and corporate governance (ESG)-linked features and other similar contingent features. These amendments require additional disclosures for financial instruments with contingent features that do not relate directly to basic lending risks and costs and amended disclosures relating to equity instruments designated at fair value through other comprehensive income.

The amendments are effective for annual periods beginning on or after January 1, 2026. Early adoption is permitted, with an option to early adopt the amendments for contingent features only. The Company is currently assessing the impact of these amendments on its financial statements and has not yet applied it.

RISKS AND UNCERTAINTIES

The operating results and financial condition of the Company are subject to a number of inherent risks and uncertainties associated with its business activities. Natural resources exploration, development and operation involves a number of risks and uncertainties, many of which are beyond the Company's control. These risks and uncertainties include, without limitation, numerous external factors such as economic, social, geopolitical, warfare, environmental, regulatory, health, legal, tax and market risks impacting, among other things, lithium prices, commodities, foreign exchange rates, inflation, the availability and cost of capital to fund the capital requirements of the business and the supply chain related to the business, uncertainty of production and other estimates and the potential for unexpected costs and expenses, and changes in general economic conditions or conditions in the financial markets.

These risks and uncertainties include, without limitation, the risks discussed elsewhere in this MD&A and the Company's other disclosure documents as filed in Canada on SEDAR+ at www.sedarplus.ca and with the U.S. Securities and Exchange Commission ("**SEC**") at www.sec.gov. You should carefully consider such risks and uncertainties prior to deciding to invest in our securities.

TECHNICAL INFORMATION AND QUALIFIED PERSON

The scientific and technical information in this MD&A has been reviewed and approved by David Burga, P.Geo., a "Qualified Person" as defined by National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("**NI 43-101**") and Subpart 1300 of Regulation S-K by virtue of his experience, education, and professional association, and his independence from the Company. Additional information about the Company's mineral projects is contained in its then-current AIF, which will be updated in the Company's Form 20-F.

Detailed scientific and technical information on the Cauchari-Olaroz Operation can be found in the NI 43-101 technical report entitled "NI 43-101 Technical Report – Operational Technical Report at the Cauchari-Olaroz Salars, Jujuy Province, Argentina," with an effective date of December 31, 2024, and was prepared by "Qualified Persons" for the purposes of NI 43-101, independent of the Company, and is subject to updates contained in the Form 20-F.

Further information about Cauchari-Olaroz, including a description of key assumptions, parameters, sampling methods, data verification, QA/QC programs, and methods relating to resources and reserves, factors that may affect those estimates, and details regarding development and the mine plan for the project, is available in the above-mentioned Cauchari-Olaroz Technical Report subject to updates contained in the Company's Form 20-F.

DISCLOSURE CONTROLS AND PROCEDURES

Disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed in reports filed or submitted by us under U.S. and Canadian securities legislation is recorded, processed, summarized and reported within the time periods specified in those rules, and include controls and procedures designed to ensure that information required to be disclosed in reports filed or submitted by us under U.S. and Canadian securities legislation is accumulated and communicated to management, including the Company's Chief Executive Officer ("**CEO**") and Chief Financial Officer ("**CFO**"), as appropriate, to permit timely decisions regarding required disclosure. Management, including the CEO and CFO, has evaluated the effectiveness of the design and operation of our disclosure controls and procedures, as defined in the rules of the SEC and the Canadian Securities Administrators, as at December 31, 2024. Based on this evaluation, the CEO and CFO have concluded that our disclosure controls and procedures were effective as at December 31, 2024.

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

The Company's management, including the CEO and CFO, is responsible for establishing and maintaining adequate internal control over financial reporting. Any system of internal control over financial reporting, no matter how well-designed, has inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. There have been no significant changes in our internal controls over financial reporting during the year ended December 31, 2024, that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Management, including the CEO and CFO, has used the Committee of Sponsoring Organizations of the Treadway Commission (COSO) 2013 framework to evaluate the effectiveness of our internal control over financial reporting. Based on this assessment, the Company's management, including the CEO and CFO, has concluded that as at December 31, 2024, the Company's internal control over financial reporting was effective.

The effectiveness of our internal controls over financial reporting has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, who have expressed their opinion in their report included with our annual consolidated financial statements.

FORWARD-LOOKING STATEMENTS

This MD&A contains “forward-looking information” within the meaning of applicable Canadian securities legislation and “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995 (collectively referred to herein as “forward-looking information”). These statements relate to future events or the Company’s future performance. All statements, other than statements of historical fact, may be forward-looking information. Forward-looking information generally can be identified by the use of words such as “seek,” “anticipate,” “plan,” “continue,” “estimate,” “expect,” “may,” “will,” “project,” “predict,” “propose,” “potential,” “targeting,” “intend,” “could,” “might,” “should,” “believe” and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information.

In particular, this MD&A contains forward-looking information, including, without limitation, with respect to the following matters or the Company’s expectations relating to such matters: 2025 expected production for Cauchari-Olaroz; expected costs per tonne; financial and operating guidance; goals of the Company; development of Cauchari-Olaroz, including timing, progress, approach, continuity or change in plans, anticipated production and results thereof and expansion plans including planned use of DLE technologies and construction of demonstration plant; expected remaining funding commitments at the Cauchari-Olaroz; expected timing of full capacity production at Cauchari-Olaroz and plans for additional production capacity and improved quality; Stage 2 targeted production capacity; estimates, and any change in estimates, of the Mineral Resources and Mineral Reserves at the Company’s properties; development of Mineral Resources and Mineral Reserves; government regulation of mining operations and treatment under governmental and taxation regimes; the future price of commodities, including lithium; the realization of Mineral Resources and Mineral Reserves estimates, including whether Mineral Resources that are not included in Mineral Reserves will ever be developed into Mineral Reserves, and information and underlying assumptions related thereto; debt repayment and financing strategies; the timing and amount of future production; expectations with respect to costs of production; liquidity outlook; use of proceeds from financing activities; currency exchange and interest rates; the Company’s expectations with respect to meeting its funding obligations through its financing plans; expectations with respect to the sufficiency of current cash balances and other sources to fund planned expenditures; the Company’s ability to raise capital and the sufficiency of currently available funding; expected expenditures to be made by the Company on its properties; the timing, cost, quantity, capacity and product quality of production of Cauchari-Olaroz, which is held and operated through an entity in Argentina that is 44.8% owned by the Company, 46.7% owned by Ganfeng and 8.5% owned by JEMSE; successful operation of Cauchari-Olaroz under its co-ownership structure; ability to produce battery quality lithium products; use of proceeds from the Pastos Grandes Transaction; expecting timing to complete development planning, evaluating opportunities for synergy for the Pastos Grandes and Sal de la Puna projects as well as Pozuelos; ability to achieve capital cost efficiencies; stability and inflation related to the Argentine Peso, matters relating to the agreement reached by the Argentine government with the International Monetary Fund in respect of Argentina’s external debt, whether the Argentine government implements additional foreign exchange and capital controls, and the effect of current or any additional regulations on the Company’s operations; and opportunities for regional growth and development of the Pastos Grandes basin expected from the acquisition.

Forward-looking information does not take into account the effect of transactions or other items announced or occurring after the statements are made. Forward-looking information is based upon a number of expectations and assumptions and is subject to a number of risks and uncertainties, many of which are beyond the Company’s control, that could cause actual results to differ materially from those that are disclosed in or implied by such forward-looking information. With respect to forward-looking information listed above, the Company has made assumptions regarding, among other things:

- current technological trends;
- a cordial business relationship between the Company and third party strategic and contractual partners, including the co-owners of Cauchari-Olaroz;
- ability of the Company to fund, advance and develop its other projects, and expected production and the timing thereof at Cauchari-Olaroz;
- the Company’s ability to operate in a safe and effective manner;

- uncertainties relating to receiving and maintaining mining, exploration, environmental and other permits or approvals in Argentina;
- demand for lithium, including that such demand is supported by growth in the electric vehicle market;
- the impact of increasing competition in the lithium business, and the Company's competitive position in the industry;
- general economic conditions;
- the stable and supportive legislative, regulatory and community environment in the jurisdictions where the Company operates;
- stability and inflation of the Argentine Peso, including any foreign exchange or capital controls which may be enacted in respect thereof, and the effect of current or any additional regulations on the Company's operations;
- the impact of unknown financial contingencies, including litigation costs, on the Company's operations;
- gains or losses, in each case, if any, from short-term investments in Argentine bonds and equities;
- estimates of and unpredictable changes to the market prices for lithium products;
- expected operating costs for Cauchari-Olaroz, the economics related thereto, and costs for any additional exploration work at the Operation;
- estimates of Mineral Resources and Mineral Reserves, including whether Mineral Resources not included in Mineral Reserves will be further developed into Mineral Reserves;
- reliability of technical data;
- anticipated timing and results of exploration, development and construction activities, including the impact of any pandemic, war or other global events on such timing;
- discretion in the use of proceeds of certain financing activities; the Company's ability to obtain additional financing on satisfactory terms or at all;
- the ability to develop and achieve production at any of the Company's mineral exploration and development properties;
- the impacts of pandemics and geopolitical issues on the Company's business;
- ability to repay or refinance debt as it comes due;
- the impact of inflation and other economic conditions on the Company's business and global markets; and
- accuracy of development budget and construction estimates.

Although the Company believes that the assumptions and expectations reflected in such forward-looking information are reasonable, the Company can give no assurance that these assumptions and expectations will prove to be correct. Since forward-looking information inherently involves risks and uncertainties, undue reliance should not be placed on such information. The Company's actual results could differ materially from those anticipated in any forward-looking information as a result of the risk factors set out herein and, in the Company's AIF, which will be updated be updated by the Form 20-F, which are and will be available on SEDAR+ and EDGAR.

All forward-looking information contained in this MD&A is expressly qualified by the risk factors set out in the Company's AIF, which will be updated by the Form 20-F, management information circular and this MD&A. Such risks include, but are not limited to the following: the Company's mineral properties, or the mineral properties in which it has an interest, may not be developed or operate as planned and uncertainty of whether there will ever be production at the Company's mineral exploration properties, or the properties in which it has an interest; cost overruns; risks associated with the Company's ability to successfully secure adequate additional funding; market prices affecting the ability to develop or operate the Company's mineral properties and properties in which it has an interest; risks associated with co-ownership and/or joint venture arrangements; risks related to acquisitions, integration and dispositions; risk to the growth of lithium markets; lithium prices; inability to obtain required governmental permits and government-imposed limitations on operations; technology risk; inability to achieve and manage expected growth; political risk associated with foreign operations, including co-ownership arrangements with foreign domiciled partners; risks arising from the outbreak of hostilities in Ukraine, Israel, the Middle East and other parts of the world and the international response, including but not limited to their impact on commodity markets, supply chains, equipment and construction; emerging and developing market risks; tariff wars; risks associated with not having production experience; operational risks; changes in government regulations; changes to environmental requirements; failure to obtain or maintain necessary licenses, permits or approvals; insurance risk; receipt and security of mineral property titles and mineral tenure risk; changes in project parameters as plans continue to be refined; changes in legislation, governmental or community policy; regulatory risks with respect to strategic minerals; mining industry competition; market risk; volatility in global financial conditions; uncertainties associated with estimating Mineral Resources and Mineral Reserves, including uncertainties relating to the assumptions underlying Mineral Resource and Mineral Reserve estimates; whether certain Mineral Resources will ever be converted into Mineral Reserves; uncertainties with respect to estimates of operating costs and related economics for the Cauchari-Olaroz Project; uncertainties inherent to the results of technical and economic studies; risks in connection with the Company's existing debt financing; risks related to investments in Argentine bonds and equities; opposition to development of the Company's mineral properties; lack of brine management regulations; surface access risk; risks related to climate change; geological, technical, drilling or processing problems; uncertainties in estimating capital and operating costs, cash flows and other project economics; liabilities and risks, including environmental liabilities and risks inherent in mineral extraction operations; health and safety risks; risks related to the stability and inflation of the Argentine Peso, including any foreign exchange or capital controls which may be enacted in respect thereof, and the effect of current and any additional regulations on the Company's operations; risks related to unknown financial contingencies, including litigation costs, on the Company's operations; unanticipated results of exploration activities; unpredictable weather conditions; unanticipated delays in preparing technical studies; inability to generate profitable operations; restrictive covenants in debt instruments; lack of availability of additional financing on terms acceptable to the Company, or to the Company and its co-owners for any co-ownership interests; shareholder dilution; intellectual property risk; dependency on consultants and key personnel; payment of dividends; competition for, amongst other things, capital, undeveloped lands and skilled personnel; fluctuations in currency exchange and interest rates; regulatory risk, including as a result of the Company's dual-exchange listing and increased costs thereof; conflicts of interest; Share price volatility; cybersecurity risks and threats. Such risk factors are not exhaustive. The Company does not undertake any obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by law. All forward-looking information contained in this MD&A is expressly qualified in its entirety by this cautionary statement. Additional information about the above-noted assumptions, risks and uncertainties is contained in the Company's filings with securities regulators, including our AIF, which will be updated by the Form 20-F and management information circular, which are and will be available on SEDAR+ and EDGAR.

Exhibit 15.2

LithiumArgentina

S-K 1300 TECHNICAL REPORT
Operational Technical Report at the Cauchari-Olaroz Salars, Jujuy Province, Argentina

Prepared by:
David Burga, P.Geo.
Daniel Weber, P.G., RM-SME
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Marek Dworzanowski, CEng, PrEng.
CSU Projects

Effective Date: December 31, 2024
Filing Date: March 27, 2025

TABLE OF CONTENTS

LIST OF TABLES

LIST OF FIGURES

FORWARD LOOKING STATEMENTS

This Technical Report, including the economics analysis, contains statements or information that constitute forward-looking information (forward-looking statements) within the meaning of applicable Canadian securities laws. Forward looking statements include, but are not limited to project economics, financial and operational parameters such as the timing and amount of future production from the Project, expectations with respect to the NPV and costs of the Project, anticipated mining and processing methods of the Project; proposed infrastructures, anticipated mine life of the Project, expected recoveries and grades, timing of development plans, the estimation of mineral resources and reserves; realization of mineral resource and reserve estimates; the timing, success and amount of estimated future exploration; costs of future activities; capital and operating expenditures; and success of exploration activities. Generally, forward looking statements can be identified by the use of forward-looking terminology such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “continue”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “will”, “might” or “will be taken”, “occur” or “be achieved”. Forward looking statements are made based upon certain assumptions and other important facts that, if untrue, could cause the actual results, performance, or achievements of the project to be materially different from future results, performances or achievements expressed or implied by such statements. Such statements and information are based on numerous assumptions, some of which are discussed in this Technical Report. Forward-looking statements are subject to known and unknown risks, uncertainties and other important factors that may cause the actual results, level of activity, performance or achievements of the project to be materially different from those expressed or implied by such forward-looking statements, including but not limited to: there being no assurance that the exploration program or programs for the project will result in expanded mineral resources; risks and uncertainties inherent to mineral resource and reserve estimates; the high degree of uncertainties inherent to economic analysis which are based to a significant extent on various assumptions; variations in gold prices and other metals; exchange rate fluctuations; variations in cost of supplies, labour rates and consumable and equipment costs; receipt of necessary approvals; availability of financing for project development; uncertainties and risks with respect to developing mining projects; general business, economic, competitive, political and social uncertainties; future lithium prices; accidents, labour disputes and shortages; environmental and other risks of the mining industry, including without limitation, risks and uncertainties discussed in the Company’s latest Annual Information Form and other continuous disclosure documents of the Company available under the Company’s profile at www.sedarplus.ca. There may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward looking statements.

1. EXECUTIVE SUMMARY

1.1. INTRODUCTION

This report titled “Operational Technical Report up at the Cauchari-Olaroz Salars, Jujuy Province, Argentina” (the “Report” or “Technical Report”), was prepared by Andeburg Consulting Services Inc. (“ACSI”) to provide Lithium Argentina AG (“LAR” or “Lithium Argentina” or the “Company”) with a Technical Report that is compliant with S-K §229.1300 regulations (the “S-K regulations”) on the Cauchari-Olaroz Salars (the “Cauchari-Olaroz Project” or “Project” or “Property”), located in the Jujuy Province, Argentina.

Lithium Argentina AG (previously Lithium Americas Corp. or “LAC”) and Ganfeng Lithium Co. Ltd. (“GFL” or “Ganfeng Lithium”) own the Cauchari-Olaroz Project through a joint venture company (“JV”), Minera Exar S.A. (“Exar”). On August 26, 2020, GFL, LAC and Exar entered into a Share Acquisition Option Execution Agreement with Jujuy Energía y Minería S.E. (“JEMSE”) a Province of Jujuy state company, setting the guidelines of JEMSE acquisition of an 8.5% participating interest in Exar, proportionally diluting GFL and LAC participating interest accordingly.

Lithium Argentina AG is a public company listed on the New York Stock Exchange (“NYSE”) and the Toronto Stock Exchange (“TSX”) under the symbol “LAR.” GFL trades on the Hong Kong Stock Exchange (“HKEX”) under the stock code 01772. ACSI understands that the Company may use this Report for internal decision-making purposes and will file it as required under applicable securities laws.

The current Mineral Reserve Estimate presented in this Report is taken from another report prepared by Burga, E. et al. dated October 2020, with an effective date of May 7, 2019. The current Technical Report has been prepared in compliance with the S-K regulations.

References to LAC in respect to events occurring prior to October 3, 2023 are to Lithium Argentina AG prior to its name change from Lithium Americas Corp.

1.2. PROPERTY DESCRIPTION, LOCATION, ACCESS AND HISTORY

The Cauchari and Olaroz Salars are located in the Department of Susques in the Province of Jujuy in northwestern Argentina, approximately 250 kilometres (“km”) northwest of San Salvador de Jujuy, the provincial capital. The salars extend in a north-south direction from S23°18’ to S24°05’ and in an east-west direction from W66°34’ to W66°51’. The average elevation of the salars is 3,940 metres. The midpoint between the Olaroz and Cauchari Salars is located along National Highway 52, 55 km west of the Town of Susques. The nearest port is Antofagasta (Chile), located 530 km west of the Project by road.

Through its Argentine subsidiary Exar, LAR acquired title to the project through direct staking or entering into exploration and exploitation contracts with third party property owners. The claims are contiguous and cover most of the Cauchari Salar and the eastern portion of the Olaroz Salar. The annual aggregate payment (canon rent) required by Exar to maintain the claims is US$268,346. Under Exar’s usufruct agreement with Borax Argentina S.A., Exar acquired Borax Argentina S.A.’s usufruct rights on properties in the area in exchange for an annual royalty of US$200,000 plus annual canon rent property payments to Jujuy Province. The area that contains the Mineral Resource and Mineral Reserve estimate is covered by mining concessions which grant the holder a perpetual mining right, subject to the payment of a fee and an agreed upon investment in accordance with the principal legislation that regulates the mining industry in Argentina, the Código de Minería.

On March 28, 2016, Exar entered into a purchase option agreement ("Option Agreement") with Grupo Minero Los Boros ("Los Boros") for the transfer of title to Exar for certain mining properties that comprised a portion of the Cauchari-Olaroz Project. Under the terms of the Option Agreement, Exar paid US$100,000 upon signing, and obtained a right to exercise the purchase option at any time within 30 months for the total consideration of US$12 M payable in sixty quarterly installments of US$200,000.

On November 12, 2018, Exar exercised the purchase option; as a result, the following royalties became payable to Los Boros:

- US$300,000 was paid on November 27, 2018 because the commercial plant construction started (purchase option established payment within 10 days of the commercial plant construction start date); and

- 3% net profit interest for 40 years, to be paid annually in Argentine pesos, within 10 business days after calendar year end.

Exar can cancel the first 20 years of net profit interest in exchange for a one-time payment of US$7M and the second 20-year period for an additional US$7M.

On March 28, 2016, SQM and Exar executed a Shareholders Agreement that established the terms by which the parties planned to develop the Cauchari-Olaroz Project.

On October 31, 2018, the Company closed a transaction with Ganfeng Lithium and SQM. Ganfeng Lithium agreed to purchase SQM's interest in the Cauchari-Olaroz Project. LAR increased its interest in the Project from 50% to 62.5% with Ganfeng holding the remaining 37.5% interest and the parties entered into a shareholder agreement to govern their ownership and business operations of Exar. Ganfeng Lithium also provided the Company with a US$100 million unsecured, limited recourse subordinated loan facility as part of funding its 62.5% share of the project expenditures.

On August 19, 2019, LAR and Ganfeng completed a transaction whereby Ganfeng contributed US$160 million in Exar and increased its participating interest in Exar to 50%. At such transaction closing, LAR and GFL each owned a 50% equity interest in Exar. The parties made certain consequential amendments to the shareholders agreement governing their relationship to refer to the new equity ownership structure in Exar. LAR and GFL authorized Exar to undertake a feasibility study on a development plan to increase the initial production capacity from 25,000 tpa to 40,000 tpa of lithium carbonate, as well as certain permitting and development work in advance of a decision to increase the project production rate.

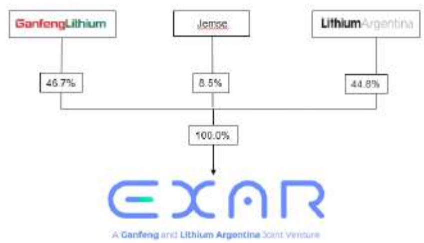
On August 27, 2020, LAR and Ganfeng closed a transaction whereby Ganfeng increased its participating interest in Exar to 51% by completion of US$16 million capital contribution in Exar. At such transaction closing, GFL owned a 51% equity interest in Exar and LAR a 49%. The parties made certain consequential amendments to the shareholders agreement governing their relationship to refer to the new equity ownership structure in Exar.

On August 26, 2020, GFL, LAR and Exar entered into a Share Acquisition Option Execution Agreement with Jujuy Energía y Minería S.E. ("JEMSE") a Province of Jujuy state company, setting the guidelines of JEMSE acquisition of an 8,5% participating interest in Exar, proportionally diluting GFL and LAR participating interest accordingly. JEMSE incorporation was completed in 2020. JEMSE acquired the Exar shares for a consideration of US$1 plus an amount equal to 8.5% of the capital contributions in Exar. JEMSE paid for this amount to the shareholders through the assignment of one-third of the dividends to be received by JEMSE from Exar after taxes. In accordance with the agreement, for future equity contributions GFL and LAR are obliged to loan to JEMSE 8.5% of the contributions necessary for JEMSE to avoid dilution, which loans also would be repayable from the same one-third dividends assignment, after taxes.

On October 3, 2023, LAR separated into two independent public companies, Lithium Americas (Argentina) Corp. (now known as Lithium Argentina AG) and a new Lithium Americas Corp. On January 23, 2025, Lithium Americas (Argentina) Corp. changed its name to Lithium Argentina AG. LAR retained the Cauchari-Olaroz Project as well as the Pastos Grandes and Sal de la Puna projects in Argentina.

Current ownership of the Project is summarized in Figure 1.1.

Figure 1.1 Ownership Structure



1.3. GEOLOGICAL SETTING AND DEPOSIT TYPES

There are two dominant structural features in the region of the Cauchari and Olaroz Salars: north-south trending faults and northwest-southeast trending lineaments. The high-angle north-south trending faults form narrow and deep basins, which are accumulation sites for numerous salars, including Olaroz and Cauchari. Basement rock in this area is composed of Lower Ordovician turbidites (shale and sandstone) that are intruded by Late Ordovician granitoids. Bedrock is exposed to the east, west and south of the two salars, and generally along the eastern boundary of the Puna Region.

The salars are in-filled with flat-lying sedimentary deposits, including the following five primary informal lithological units that have been identified in drill cores:

- Red silts with minor clay and sand;
- Banded halite beds with clay, silt and minor sand;

- Fine sands with minor silt and salt beds;
- Massive halite and banded halite beds with minor sand; and
- Medium and fine sands.

Alluvial deposits intrude into these salar deposits to varying degrees, depending on location. The alluvium surfaces slope into the salar from outside the basin perimeter. Raised bedrock exposures occur outside the salar basin. The most extensive intrusion of alluvium into the basin is the Archibarca Fan, which partially separates the Olaroz and Cauchari Salars. National Highway 52 is constructed across this alluvial fan. In addition to this major fan, much of the perimeter zone of both salars exhibits encroachments of alluvial material associated with fans of varying sizes.

1.4. MINERALIZATION

The brines from Cauchari are saturated in sodium chloride with total dissolved solids (TDS) on the order of 27% (324 to 335 grams per litre) and an average density of about 1.215 grams per cubic centimetre. The other primary components of these brines include potassium, lithium, magnesium, calcium, sulphate, HCO_3, and boron as borates and free H_3BO_3. Since the brine is saturated in NaCl, halite is expected to precipitate during evaporation. In addition, the Cauchari brine is predicted to initially precipitate halite (NaCl) and ternadite (Na_2SO_4) as well as a wide range of secondary salts that could include: astrakanite ($Na_2Mg(SO_4)_2 \cdot 4H_2O$), schoenite ($K_2Mg(SO_4)_2 \cdot 6H_2O$), leonite ($K_2Mg(SO_4)_2 \cdot 4H_2O$), kainite ($MgSO_4 \cdot KCl \cdot 3H_2O$), carnalite ($MgCl_2 \cdot KCl \cdot 6H_2O$), epsomite ($MgSO_4 \cdot 7H_2O$) and bischofite ($MgCl_2 \cdot 6H_2O$).

1.5. EXPLORATION AND DRILLING

The following exploration programs were conducted between 2009 and 2024 on behalf of LAR to evaluate the lithium development potential of the Project area:

- Surface Brine Program – 55 brine samples were collected from shallow pits throughout the salars to obtain a preliminary indication of lithium occurrence and distribution.
- Seismic Geophysical Program – Seismic surveying was conducted to support delineation of basin geometry, mapping of basin-fill sequences, and siting borehole locations.
- Gravity Survey - A limited gravity test survey was completed to evaluate the utility of this method for determining depths to basement rock.
- Time Domain Electromagnetic (TEM) Survey – TEM surveying was conducted to attempt to define freshwater and brine interfaces within the salar.
- Air Lift Testing Program – Testing was conducted within individual boreholes as a preliminary step in estimating aquifer properties related to brine recovery.
- Vertical Electrical Sounding (VES) Survey – A VES survey was conducted to attempt to identify freshwater and brine interfaces and surrounding freshwater occurrences. Surveys were conducted in 2010-2011, 2019-2021 and 2024.

- Surface Water Sampling Program – A program was conducted to monitor the flow and chemistry of surface water entering the salars.

- Pumping Test Program 2011-2019 – Pumping wells were installed at eleven locations, to estimate aquifer parameters related to brine recovery. One of the locations was used to estimate the capacity of freshwater supply. Some tests were carried out using multiple wells on the same platform in order to estimate three-dimensional aquifer parameters.

- Boundary Investigation –A test pitting and borehole program was conducted to assess the configuration of the freshwater/brine interface at the salar surface and at depth, at selected locations on the salar perimeter.

- Reverse Circulation (RC) Borehole Program – Dual-tube, reverse circulation drilling was conducted to develop vertical profiles of brine chemistry at depth in the salars and to provide geological and hydrogeological data. The program included installation of 24 boreholes and collection of 1,487 field brine samples (and additional Quality Control samples).

- Diamond Drilling ("DD") Borehole Program 2009-2010 – A drilling and sampling program was conducted to collect continuous cores for geotechnical testing (relative brine release capacity ("RBRC"), grain size and density) and geological characterization. The program included 29 boreholes and collection of 127 field brine samples.

- Diamond Drilling (DD) Borehole Program 2017-2019 – A drilling and sampling program included a total of 49 boreholes and 9,703 metres of cores recovered. In 2019, 58 additional samples were sent for RBRC testing at Daniel B. Stephens & Associates, Inc. (samples from DD19D-001 and DD19D-PE09; this program also included a total of 1,006 samples sent to the laboratory for brine characterization, including QAQC samples).

- Since 2011 a total of 43 production wells have been drilled on the Property.

1.6. MINERAL PROCESSING AND METALLURGICAL TESTING

Since 2019, the pilot plant has worked to provide process support and monitor efficiency improvements in the lithium carbonate production process.

In the liming plant, important work has been carried out monitoring the consumption of lime reagent. A 50% reduction in the consumption required by design was obtained. This improvement not only reduced the operating expenditure ("OPEX") but also enhanced downstream performance in the purification process.

Other studies conducted in the pilot plant also allowed for the optimization of reagent consumption in the purification stages. In purification, lime consumption was reduced from a molar ratio of 300% relative to the incoming magnesium to 250%, representing a 16.7% decrease in consumption.

1.6.1. Continuing Work Plan for Supporting the Plant Operations

Homologation Tests for Inputs Used in Lithium Carbonate Production:

- Evaluation of synthetic sodium carbonate.
- Tests with different flocculants.
- Testing and evaluation of new inputs.

Evaluation of Suppliers for Various Production Inputs:

- Procedure for evaluating new suppliers.
- Tests required for evaluation.

Work Required According to Plant Needs for Process Optimization, Operational Problem Resolution, or Development of Alternatives:

- Solvent extraction tests at different brine pH values to reduce HCl consumption.
- Studying the use of process water and mother liquors in the liming process.
- Evaluation of salt washing processes for improving lithium recovery.
- Tests for reagent dosing in primary and secondary purification processes to reduce reagent OPEX.
- Pilot Plant IX tests to adjust production and regeneration cycles.
- Tests to reduce HCl and NaOH consumption in IX regeneration processes.
- Evaluation of the relationship between lithium concentration and sodium / potassium rejection to assist with improving the operation of the KCl process step.
- Implement a process support program for ensuring that product quality is achieved more consistently.
- Continue solid / liquid separation tests in PUR1 and PUR2 for optimising filter cloths, flocculant make up and filter cake washing.

1.7. MINERAL RESOURCES AND MINERAL RESERVES

The lithium Mineral Resources and Mineral Reserves described in this report occur in subsurface brine. The brine is contained within the pore space of alluvial, lacustrine, and evaporite deposits that have accumulated as a multi-layer aquifer in the structural basin of the salars.

The Mineral Resource Estimate, detailed in Burga et. al. (2019), effective date February 13, 2019, incorporated a Mineral Resource Evaluation Area extending north to include the Exar property areas, as well as deeper in the brine mineral deposit, with 2017 and 2018 exploration results meeting the criteria of Mineral Resource classification for Mineral Resource estimation. Overall, it incorporated information consisting of the following: 1) the prior 2012 Mineral Resource Estimate for lithium and associated database, and 2) the expanded Project database compiled from results of 2017 through 2018 exploration drilling and sampling campaigns and additional sampling in early 2019 as part of data verification.

Since the effective date of the 2019 Mineral Resource Estimate, the results of deeper drilling and sampling has allowed for partial conversion of the Inferred Mineral Resource aquifer volume in the updated hydrostratigraphic unit (HSU) model to Measured and Indicated Mineral Resource aquifer volumes of the deeper HSUs. This conversion of aquifer volume to more confident Mineral Resource Estimate classification provides the support for simulated wells in the Mineral Reserve Estimate numerical model to be completed in the deeper and more permeable Lower Sand and Basal Sand HSUs in the southeast part of the model domain. This resulted in the latest 2019 Mineral Resource Estimate for the Project with an effective date of May 7, 2019.

The 2019 Mineral Resource Estimate at the Measured, Indicated, and Inferred Mineral Resource classification for lithium is based on the total amount of lithium in brine that is theoretically drainable from the bulk aquifer volume. The Mineral Resource Estimate is computed as the overall product of the Resource Evaluation Area and aquifer thickness resulting in an aquifer volume, lithium concentration dissolved in the brine, and specific yield of the resource aquifer volume. This framework is based on an expanded and updated hydrostratigraphic model incorporating bulk aquifer volume lithologies and specific yield estimates for block modeling of the Mineral Resource Estimate. Radial basis function was performed as the main lithium distribution methodology using variogram modeling techniques; the interpolation method was verified with ordinary kriging. The Mineral Resource block model was validated by means of visual inspection, checks of composite versus model statistics and swath plots. No areas of significant bias were noted. The S-K regulations were followed for the Mineral Resource Estimate.

The Mineral Resource Estimate is summarized in Table 1.1 at the Measured, Indicated, and Inferred confidence level classes. As is accepted in standard practice for lithium brine Mineral

Resource Estimates, Table 1.2 provides lithium represented as Li_2CO_3, or Lithium Carbonate Equivalent ("LCE"), at the Measured, Indicated, and Inferred level classes.

TABLE 1.1
SUMMARY OF 2019 MINERAL RESOURCE ESTIMATE FOR LITHIUM
EXCLUSIVE OF MINERAL RESERVES

Classification	Aquifer Volume (m^3)	Drainable Brine Volume (m^3)	Average Lithium Concentration (mg/L)	Lithium (tonnes)	Lithium - LAR's 44.8% Portion (tonnes)
Measured Resource	1.07E+10	9.73E+08	587	571,150	255,875
Indicated Resource	4.66E+10	4.20E+09	589	2,475,630	1,109,082
Measured + Indicated	**5.73E+10**	**5.18E+09**	**589**	**3,046,780**	**1,364,957**
Inferred	1.33E+10	1.50E+09	592	887,300	397,510

Notes:

1. S-K §229.1300 definitions were followed for Mineral Resources and Mineral Reserves.
2. The Qualified Person for these Mineral Resources and Mineral Reserves estimates for Cauchari Olaroz, Mr. Daniel S. Weber, P.G., RM-SME, reviewed and confirmed that there have been changes to data since the effective date of the estimates, however such changes are not material and the Mineral Resources and Mineral Reserves and the underlying material assumptions remain current as of December 31. 2024
3. The Mineral Resource estimate is reported in-situ and exclusive of Mineral Reserves, where the lithium mass is representative of what remains in the reservoir after the LOM. To calculate Mineral Resources exclusive of Mineral Reserves, a direct correlation was assumed between Proven Reserves and Measured Resources, and similarly, between Probable Reserves and Indicated Resources. Proven Mineral Reserves (from the point of reference of brine pumped from the wellfield to the evaporation ponds) were subtracted.
4. The Mineral Resource Estimate is not a Mineral Reserve Estimate and does not have demonstrated economic viability. There is no certainty that all or any part of the Mineral Resources will be converted to Mineral Reserves. Inferred Resources have great uncertainty as to their existence and whether they can be mined legally or economically.
5. Calculated brine volumes only include Measured, Indicated, and Inferred Mineral Resource volumes above a lithium concentration cut-off grade of 300 mg/L.
6. Comparisons of values may not add due to rounding of numbers and the differences caused by use of averaging methods.
7. Processing efficiency is assumed to be 53.7%.
8. The pricing, based on the estimates and the time frame for the economic viability, is described in Section 16.3 - Price Forecast

Table 1.2 Summary of 2019 Mineral Resource Estimate for Lithium Represented as LCE, Exclusive of Mineral Reserves		
Classification	**LCE (tonnes)**	**LCE – LAR's 44.8% Portion (tonnes)**
Measured Resource	3,040,109	1,361,969
Indicated Resource	13,177,246	5,903,406
Measured + Indicated	**16,217,355**	**7,265,375**
Inferred	4,722,700	2,115,769

Notes:

1. S-K §229.1300 definitions were followed for Mineral Resources and Mineral Reserves.
2. The Qualified Person for these Mineral Resources and Mineral Reserves for Cauchari Olaroz, Mr. Daniel S. Weber, P.G., RM-SME, reviewed and confirmed that there have been changes to data since the effective date of the estimates, however such changes are not material and the Mineral Resources and Mineral Reserves and the underlying material assumptions remain current as of December 31. 2024
3. The Mineral Resource estimate is reported in-situ and exclusive of Mineral Reserves, where the lithium mass is representative of what remains in the reservoir after the LOM. To calculate Mineral Resources exclusive of Mineral Reserves, a direct correlation was assumed between Proven Reserves and Measured Resources, and similarly, between Probable Reserves and Indicated Resources. Proven Mineral Reserves (from the point of reference of brine pumped from the wellfield to the evaporation ponds) were subtracted. The average grade for Measured and Indicated Resources exclusive of Mineral Reserves was back-calculated based on the remaining brine volume and lithium mass.
4. Lithium carbonate equivalent ("LCE") is calculated using mass of LCE = 5.322785 multiplied by the mass of Lithium reported in Table 11.5.
5. The Mineral Resource Estimate is not a Mineral Reserve Estimate and does not have demonstrated economic viability. There is no certainty that all or any part of the Mineral Resources will be converted to Mineral Reserves. Inferred Resources have great uncertainty as to their existence and whether they can be mined legally or economically.
6. Calculated brine volumes only include Measured, Indicated, and Inferred Mineral Resource volumes above a lithium concentration cut-off grade of 300 mg/L.
7. Comparisons of values may not add due to rounding of numbers and the differences caused by use of averaging methods.
8. Processing efficiency is assumed to be 53.7%
9. The pricing, based on the estimates and the time frame for the economic viability, is described in Section 16.3 - Price Forecast

The 2019 Mineral Reserve Estimate for lithium incorporates the 2019 Resource Estimate and additional drilling and testing through an effective date of May 7, 2019. To obtain the Updated Mineral Reserve Estimate, the previous hydrostratigraphic and numerical models and the expanded database were analyzed and updated by Montgomery & Associates. Once formulated and calibrated, the updated numerical model used a simulated production wellfield to project extraction from the brine aquifer and verify the feasibility of producing sufficient brine for processing a minimum target of 40,000 tonnes per year (tpa) LCE for a 40-year operational period.

After verifying the capability of the simulated wellfield to produce sufficient brine for the minimum 40,000 tpa LCE process target, the model was then used to predict a maximum production rate for assessment of a Total Mineral Reserve Estimate for a 40-year production and process period of LCE.

The Proven and Probable Mineral Reserve Estimate is summarized in Table 1.3 without factoring estimated LCE process efficiency (pre-processing). The Measured and Indicated Mineral Resources (Table 1.1 and Table 1.2) correspond to the total amount of lithium enriched brine estimated to be available within the aquifer while the Proven and Probable Mineral Reserves represent a portion of the Mineral Resource Estimate that can be extracted under the proposed pumping schedule and wellfield configuration. A cut-off value was not employed in the Mineral Reserve Estimate because the average calculated lithium concentration after 40 years of simulated mine life was significantly above the processing constraint.

Table 1.3
Summary of Estimated Proven and Probable Mineral Reserves
(Without Processing Efficiency)

Mineral Reserve Classification	Production Period (Years)	Brine Pumped (m^3)	Average Lithium Concentration (mg/L)	Lithium Metal (tonnes)	LCE (tonnes)	LCE – LAR's 44.8% Portion (tonnes)
Proven	0 through 5	156,875,201	616	96,650	514,450	230,474
Probable	6 to 40	967,767,934	606	586,270	3,120,590	1,398,024
Total	**40**	**1,124,643,135**	**607**	**682,920**	**3,635,040**	**1,628,498**

Notes:

1. The Mineral Reserve Estimate has an effective date of May 7, 2019. The Qualified Person for these Mineral Resources and Mineral Reserves for Cauchari-Olaroz, Mr. Daniel S. Weber, P.G., RM-SME, reviewed and confirmed that the Mineral Reserves estimates, along with the material assumptions related to them, as presented in the Cauchari-Olaroz Technical Report Summary (TRS), remained accurate as of the effective report date of December 31, 2024.
2. LCE is calculated using mass of LCE = 5.322785 multiplied by the mass of Lithium Metal.
3. The conversion to LCE is direct and does not account for estimated processing efficiency.
4. The values in the columns for "Lithium Metal" and "LCE" above are expressed as total contained metals.
5. The Production Period is inclusive of the start of the model simulation (Year 0).
6. The average lithium concentration is weighted by per well simulated extraction rates.
7. Tonnage is rounded to the nearest 10.
8. Comparisons of values may not be equivalent due to rounding of numbers and the differences caused by use of averaging methods.
9. Processing efficiency is assumed to be 53.7%.
10. The pricing, based on the estimates and the time frame for the economic viability, is described in Section 16.3 - Price Forecast

The independent qualified person and author, Daniel Weber, believes the Mineral Reserve Estimate has been conservatively modeled and represents a Proven Mineral Reserve for Year 1 through 5 of full-scale extraction wellfield pumping and a Probable Mineral Reserve for Years 6 to 40 of extraction wellfield pumping. The division between Proven and Probable Mineral Reserves is based on 1) sufficiently short duration of wellfield extraction to allow a higher degree of predictive confidence yet long enough to enable significant production, and 2) a duration long enough to enable accumulation of a strong data record to allow subsequent conversion of Probable Mineral Reserves to Proven Mineral Reserves.

During 2023 and 2024, the first years of operation, 39 wells were operative to support LCE production. During 2023, 496 l/s of brine were delivered to the wellfield and in 2024 an average of 706 l/s of brine were pumped. Table 15.6 shows the total wellfield delivery rate per year for the predicted 40-year production period.

Considering a conservative processing efficiency of 53.7%, the predicted results for the 40-year production period are as follows.

- Average production rate of 47,700 tpa LCE for the 40-year pumping period.
- Average production rate of 48,700 tpa LCE following the completion of the 40-year pumping period.
- Average lithium concentration of 609 mg/L for the 40-year pumping period, considering an average lithium grade assumption is 638 mg/l during the first years of operation.
- Minimum lithium concentration of 598 mg/L near the end of the pumping period in year 40.

1.8. MINING METHODS

1.8.1. Brine Processing

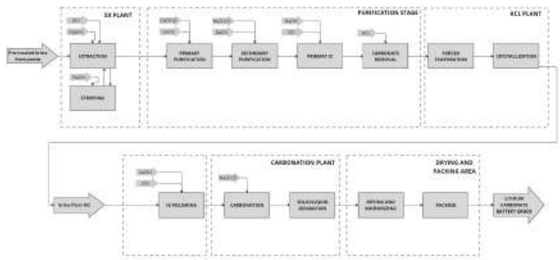
In 2019, Exar implemented a Feasibility Study based on new tests work and the 2012 Feasibility Study. With additional test information, Exar developed a process for converting brine to high-purity lithium carbonate. The proposed process follows industry standards: pumping brine from the salar, concentrating the brine through evaporation ponds, and taking the brine concentrate through a hydrometallurgical facility to produce high-grade lithium carbonate. While the 2012 process model employed proprietary, state-of-the-art physiochemical estimation methods and process simulation techniques for electrolyte phase equilibrium, the 2019 model uses a process model that has been further refined using the results of lab scale and pilot scale testing from Exar, Ganfeng Lithium, and equipment suppliers, the results of which are reflected in the 2019 Feasibility Study and implemented in the detail engineering of the facilities. The basis of the process methods has been tested and supported by laboratory test work, pilot testing facilities, and equipment vendor testing and design to support equipment guarantees.

1.8.2. Lithium Carbonate Plant Production

The process route simulated for the production of lithium carbonate from Cauchari brines resembles the flowsheet presented in Figure 1.2 Overall Process Block Diagram.

Primary process inputs include evaporated brine, water, lime, soda ash, HCl, NaOH, and natural gas. The evaporation ponds produce salt tailings composed of Na, Mg, Ca, K, and borate salts. The brine concentrate from the terminal evaporation pond is further processed, through a series of polishing and impurity removal steps. Soda ash is then added with the purified brine concentrate to produce lithium carbonate that is dried, micronized, and packaged for shipping.

Figure 1.2   Overall Process Block Diagram



Design criteria for the Lithium Carbonate plant is presented Table 1.4.

TABLE 1.4 **LITHIUM CARBONATE PLANT DESIGN CRITERIA**		
Description	**Unit**	**Value**
Li_2CO_3 production	tonnes per year	40,000
Annual operation days	days	292
Annual operation hours	hours	7008
Availability	%	80
Utilization (22 h/d)	%	97.2
Plant Overall Efficiency	%	53.7

1.9. SITE INFRASTRUCTURE AND BUILDINGS

1.9.1. Wells

19.1.1. Well Production Equipment Selection

Screened wells target the largest lithium brine aquifers. Submersible electric pumps are used for brine pumping. These pumps send the brine to evaporation ponds through a network of pipelines and mixing pools.

1.9.2. Evaporation Ponds

An average water evaporation rate of 6.26 mm per day was used as criterion to design the pond system. This rate corresponds to measured evaporation rates observed at the site where the ponds are located.

Assuming the above-mentioned evaporation rate, the total evaporation area required for the production of 40,000 tpa of lithium carbonate is 1,200 ha when including consideration for harvesting of salt deposited in the ponds. The ponds are lined with multi-layer liner consisting of a polymer-based material and engineered granular bedding. The ponds configuration includes provision for uninterrupted production during salt harvesting and maintenance work.

Brine is transferred between the successive evaporation ponds using self-priming pumps.

1.9.3. Salt Harvest Equipment

In order to recover pond volume taken up by precipitated salt and recover lithium values entrapped with the brine; salt is harvested. Harvesting began after the third year of steady operation.

The harvesting operation consists of draining the free brine from the pond, scraping the salt to a minimum depth, and making drainage trenches before removing salt.

1.9.4. Site Infrastructure and Support Systems

1.9.4.1. Natural Gas Pipeline

Natural gas is obtained from the Rosario gas compression station, which is on the Gas Atacama pipeline, 52 km north of the Project site.

Capital costs for this pipeline was US$7.2M. This pipeline can supply natural gas at capacities that are sufficient for a 40,000 tpa LCE facility.

1.9.4.2. Power Supply

Electricity is provided by a new 33 kV transmission line that interconnects with an existing 345 kV transmission line located approximately 60 km south of the Project. The interconnection consists of a sub-station with a voltage transformer (345/33 kV) and associated switchgear.

A stepdown 33/13.2 kV substation at the Project site, consist of two voltage transformers (33/13,2 kV, 15-20 MVA), one (1) 33 kV electrical room and one (1) 13.2 kV electrical room with suitable switchgears and auxiliary equipment for the 13.2 kV local distribution system.

The 13.2 kV local electrical distribution system provides power to the plant, camp, intermediate brine accumulation and homogenizing pools/lime pumps, wells, and evaporation ponds. In general, all the distribution is based on overhead lines, unless there are major restrictions then the underground distribution is adopted.

The estimated average load for the Project is around 16.4 MW or 123,461 MWh/y, assuming a plant and periphery utilization factor of 0.86. The power line has sufficient capacity for this load plus the existing users.

The whole electrical system is designed for the maximum load condition plus a safety factor of 1.2.

A stand-by diesel generating station, located close to main substation, power selected equipment during outages.

1.9.4.3. Permanent Camp

The permanent camp (called Operations Camp), and the Construction Camp are located 8,000 m south of National Highway 52. The Operations Camp is a complete housing and administrative complex to support all activities of the operation with a capacity of 634 people.

The Operations Camp includes office buildings, bedrooms, dining facilities, medical room, and recreation areas, consisting of a gym, an indoor sports center, a recreation room and an outdoor soccer field.

In the Construction Camp there are eight housing modules with a total capacity of 392 people, of which only three modules are currently in use. In addition, this camp includes the pilot plant facilities, water treatment plants and contractor workshops.

1.9.4.4. Other Buildings

Other buildings include:

- A warehouse for spare parts and consumables;
- A steel building for the storage of soda ash;
- A steel building for the storage of solvent extraction plant chemicals designed with appropriate ventilation, safety, and security features;
- Operating facilities for sheltering operators, electrical equipment, and central control rooms; and,
- Product storage facility designed for protecting the product against contamination and staging it for shipment.

1.9.4.5. Security

At the main entrance of the plant, there is a barrier and a security booth to grant access to the facilities. There is a second access control point upon reaching the main module of the camp. There, individuals' entry is registered again using facial and fingerprint recognition.

Given the remote location of the facilities, it is not necessary to enclose the plant with a metallic perimeter fence. The plant is illuminated to allow night work and improve security.

1.9.4.6. Access and Site Roads

Access to the plant site is via paved National Highways 9 and 52, which connect the site to San Salvador de Jujuy and Salta in Argentina. In addition, National Highway 52 connects to Paso Jama to the west, a national border crossing between Chile and Argentina, and provides connection to Chilean Route 27 and convenient access to Antofagasta.

Access within the site is possible through Route 70, a gravel road, which skirts the west side of the salars. This road is approximately 1 km from the plant site. Access roads to ponds, wells, and other infrastructure were part of the overall construction.

1.9.4.7. Fuel Storage

The plant includes a diesel storage and dispensing station for mobile equipment and transport vehicles. Diesel fuel can also be used in stand-by generators and back up for dryers in the plant. The main fuel for equipment operation will be natural gas.

1.9.4.8. Water Supply

The estimated average consumption of brackish water for mining/industrial use is 105 (+/- 20%) liters per second ("L/s").

Water for industrial use is supplied by groundwater wells adjacent to the salar and a water pipeline from the north.

1.9.4.9. Pond Solid Wastes

The pond evaporation process leaves considerable amounts of salts on the bottom of the ponds. These salt piles may reach up to 15 m in height. It is estimated that approximately 740 ha of salt piles will be built over a 40-year period and these piles are built near the pond areas.

These discarded salts are classified as inert waste. The salts are generated from brines and do not introduce foreign compounds. It is estimated that sodium chloride and sulphate make up over 87% of this waste.

1.9.4.10. Tailings Liquid Disposal

Several possible sites for liquid industrial waste evaporation ponds were analyzed. These ponds are similar to the evaporation ponds, complete with liner. A 50 ha parcel located close to the plant was selected for the industrial waste evaporation ponds and presents no risks to distant populated areas.

1.10. MARKET STUDIES AND CONTRACTS

The outlook for lithium demand is positive, driven by the development of electromobility and the growing need for batteries in the electronics industry. Lithium consumption is expected to increase significantly in the coming years driven by a rapid increase in demand for EVs.

The global lithium mineral production is largely driven by spodumene operations in Australia, brine operations in Chile and Argentina and lithium chemical conversion in China.

A market review was performed to establish three pricing scenarios for lithium carbonate (per ton) used in the economic analysis.

Both Lithium Argentina and Ganfeng Lithium are entitled to a share of offtake from production at the Cauchari-Olaroz Project. The Company is entitled to 49% of offtake, which would amount to approximately 19,600 tpa of lithium carbonate assuming full capacity is achieved.

1.11. PERMITTING, ENVIRONMENTAL STUDIES AND SOCIAL OR COMMUNITY IMPACT

1.11.1. Permits and Authorities

Permitting processes for the Project are governed by Argentina’s national and provincial laws, with oversight from the Jujuy provincial government. Recent updates under Decree No. 7,751-DEyP-2023 have modernized permitting standards, including enhanced consultation protocols and mandatory financial assurances for closure. The Project’s permits for exploration and exploitation activities are in full compliance, with biannual updates submitted as required.

Exploration permits require the submission of an Environmental Impacts Report (“IIA”), which details the scope of proposed exploration activities and their potential environmental impacts. The Provincial Government of Jujuy, through the Mining and Energy Resource Directorate, reviews and approves these reports. These permits require updates every two years.

On February 11, 2023, the Provincial Executive Government of Jujuy issued Decree No. 7,751-DEyP-2023 (the "Decree"), which regulates the General Environmental Law No. 5063 and comprehensively updates provincial environmental protection norms for mining activities. This Decree replaces Decree No. 5,772/2010, previously governing this domain.

1.11.2. Social or Community Impact

Community engagement and consultation processes have been ongoing since 2009, fostering trust and cooperation. Social impact assessments highlight the Project’s contributions to local economic development, infrastructure improvements, and cultural preservation. Comprehensive studies have been completed to understand the Project's impacts, robust monitoring processes to track progress, and targeted investments in critical sectors such as infrastructure, education, and healthcare.

Project perceptions in the surveyed communities conclude a generally positive opinion of the mining industry as it has recently become an economic pillar of the region. Accordingly, the Project is viewed as a source of job opportunities.

The population directly impacted by the Project is mostly rural and self-identifies with the Atacama ethnic group. In general, their settlement patterns and spatial dispersion is based on the camelid’s pasturage activity. The area of direct influence for the Project includes the communities of Susques, Huáncar, Pastos Chicos, Puesto Sey, Catua and Olaroz Chico. All these communities are in the department of Susques, Province of Jujuy, with the town of Susques being the head of the Department.

Exar has developed a program that promotes social and economic development within a sustainability framework and aims to address the evolving needs of local communities, focused employment, training, and equitable benefit-sharing while addressing concerns related to resource management and cultural heritage.

1.11.3. Environmental Baseline Studies

Environmental baseline data were compiled through extensive studies commissioned by Exar. Initial studies were conducted between 2010 and 2011, with regular updates and quarterly participatory monitoring from 2017 to 2024. Environmental Impacts Reports (EIRs) have been periodically updated and approved to account for evolving Project layouts and operational changes.

Quarterly follow-up campaigns since 2017 confirmed stable water quality conditions. For surface water, the natural concentrations of aluminum, boron, and iron exceed permissible limits for drinking water.

Air quality measurements of PM10, SO_2, NO_2, O_3, and H_2S fall within permissible limits per provincial guidelines. Recent campaigns note reductions in PM10 levels at Vega Alegría and Vega Archibarca, consistent with stricter dust control measures.

The Project area has a low biodiversity although there are some zones within it that are more diverse than others, such as shrub steppes and meadows, the Archibarca cone being the zone with the greatest biodiversity within the Project area.

Follow up fauna and flora monitoring campaigns were carried out around the pilot plant in March 2015 and in October 2016 and quarterly monitoring during 2017 up to 2024. Diversity results indicate that there is no significant change in the diversity parameters.

1.12. CAPITAL AND OPERATING COST ESTIMATE

1.12.1. Capital Cost Estimate

Capital costs for the Project (CAPEX) are based on the total engineering and construction work, having a design capacity of 40,000 tonnes per year of lithium carbonate.

The CAPEX is expressed in current US dollars on a 100% project equity basis. LAR contributed 49% of these costs, matching its shareholding in Exar and excluding JEMSE's 8.5% interest.

Capital costs include direct and indirect costs for:

- Brine production wells.
- Evaporation and concentration ponds.
- Lithium carbonate plant.
- General site areas, such as electric, gas, and water distribution.
- Stand-by power plant, roads, offices, laboratory and camp, and other items.
- Off-site infrastructure, including gas supply pipeline and high voltage power line and water pipeline; and
- Salaries, construction equipment mobilization, and other expenses.

The capital investment for the 40,000 tpa lithium carbonate project, including equipment, materials, indirect costs and contingencies after completion of the construction period is consolidated to US$979 million. This total excludes interest expense capitalized during the same period. Disbursements of these expenditures started in 2017 as part of the 25,000 tpa lithium carbonate project. These capital expenditures are summarized in Table 1.5.

Table 1.5.
Capital Costs Summary

Item	US$ M
Direct Cost	
Salar Development	51.0
Evaporation Ponds	175.5
Lithium Carbonate Plant and Aux.	361.7
Reagents	26.2
On-Site Infrastructure	108.7
Off-site Services	13.6
Total Direct Cost	**736.7**
Indirect Cost	
Total Indirect Cost	**224.5**
Total Direct and Indirect Cost	
Total Direct and Indirect	961.2
Others	17.8
Total Capital	**979**
Expended to date	**979**
Estimate to complete	**-**

1.12.2. Exclusions

The following items are not included in this estimate:

- Legal costs.
- Special incentives and allowances.
- Mineral license costs.
- Escalation; and
- Start-up costs beyond those specifically included.

1.12.3. Currency

All values are expressed in current US dollars; the exchange rate between the Argentine peso and the US dollar as at October 31, 2024 was AR$970/US$. Argentine peso denominated costs follow the exchange rate as a result of inflation, and the impact of the exchange rate fluctuation on CAPEX and OPEX has been incorporated; no provision for currency escalation has been included.

1.12.4. Operating Cost Estimate

The operating cost estimate (±15% expected accuracy) for the Project is estimated at US$6,543 per tonne of lithium carbonate (Table 1.6), based on 40,000 tpa lithium carbonate production. This estimate is based upon vendor purchase orders for main costs such as reagents, fuel (diesel and natural gas), electricity, maintenance, halite harvesting, transport, and catering and camp services. Reagents consumption rates were determined by pilot plant and laboratory work, as well as detailed process mass and energy balances. Energy consumption was determined on the basis of the specific equipment considered in each sector of the facilities and their utilization rate. Labour requirements are based on Exar's actual manpower used during the ramp up period. Labour costs have been estimated using the results of a salary survey, carried out on behalf of Exar in Argentina, on mining companies with similar conditions and actual salaries paid by Exar. Consumables costs were estimated on the basis of existing supplier contracts and forecasted changes in future prices.

Table 1.6
Operating Costs Summary

Description	Total (US$ 000 /Year)	Li_2CO_3 (US$/Tonne)	Allocation of Total OPEX (%)
Direct Costs			
Reagents	100,981	2,525	38.60%
Maintenance	24,701	618	9.4%
Electric Power	9,283	232	3.5%
Pond Harvesting & Tailing Management	24,348	609	9.3%
Water Treatment System	0	0	0
Natural Gas	4,455	111	1.70%
Manpower	32,059	801	12.20%
Catering, Security & Third-Party Services	32,083	802	12.30%
Consumables	6,443	161	2.50%
Diesel	3,249	81	1.20%
Bus-in/Bus-out Transportation	0	0	0
Product Transportation	9,200	230	3.5%
Direct Costs Subtotal	**246,803**	**6,170**	**94.30%**
Indirect Costs			
G&A	14,912	373	5.7%
Indirect Costs Subtotal	**14,912**	**373**	**5.7%**
Total Operating Costs	**261,714**	**6,543**	**100.0%**

1.13. ECONOMIC ANALYSIS

A sophisticated economic analysis of the Project was conducted to determine its financial viability. Capital and Operational Expenditures have been used in this model. The forecasted tax schedules, both payments and rebates, were researched using internal and external taxation experts. Prices for lithium carbonate were based on a market study carried out by a qualified third party. Economic analysis in the technical report considers the actual results of Exar's production in 2024 and estimated 2024 financial results. Project's revenues in 2024 and cost of production are expected to be approximately USD$200 million.

Results obtained include Net Present Values (NPV) for a range of discount rates. In order to determine the influence of different input parameters on projected results, a sensitivity analysis has also been carried out. Parameters considered in this analysis were sustaining CAPEX, selling prices, production levels, and OPEX.

The model assumes the current charges for royalties, taxes and payments obligations and a return on export value.

This economic analysis assumes that Capital expenditures prior to December 31, 2024, are considered sunk costs and are excluded from the capital expenses in the economic model. Only capital expenditures from December 31, 2024, onwards are included.

Investment decisions are made on a forward-looking basis. The purpose of the economic model is to assess whether future capital expenses and operations with updated product price, production cost and other assumptions will bring a positive economic result. Positive economic results include future cash flows, generated from sales of the finished product, less related cost of sales and other expenses, excluding capital expenditures prior to December 31, 2024.

This economic assessment ignores sunk costs in the determination of cash flows and economic indicators. However, these costs are considered as opening balances for the purpose of determining tax assets and liabilities.

1.13.1. Sustaining Capital Expenditures (Sustaining CAPEX)

The capital expenditures schedule is presented in Table 1.7, which contains consolidated Sustaining CAPEX Expenditures Schedule from 2025 for the life of the Project.

Table 1.7
Sustaining CAPEX Expenditure Schedule

Description	2025-2035 (US$ 000)	2036-2060 (US$ 000)	Total (US$ 000)
Total	225,500	765,000	990,500

1.13.2. Production Revenues Schedule

The production revenues schedule is presented in Table 1.8.

TABLE 1.8
PRODUCTION AND REVENUE SCHEDULE – MEDIUM LITHIUM PRICE SCENARIO

Year	Average Revenue per Year (US$ 000)	Average Production per Year Li_2CO_3 (t)
2025-2030	709,000	38,667
2031-2060	780,000	40,000
Total	**28,044,000**	**1,452,000**

1.13.3. Other Expenses

Other expenses and cash flow items considered in the model include Argentinian transaction tax, Jujuy and private royalties, licenses and permits, export refunds, easement rights, equipment depreciation, sustaining capital, exploration expenses amortization and remediation allowances.

1.13.3.1Economic Evaluation Results

The economic evaluation results are presented in Table 1.9.

TABLE 1.9
PROJECT EVALUATION ECONOMIC SUMMARY

Price Case	Unit	High	Medium	Low
Average Lithium Price LCE	US$/tonne	$21,645	$20,757	$19,641
Key Statistics				
Project capacity	tonnes	40,000	40,000	40,000
Sustaining CAPEX	US$ M	$990	$990	$990
OPEX	US$/tonne	$6,543	$6,543	$6,543
Max negative cash flows	US$ M	$-13	$2	$-87
Average Lithium price Li_2CO_3	US$/tonne	$21,645	$20,757	$19,641
Average yearly values				
Revenue	US$ M	$793	$758	$714
OPEX	US$ M	$-258	$-258	$-258
Other Expenses	US$ M	$-38	$-38	$-35
EBITDA[1] (Note 3)	US$ M	$497	$463	$421

[1] EBITDA is non-GAAP financial measures and has no standardized meaning under IFRS Accounting Standards ("IFRS") and may not be comparable to similar measures used by other issuers. The Company does not have historical non-GAAP financial measures nor historical comparable measures under IFRS, and therefore the foregoing prospective non-GAAP financial measure may not be reconciled to the nearest comparable measure under IFRS.

Table 1.9 Project Evaluation Economic Summary				
Price Case	**Unit**	**High**	**Medium**	**Low**
Average Lithium Price LCE	US$/tonne	$21,645	$20,757	$19,641
Before taxes				
NPV (6%)	US$ M	$7,430	$6,538	$5,311
NPV (8%)	US$ M	$6,044	$5,230	$4,101
NPV (10%)	US$ M	$5,049	$4,305	$3,263
After taxes				
NPV (6%)	US$ M	$5,035	$4,466	$3,630
NPV (8%)	US$ M	$4,122	$3,603	$2,830
NPV (10%)	US$ M	$3,466	$2,992	$2,274

Notes:

1. Presented on a 100% project equity basis. As of the date of this report, LAR currently owns 49% of the project.
2. Measured form the end of the capital investment period.
3. EBITDA is non-GAAP financial measures and has no standardized meaning under IFRS Accounting Standards ("IFRS") and may not be comparable to similar measures used by other issuers. The Company does not have historical non-GAAP financial measures nor historical comparable measures under IFRS, and therefore the foregoing prospective non-GAAP financial measure may not be reconciled to the nearest comparable measure under IFRS. These supplemental non-GAAP performance measures are used by the Company's management and external users of its financial statements, such as industry analysts, investors, lenders and rating agencies. Each of these measures used are intended to provide additional information to the user and should not be considered in isolation or as a substitute for measures prepared in accordance with IFRS. Because the Company has provided these measures on a forward-looking basis, it is unable to present a quantitative reconciliation to the most directly comparable financial measure calculated and presented in accordance with IFRS without unreasonable efforts. This is due to the inherent difficulty of forecasting the timing or amount of various reconciling items that would impact the most directly comparable forward-looking IFRS measure that have not yet occurred, are outside of the Company's control and/or cannot be reasonably predicted.

1.14. CONCLUSIONS AND RECOMMENDATIONS

1.14.1. Conclusions

- Brine: The Mineral Resource and Mineral Reserves described in this report occur in subsurface brine. The brine is contained within the pore space of salar deposits that have accumulated in a structural basin.

- Hydrostratigraphic Model, Mineral Resource Block Model, and Updated Mineral Resource Estimate: Comparing the prior 2012 Mineral Resource Estimate to the Updated Mineral Resource Estimate, the percent change is a decrease of less than 1% for total average lithium concentration of Measured + Indicated; the percent change is an increase of 69% for total LCE Measured + Indicated (11,752,000 tonnes LCE vs. 19,852,700 tonnes LCE). The large increase in overall estimated mass of LCE can be attributed to the expansion and deepening of the Resource Evaluation Area based on exploration results obtained between 2017 and 2019. The small decline in total average concentration can be attributed to the 2019 Mineral Resource Estimate affected by the 2017, 2018, and 2019 spatial range of samples collected in the Salar de Orocobre and Archibarca alluvial fan areas of the Project.

- Numerical Model and Mineral Reserve Estimate: A numerical groundwater model was updated in 2019 for an expanded area of the basin to calculate the 2019 Mineral Reserve Estimate. The model simulates long-term wellfield extraction from the Cauchari-Olaroz brine aquifer and is based on a rigorous assembly of groundwater flow and solute transport parameters.

- 2019 Mineral Reserve Estimate: The total 2019 Mineral Reserve Estimate for Proven and Probable Mineral Reserves is 3,635,040 tonnes of LCE for 40-year life of mine plan. Assuming a processing efficiency of 53.7 percent for forecasting an economic reserve over the 40-year life of mine plan, the total Mineral Reserve Estimate for Proven and Probable Mineral Reserves is 1,952,020 tonnes of LCE.

- Lithium Industry: Market studies indicate that the lithium industry has a promising future. The use of lithium ion batteries for electric vehicles and renewable energy storage applications are driving lithium demand.

- Project Capital Cost: The capital investment for the 40,000 tpa lithium carbonate Cauchari-Olaroz Project, including equipment, materials, indirect costs and contingencies during the construction period was defined at US$979 million. A production design capacity of 40,000 tpa of lithium carbonate, has been implemented and the facility has reached over 80% design capacity during the second year of the ramp up period.

- The main CAPEX drivers were the pond construction and the lithium carbonate plant, which represent 57% of total project capital expenditures.

- Operating Costs: The operating cost estimate (+/-15% accuracy) for the 40,000 tpa lithium carbonate facility is US$6,543 per tonne. This figure includes pond and plant chemicals, energy/fuel, labour, salt waste removal, maintenance, camp services, and transportation.

- Sensitivity Analysis: Sensitivity analysis indicates that the Project remains economically viable even under highly unfavourable market conditions. Even with a 25% reduction in the assumed price, the Project NPV remains favourable. For further analysis, refer to Figure 19.3 Diagram for Project NPV Before Taxes at 8% Discount Rate-Sensitivity Medium Scenario.

- Project Economics: Project cash flow analysis for the base case and alternative cases indicates the project is economically viable based on the assumptions used.

1.14.2. Recommendations

- Updates to models representing Mineral Resources and Mineral Reserves: conceptual and Mineral Resource and Reserve models should be updated. The domain of the Resource Evaluation Area should be evaluated so that additional areas can be included as potential new sources for Mineral Resource and Mineral Reserve Estimates. Future modeling activities should include:
    - Comparison of the model hydrostratigraphy against new borehole data.
    - Comparison of produced brine concentrations against predicted concentrations.
    - Comparison of measured production and monitor well drawdown levels against predicted levels; and
    - Monitoring of measured production well flow rates against predicted rates; derivation of updated K (hydraulic conductivity), Ss (specific storage), and Sy (specific yield) estimates from analysis of pumping and drawdown information, and comparison with the values used in the model; and incorporation of third-party brine pumping from adjacent properties if appropriate and if any occurs in the future.
- Continuing with New Well Testing: In addition to the long-term evaluation components recommended above, each new production well should undergo an initial pumping test, on the order of seven to ten days of constant-rate pumping, for assessment of long-term performance.
- Based on the conceptual hydrogeologic system and results of the numerical model, the authors believe it is appropriate to categorize the Proven Mineral Reserve as what we believe is feasible to be pumped to the evaporation ponds and recovered at the end of the first five years of operations as currently modeled for the Updated Mineral Reserve Estimate. During the initial five years of operation and wellfield build-out, the numerical model should be recalibrated based on demonstrated results and new projections should be done for re-examination of the Proven Mineral Reserve and potential for conversion of part of Probable to Proven classification.
- Improving the certainty of the Proven and Probable Mineral Reserves could be gained with scheduled water level measurements along with brine density measurements at production wells and nearby monitoring wells (representing shallow, intermediate, and deep monitoring of the brine aquifer), validation of the water balance and characterization of any changes in inflow to the salar, and additional controlled, long-term aquifer testing to more accurately represent aquifer parameters for calibrating hydraulic parameters in the numerical model. Changes to the hydrostratigraphic unit model based on additional exploration drilling and

production well drilling should also be incorporated into future numerical flow and transport modeling.

- Additional certainty in predictive simulations of wellfield extraction and capture of lithium mass could be gained by re-examination of the water balance using measured data at aquifer boundaries, model sensitivity analysis for critical aquifer parameters such as hydraulic conductivity and specific yield, and potentially including effects of off-property production of lithium by adjacent mining operations. Furthermore, variable-density flow and transport should be considered in future model updates given the domain has expanded considerably compared to prior groundwater modeling efforts and now includes larger regions of freshwater inflow. Along with these recommended refinements to improve certainty of the predictive capabilities of the groundwater model, the numerical model should be used as an operational tool to optimize pumping rates at production wells, maximize lithium concentrations, and control the overall wellfield capture.

- Drainable porosity or S_y estimates relied upon the prior 2012 model estimates because the 2017 and 2018 exploration results lacked S_y estimates. In order to address the uncertainty of S_y estimates for the different stratigraphic groups, ongoing exploration work should include analysis of S_y by use of laboratory methods such as RBRC or similar techniques for core samples, and field methods using calibrated nuclear magnetic resonance ("NMR") borehole logging in open boreholes or in wells with PVC casing installed.

- The 2019 Mineral Reserve Estimate assumes that production from adjacent external property areas will not be impacted by brine production, both currently and in the future. However, depending on the location of production wells and the potential overlap of brine aquifer capture areas, this assumption may introduce significant uncertainty. Adjacent external brine production wells could directly affect the 2019 Mineral Reserve Estimate by causing dilution of brine concentrations or lowering brine levels in the aquifer. Although the details of adjacent properties' brine production are uncertain, it is recommended to conduct a sensitivity analysis to assess potential impacts.

- Lime supply: We recommend that efforts to firm up lime supply source be pursued. The area producer will require support for increasing production capacity as other local producers are depending on the same source. Exar intends to obtain lime from this source and discussions for providing additional support are underway.

- QA/QC: The QA/QC program, using regular insertions of blanks, duplicates, and standards should be continued. All exploration samples should be analyzed at Alex Stewart when exploration activities resume.

- The on-site laboratory should obtain ISO 17025 certification for analytical laboratories.

- Align Closure Plan with New Legislation: Update the conceptual closure plan to meet the requirements of Decreto No. 7,751-DEyP-2023.

- Engage Stakeholders Early: Collaborate with indigenous communities, local governments, and relevant authorities to identify potential public or social uses for infrastructure and areas post-mining.
- Strengthen Financial Assurances: Establish and maintain the required financial guarantees.
- Quantify Financial Implications: Compare pre-2023 closure cost estimates with anticipated costs under the new legislation to provide a clearer understanding of financial impacts.
- Enhance Stakeholder Engagement: Ensure ongoing discussions or frameworks are in place to address environmental and social priorities and demonstrate proactive collaboration with affected parties.

The estimated cost for the recommendations is summarized in Table 1.10.

TABLE 1.10
RECOMMENDATIONS BUDGET

Item	Budget (US$)
Mineral Resource and Reserve Update	$200,000
ISO 17025 Accreditation	$20,000
Updated Technical Report	$80,000
Permitting and Social Community Work	$200,000
Total	**$500,000**

2. INTRODUCTION

2.1. TERMS OF REFERENCE

Lithium Argentina retained Andeburg Consulting Services Inc. ("ACSI") to complete an independent S-K 1300 compliant 2024 Technical Report – Operations Update for the Cauchari-Olaroz Project, located in the Province of Jujuy in Argentina. The supervising Independent Qualified Person ("QP") for the Report is David Burga, P.Geo. of ACSI.

The purpose of this Operational Technical Report is to update aspects of the project including project development work to date, updated estimates of capital costs, and updated financial model including current operating cost estimates. The current Mineral Resource and Mineral Reserve Estimates presented in this report are taken from the ACSI report Updated Feasibility Study and Mineral Reserve Estimation to Support 40,000 tpa (Burga, et al., 2020). The Mineral Resource and Mineral Reserve Estimates were prepared in compliance with the S-K regulations.

This report was prepared by the authors, at the request of Lithium Argentina AG with its corporate office at:

Dammstrasse 19, 6300 Zug, Switzerland

This report is considered current as of December 31st, 2024.

2.2. QUALIFIED PERSONS SITE VISITS

Mr. David Burga, P.Geo. (ACSI), conducted a site visit of the Property on January 24, 2017, February 19 through 21, 2019, June 10 and 12, 2019 (ACSI) to review the drilling work from 2017 and 2018, the QA/QC procedures, interview geologists on site and conduct a verification sampling program. He most recently visited the site between November 20 and 21, 2024 to observe the status of the project and interview personnel. Mr. Daniel Weber, P.G. (M&A), visited the Project on September 8 and 9, 2018, to review site conditions and to verify 2017 and 2018 core logging and description methods. Mr. Anthony Sanford, Pr.Sci.Nat. visited the Project on February 14 and 15, 2017 and July 23 and 24, 2019 to observe site conditions and interview key environmental personnel.

2.3. SOURCES OF INFORMATION

This report is based, in part, on internal company technical reports maps, published government reports, company letters, memoranda, public disclosure and public information, as listed in the References at the conclusion of this report. Sections from reports authored by other consultants have been directly quoted or summarized in this report and are so indicated where appropriate.

The 2019 Mineral Reserve Estimate was developed for the Project using MODFLOW-USG, a control volume finite difference code, coupled with the Groundwater Vistas modeling interface. The groundwater modeling was supported by geological, hydrogeological, geochemical, and geophysical data collected through field programs at the site.

2.4. UNITS AND CURRENCY

Unless otherwise stated all units used in this report are metric. Salt contents in the brine are reported in weight percentages or mass per volume.

All values are expressed in current US dollars; the exchange rate between the Argentine peso and the US dollar as at October 31, 2024 was AR$970/US$. Argentine peso denominated costs follow the exchange rate as a result of inflation, and the impact of the exchange rate fluctuation on CAPEX and OPEX has been incorporated; no provision for currency escalation has been included.

The coordinate system used by Cauchari for locating and reporting drill hole information is the UTM system. The Property is in UTM Zone 19K and the WGS84 datum is used. Maps in this Report use either the UTM coordinate system or Gauss Kruger-Posgar 94 datum coordinates that are the official registration coordinates of the local registry.

The following list shows the meaning of the abbreviations for technical terms used throughout the text of this report, Table 2.1.

TABLE 2.1
ABBREVIATIONS TABLE

Abbreviation	Meaning
"	Inches
1D	One dimensional
3D	three dimensional
°C	Celsius degrees
An	altitude, in masl
ADT	average daily traffic
AET	actual evapotranspiration
α	alpha, the fitting coefficient of the capillary head curve
Ah	ampere-hour
Amsl	above mean sea level
AR$	Argentine Pesos
ARAWP	ARA WorleyParsons
ASA	Alex Stewart Argentina
ASL	Alex Stewart Laboratories S.A
ASTM	American Society of Testing and Materials
AT	after tax
B	boron
Bit	before interest and tax
Bls	below land surface
CIM	Canadian Institute of Mining, Metallurgy and Petroleum
Ca	calcium
$CaCl_2$	calcium chloride
$CaCO_3$	calcium carbonate
CAGR	compound annual growth rate
CaO	calcium oxide
CAPEX	capital expenditure
$CaSO_4 \cdot 2H_2O$	gypsum
CC	curvature coefficient
CEO	Chief Executive Officer
CFR	cost and freight
CHP	combined heat and power unit
CIS	Commonwealth of Independent States
Cl	chloride
CIM	Canadian Institute of Mining, Metallurgy and Petroleum
cm	centimetre(s)
Company, the	Lithium Argentina AG
Cu	uniformity coefficient
δ	delta, the exponent for the relative permeability curve
DC + IC	direct costs plus indirect costs
DD	diamond drilling
DDH	diamond drill hole
Deg	degrees
DEM	digital elevation model
Dep, Amort & Ra	Depreciation, Amortization and Remediation Allowance

DFS	definitive feasibility study, 2017 Burga et al. report
DL	longitudinal dispersivity
Ebitda	earnings before interest, taxes, depreciation and amortization
EIA	Estudio de Impacto Ambiental (Environmental Impact Assessment)
EIR	Environmental Impacts Report
Elevb	elevation of site b in masl
EMP	Environmental Management Plan
EP	Equator Principles
ET	evapotranspiration
ETp	potential evaporation
EV	electric vehicles
Exar	Minera Exar S.A.
FOB	free on board
FS	Feasibility Study
G&A	General and Administration
g/cm^3	grams per cubic centimetre
g/L	grams per liter
GEC	Geophysical Exploration Consulting
GFL	Jiangxi Ganfeng Limited
GIS	geographic information system
h	hour
h/d	hours per day
H_2S	hydrogen sulphide
H_3BO_3	boric acid
ha	hectares
HCO_3	bicarbonate
HDPE	high density polyethylene
HEV	hybrid electric vehicles
HMS	Hydrologic Modeling System
HSU	hydrostratigraphic unit
I	inflow
ICE	internal combustion engine
ICP	inductively coupled plasma
ID	identification
IFC	International Finance Corporation
IIA	Indicador de Impacto Ambiental (Environmental Impact Indicator, an Environmental Impacts Report)
IIT	Instituto de Investigaciones Tecnológicas (Technology Investigations Institute)
ILO	International Labour Organization
INTA	Instituto Nacional de Tecnología Agropecuaria (National Institute of Agricultural Technology)
IRR	internal rate of return
IT	information technology
ITT	Instituto de Investigaciones Tecnológicas (Technology Investigations Institute) of the Universidad de Concepción
IUCN	International Union for Conservation of Nature
K	potassium
K	hydraulic conductivity

$K_2Mg(SO_4)_2 \cdot 4H_2O$	leonite
$K_2Mg(SO_4)_2 \cdot 6H_2O$	schoenite
K_2SO_4	potassium sulphate
$K_2SO_4.CaSO_4 \cdot H_2O$	syngenite
$K_3Na(SO_4)_2$	glaserite
KCl	potash
kg	kilograms
kg/cm^2	kilograms per square centimetre
km	kilometres
km^2	square kilometres
km/h	kilometres per hour
KR	recession constant, h
kt	kiloton, 1,000 tonnes
kt/yr	1,000 tonnes per year
Kv	vertical hydraulic conductivity
kWh	kilo watt hour
kriging	a Gaussian process regression method of interpolation governed by prior covariances
Kx	Hydraulic Conductivity in the X direction
Ky	Hydraulic Conductivity in the Y direction
Kz	Hydraulic Conductivity in the Z direction
L	litres
L/s	litres per second
L/m or L/min	litres per minute
LAC	Lithium Americas Corp.
LAR	Lithium Argentina AG
LC	least concern
LCE	lithium carbonate equivalent
Li	lithium
Li_2CO_3	lithium carbonate
LiBOB	lithium bis(oxalate)borate
LiOH	lithium hydroxide
LiOH-$H_2$0	lithium hydroxide monohydrate
Lithium Argentina	Lithium Argentina AG
LOM	life of mine
LSGC	Lower Salt Generation Cycle metres
M	millions of dollars
m	the second fitting exponent for the capillary head curve
m	metres
m/d	metres per day
m/ka	metres every thousand years
m/s	metres per second
m-1	1/metre
m^2	square metres
m^2/s	square metres per second
m^3	cubic metres
m^3/d	cubic metres per day
m^3/MWh	cubic metre per mega watt hour
m^3/yr	cubic metres per year
Ma	millions of years

masl	metres above sea level
Max	maximum
mbgs	metres below ground surface
mbtc	metres below top of casing
Mg	manganese
mg/L	milligrams per liter
mGal	10^{-3} gal, also called galileo (10^{-3} cm/s^2)
$MgCl_2$	magnesium chloride
$MgCl_2 \cdot 6H_2O$	bischofite
$MgCl_2 \cdot KCl \cdot 6H_2O$	carnalite
$Mg(OH)_2$	magnesium hydroxide
$MgSO_4 \cdot 7H_2O$	epsomite
$MgSO_4 \cdot KCl \cdot 3H_2O$	kainite
MIBC	methyl isobutyl carbinol
mm	millimeters
MMBTU	million(s) British Thermal Units (BTU)
mm/d	millimeters per day
mm/yr	millimeters per year
mm/yy	month/year
Montgomery	Montgomery & Associates
MP	Mining Permit
MR	mud rotary
Msl	mean sea level
MT	million tons
Mton	million U.S. short ton (s)
MW	mega watt
n	the fitting exponent for the capillary head curve
n/a	not applicable
Na	sodium
$Na_2Mg(SO_4)_2 \cdot 4H_2O$	astrakanite
NaCl	sodium chloride
Na_2CO_3	sodium carbonate, soda ash
NaOH	sodium hydroxide or caustic soda
NI	Canadian National Instrument
NMR	nuclear magnetic resonance
NPV	net present value
φe	transport properties include effective porosity
OPEX	operating costs
Pe	effective porosity
PEA	Preliminary Economic Assessment
PFS	Preliminary Feasibility Study
PoO	Plan of Operations
ppm	parts per million
Project	the Cauchari-Olaroz Lithium Brine Project, Jujuy Province, Argentina
PVC	polyvinyl chloride
QP	Qualified Person
RBF	radial basis function
RBRC	relative brine release capacity
RC	reverse circulation

S-K regulations	S-K §229.1300 regulations
Sr	residual saturation
Ss	specific storage
SX	solvent extraction
Sy	specific yield
TDS	total dissolved solids
TEM	Time Domain Electromagnetic
tpa	tonnes per annum (tonnes per year)
US$ 000	thousands of US dollars
VES	Vertical Electrical Sounding

3. PROPERTY DESCRIPTION AND LOCATION

3.1. PROPERTY DESCRIPTION

The Cauchari and Olaroz Salars are located in the Department of Susques in the Province of Jujuy in northwestern Argentina. The salars extend in a north-south direction from S 23° 18' to S 24° 05', and in an east-west direction from W 66° 34' to W 66° 51'. The average elevation of both salars is approximately 3,950 m.

Figure 3.1 shows the locations of both salars, approximately 270 km northwest of San Salvador de Jujuy, the provincial capital. The midpoint between the Olaroz and Cauchari Salars is located directly on National Highway 52, 55 km west of the Town of Susques where the Project field offices are located. The nearest port is Antofagasta, Chile, located 530 km west of the Project by road.

Figure 3.1 Location of the Cauchari-Olaroz Project

Source: *Burga et al. (2019)*

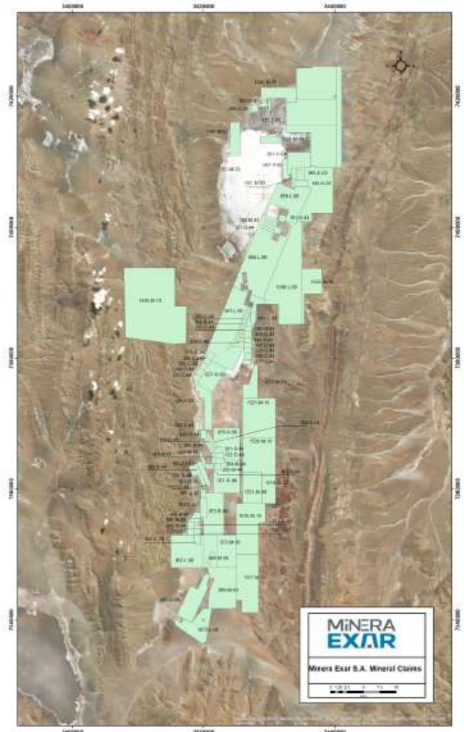
3.2. PROPERTY AREA

Exar has acquired mining and exploration permits applications through acquisition of such permits applications, direct request of permits from the applicable provinicial mining authority and/ or through brines usufruct agreements in the Province of Jujuy, Argentina, covering a total of 60,712 ha in the Department of Susques, of which 28,717 ha can support the entire project, presented on Table 3.1. Some of the claims are still in the process of being granted by the Jujuy Mining Court and in order to present a conservative figure, the smaller figure in the 'received' column was used to calculate the property area. Figure 3.2 shows the location of the Exar claims in the Cauchari-Olaroz Project. As shown in the figure, the claims are contiguous and cover most of the Cauchari Salar and the eastern portion of the Olaroz Salar.

The aggregate annual property payment required by the Argentine Mining Code to the Province of Jujuy that Exar needs to attend in order to maintain the tenements claims referenced in Figure 3.2 in good standing is approximately US$268,346 per year.

Under Exar's usufruct agreement with Borax Argentina S.A. ("Borax Argentina") signed on May 19th, 2011, Exar acquired Borax Argentina's usufruct rights on properties in the area in exchange for an annual royalty of US$200,000 payable in May of each year plus annual canon rent property payments to Jujuy Province.

Figure 3.2 Exar Property Claims at the Cauchari-Olaroz Project



Source: *Burga et al. (2019)*

TABLE 3.1
EXAR MINERAL CLAIMS

Claim	File	Owner	Claim Type	Requested	Received	Claim Status	Contract Status
LA YAVEÑA	27-R-00	Minera Exar S.A.	Pedido de Mina	1482/1119	1119	Active	Rights acquired
LUISA	61-I-98	Grupo Minero Los Boros S.A.	Mina	4706	4076/3500	Active	Rights acquired
ARTURO	60-I-98	Grupo Minero Los Boros S.A.	Mina	5100	5049/3500	Active	Rights acquired
ANGELINA	059-I-98	Grupo Minero Los Boros S.A.	Mina		2346	Active	Rights acquired
CAUCHARI ESTE	1149-L-09	Minera Exar S.A.	Pedido de Mina	5860	5856,98//3500	Active	Rights acquired
IRENE	140-N-92	Triboro S.A.	Mina	200	200	Active	Rights acquired
MINERVA	37-V-02	Minera Exar S.A.	Pedido de Mina	250	229	Active	Rights acquired
CHIN CHIN CHULI II	201-C-04	Vicente Costa y otros	Pedido de Mina	941	910	Active	Opted/Usufruct agreement
Hekaton	150-M-92	Electroquimica El Carmen	Mina	200	200	Active	Rights acquired
Victoria I	65-E-02	Electroquimica El Carmen	Mina	300	300	Active	Rights acquired
SAENZ PEÑA (Grupo Minero Boroquímica)	354-C-44	Borax Argentina S.A.	Mina	300	100	Active	Ususfruct Rights acquired
DEMASIA SAENZ PEÑA (Grupo Minero Boroquímica)	354-C-44	Borax Argentina S.A.	Mina	100	59	Active	Ususfruct Rights acquired
LINDA (Grupo Minero Boroquímica)	160-T-44	Borax Argentina S.A.	Mina	100	100	Active	Ususfruct Rights acquired
MARIA TERESA (Grupo Minero Boroquimica)	378-C-44	Borax Argentina S.A.	Mina	100	100	Active	Ususfruct Rights acquired
ARCHIBALD (Grupo Minero Boroquimica)	377-C-44	Borax Argentina S.A.	Mina	100	100	Active	Ususfruct Rights acquired
San Nicolas (Grupo Minero Boroquimica)	191—R-44	Borax Argentina S.A.	Mina	100	100	Active	Ususfruct Rights acquired
Mina Vacante CLOTILDE	121-D-44 // 1642-M-10	Minera Exar S.A.	Pedido de Mina Vacante	100	100	Active/ Under Dispute	Opted

TABLE 3.1
EXAR MINERAL CLAIMS

Claim	File	Owner	Claim Type	Requested	Received	Claim Status	Contract Status
EDUARDO DANIEL	120-M-1944	Minera Exar S.A.	Pedido de Mina Vacante	100	100	Active	Purchased
CAUCHARI NORTE	349-R-2005	Minera Exar S.A.	Pedido de Cateo	998	998	Active	Purchased
DELIA (Grupo Minero Boroquimica)	42-E-1944	Borax Argentina S.A.	Mina	100	100	Active	Usufruct Rights acquired
GRAZIELLA (Grupo Minero Boroquimica)	438-G-1944	Borax Argentina S.A.	Mina	100	100	Active	Usufruct Rights acquired
MONTES DE OCA (Grupo Minero Boroquimica)	340-C-1944	Borax Argentina S.A.	Mina	100	99	Active	Ususfruct Rights acquired
JUANCITO (Grupo Minero Boroquimica)	339-C-1944	Borax Argentina S.A.	Mina	100	100	Active	Usufruct Rights acquired
UNION (Grupo Minero Boroquimica)	336-C-1944	Borax Argentina S.A.	Mina	300	100	Active	Usufruct Rights acquired
JULIA (Grupo Minero Boroquimica)	347-C-1944	Borax Argentina S.A.	Mina	300	100	Active	Usufruct Rights acquired
MASCOTA (Grupo Minero Boroquimica)	394-B-1944	Borax Argentina S.A.	Mina	300	300	Active	Usufruct Rights acquired
UNO (Grupo Minero Boroquimica)	345-C-1944	Borax Argentina S.A.	Mina	100	100	Active	Usufruct Rights acquired
TRES (Grupo Minero Boroquimica)	343-C-1944	Borax Argentina S.A.	Mina	100	100	Active	Usufruct Rights acquired
DOS (Grupo Minero Boroquimica)	344-C-1944	Borax Argentina S.A.	Mina	100	100	Active	Usufruct Rights acquired
CUATRO (Grupo Minero Boroquimica)	352-C-1944	Borax Argentina S.A.	Mina	100	100	Active	Usufruct Rights acquired
CINCO (Grupo Minero Boroquimica)	351-C-1944	Borax Argentina S.A.	Mina	100	100	Active	Usufruct Rights acquired
ZOILA (Grupo Minero Boroquimica)	341-C-1944	Borax Argentina S.A.	Mina	100	100	Active	Usufruct Rights acquired
SARMIENTO (Grupo Minero Boroquimica)	190-R-1944	Borax Argentina S.A.	Mina	100	100	Active	Usufruct Rights acquired
PORVENIR (Grupo Minero Boroquimica)	116-D-1944	Borax Argentina S.A.	Mina	100	100	Active	Usufruct Rights acquired
ALICIA (Grupo Minero Boroquimica)	389-B-1944	Borax Argentina S.A.	Mina	100	100	Active	Usufruct Rights acquired
CLARISA (Grupo Minero Boroquimica)	402-B-1944	Borax Argentina S.A.	Mina	100	100	Active	Usufruct Rights acquired
DEMASIA CLARISA (Grupo Minero Boroquimica)	402-B-1944	Borax Argentina S.A.	Mina	19	19	Active	Usufruct Rights acquired
INES (Grupo Minero Boroquimica)	220-S-1944	Borax Argentina S.A.	Mina	100	100	Active	Usufruct Rights acquired

TABLE 3.1
EXAR MINERAL CLAIMS

Claim	File	Owner	Claim Type	Requested	Received	Claim Status	Contract Status
MARIA CENTRAL (Grupo Minero Boroquimica)	43-E-1944	Borax Argentina S.A.	Mina	100	100	Active	Usufruct Rights acquired
MARIA ESTHER (Grupo Minero Boroquimica)	259-M-1944	Borax Argentina S.A.	Mina	100	100	Active	Usufruct Rights acquired
SAHARA (Grupo Minero Boroquimica)	117-D-1944	Borax Argentina S.A.	Mina	300	300	Active	Usufruct Rights acquired
PAULINA (Grupo Minero Boroquimica)	195-S-1944	Borax Argentina S.A.	Mina	100	100	Active	Usufruct Rights acquired
SIBERIA (Grupo Minero Boroquimica)	306-B-1944	Borax Argentina S.A.	Mina	24	24	Active	Usufruct Rights acquired
SAN ANTONIO	72-M-1099	Minera Exar S.A.	Mina	2165	2165 Registro, pero luego libre 2400//900	Active	Rights acquired
TITO	48-P-1998	Minera Exar S.A.	Mina	200	100	Active	Rights acquired
MIGUEL	381-M-2005	Minera Exar S.A.	Pedido de Mina	100	100	Active	Rights acquired
VERANO I	299-M-2004	Luis Austin Cekada and Camilo Alberto Morales	Mina	2448	2448/2094 (Servidumbre de Electroducto)	Active	Rights acquired
CHICO 3	1251-M-09	Minera Exar S.A.	Pedido de Mina	1400	1400	Active	Interés/Derechos Adquiridos
CHICO 4	1252-M-09	Minera Exar S.A.	Pedido de Mina	1100	1100/62	Active	Interés/Derechos Adquiridos
SULFA 6	70-R-1998	Minera Exar S.A.	Mina	2000/1395	1683Peticion de Mensura	Active	Rights acquired
SULFA 7	71-R-1998	Minera Exar S.A.	Mina	2000/1667	1824Peticion de Mensura	Active	Rights acquired
SULFA 8	72-R-1998	Minera Exar S.A.	Mina	2000/1417	1841 Petición de Mensura	Active	Rights acquired

Table 3.1 Exar Mineral Claims							
Claim	**File**	**Owner**	**Claim Type**	**Requested**	**Received**	**Claim Status**	**Contract Status**
SULFA 9	67-R-1998	Minera Exar S.A.	Mina	1336	1570 Petición de Mensura//1582 Ultimo Informe Reg. Grafico	Active	Rights acquired
BECERRO DE ORO (Grupo Minero Osiris 104-I-90)	264-M-1944	Minera Exar S.A.	Mina	100	100	Active	Rights acquired
OSIRIS (Grupo Minero Osiris 104-I-90)	263-M-1944	Minera Exar S.A.	Mina	100	100	Active	Rights acquired
ALSINA (Grupo Minero Osiris 104- I-90)	48-H-1944	Minera Exar S.A.	Mina	100	100	Active	Rights acquired
JORGE	62-L-1998	Minera Exar S.A.	Mina	2461	2351	Active	Rights acquired
LA INUNDADA (GRUPO LA INUNDADA)	669-G-1956	Minera Exar S.A.	Mina	100	100/137 Grupo Minero	Active	Rights acquired
Inundada Este (Grupo Minero La Inundada)	721-G-1957	Minera Exar S.A.	Mina	100	100	Active	Rights acquired
Jujuy (Grupo Minero La Inundada)	725-G-1957	Minera Exar S.A.	Mina	100	100	Active	Rights acquired
Inundada Sur (Grupo Minero La Inundada)	789-G-1957	Minera Exar S.A.	Mina	100	100	Active	Rights acquired
Susques (Grupo Minero La Inundada)	726-G-1957	Minera Exar S.A.	Mina	100	100	Active	Rights acquired
ALEGRIA 7	1343-M-2009	Minera Exar S.A.	Pedido de Mina	1277	1036	Active/Recourse to be Resolved	Interest
CAUCHARI SUR	1072-L-2008	Minera Exar S.A.	Cateo	1559	1499//612 (Servidumbre de Electoducto)	Active	Interest
CAUCHAR OESTE	1440-M-10	Minera Exar S.A.	Cateo	9751	9479	Active	Interest
JULIO A. ROCA (Grupo Minero Boroquimica)	444-P-44	Borax Argentina S.A.	Mina	100	100	Active	Usufruct Rights acquired
ELENA (Grupo Minero Boroquimica)	353-C-44	Borax Argentina S.A.	Mina	300	301	Active	Usufruct Rights acquired
EMMA (Grupo Minero Boroquimica)	350-C-44	Borax Argentina S.A.	Mina	100	100	Active	Usufruct Rights acquired
URUGUAY (Grupo Minero Boroquimica)	89-N-44	Borax Argentina S.A.	Mina	100	100	Active	Usufruct Rights acquired

TABLE 3.1
EXAR MINERAL CLAIMS

Claim	File	Owner	Claim Type	Requested	Received	Claim Status	Contract Status
AVELLANEDA (Grupo Minero Boroquimica)	365-V-44	Borax Argentina S.A.	Mina	100	100	Active	Usufruct Rights acquired
BUENOS AIRES (Grupo Minero Boroquimica)	122-D-44	Borax Argentina S.A.	Mina	100	100	Active	Usufruct Rights acquired
MORENO (Grupo Minero Boroquimica)	221-S-44	Borax Argentina S.A.	Mina	100	100	Active	Usufruct Rights acquired
Payo III	1517-M-2010	Minera Exar S.A.	Pedido de Mina	2905	2890/2388 (Servidumbre de Electroducto)	Active	Rights acquired
Payo IV	1518-M-2010	Minera Exar S.A.	Pedido de Mina	3003	2981	Active	Rights acquired
Payo V	1519-M-2010	Minera Exar S.A.	Pedido de mina	896	896	Active	Rights acquired
Payo VI	1520-M-2010	Minera Exar S.A.	Pedido de Mina	2800	2800	Active	Rights acquired
Payo VII	1521-M-2010	Minera Exar S.A.	Pedido de Mina	2999	2999	Active	Rights acquired
Payo VIII	1522-M-2010	Minera Exar S.A.	Pedido de Mina	1343	1337	Active	Rights acquired
Nelida	56-C-1995	Electroquimica El Carmen	Pedido de Mina Vacante	100	100	Active	Rights acquired
Eduardo	183-D-1990	Electroquimica El Carmen	Mina	100	100	Active	Rights acquired
Maria Angela	177-Z-1903	Ceballos Oscar	Pedido de Mina	100	100	Active	Rights acquired

3.3. SQM JOINT VENTURE

On March 28, 2016, SQM made a US$25M capital contribution in the Company for a 50% interest in Exar, and the parties executed a Shareholders Agreement that established the terms by which the parties plan to develop the Cauchari-Olaroz Project. Following receipt of the contribution, Exar repaid loans and advances from Lithium Argentina in the amount of US$15M. The remaining US$10M was for project development costs in the Joint Venture.

3.4. GANFENG JOINT VENTURE

On October 31, 2018, the Company announced the closing of a transaction with Ganfeng Lithium and SQM. Under the transaction Ganfeng Lithium agreed to purchase SQM's interest in the Cauchari-Olaroz Project. LAR increased its interest in the Project from 50% to 62.5% with Ganfeng holding the remaining 37.5% interest. Ganfeng Lithium also provided the Company with a US$100 million unsecured, limited recourse subordinated loan facility to fund its 62.5% share of the project expenditures.

On August 19, 2019, the Company anounced that it had closed the previously announced Project Investment in which a subsidiary of GFL subscribed for newly issued shares of Exar, the holding company for the Cauchari-Olaroz lithium brine project. The parties executed an updated Shareholders Agreement that established the terms by which the parties plan to develop the Cauchari Project.

In consideration for the newly issued shares, Exar received US$160 million in cash to continue to fund the Project's construction activities. Upon closing, Ganfeng Lithium increased its interest in Cauchari-Olaroz from 37.5% to 50%, with Lithium Argentina holding the remaining 50% interest.

On August 27, 2020, LAR and Ganfeng closed a transaction whereby Ganfeng increased its participating interest in Exar to 51% by completion of US$16 million capital contribution in Exar. At such transaction closing, GFL owned a 51% equity interest in Exar and LAR a 49%. The parties made certain consequential amendments to the shareholders agreement governing their relationship to refer to the new equity ownership structure in Exar.

3.4.1. Los Boros Option Agreement

On September 11, 2018, the Joint Venture exercised a purchase option agreement ("Option Agreement") with Grupo Minero Los Boros ("Los Boros"), entered into on March 28, 2016, for the transfer of title to the Joint Venture for certain mining properties that comprised a portion of the Cauchari-Olaroz Project.

Under the terms of the Option Agreement, the Joint Venture paid US$100,000 upon signing and exercised the purchase option for the total consideration of US$12,000,000 to be paid in sixty quarterly instalments of US$200,000. The first installment becomes due upon occurrence of one of the following two conditions, whichever comes first: the third anniversary of the purchase option exercise date or the beginning of commercial exploitation with a minimum production of 20,000 tons of lithium carbonate equivalent. As security for the transfer of title to the mining properties, Los Boros granted to the Joint Venture a mortgage over those mining properties for US$12,000,000. In accordance with the Option Agreement, on November 27, 2018, Exar paid Los Boros a US$300,000 royalty which was due within 10 days of the commercial plant construction start date.

According to the Option Agreement, a 3% net profit interest royalty will have to be paid to Los Boros by the Joint Venture for 40 years, payable in Argentinian pesos, annually within the 10 business days after calendar year end.

The Joint Venture can cancel the first 20 years of net profit interest royalties in exchange for a one-time payment of US$7,000,000 and the next 20 years for an additional payment of US$7,000,000.

3.4.2. Borax Argentina S.A. Agreement

Under Exar's usufruct agreement with Borax Argentina S.A. ("Borax Argentina"), on May 19th, 2011, Exar acquired its usufruct rights to Borax Argentina's properties in the area. On execution, the agreement requires Exar to pay Borax Argentina an annual royalty of US$200,000 in May of each year.

3.4.3. JEMSE Arrangement

On August 26, 2020, GFL, LAR and Exar entered into a Share Acquisition Option Execution Agreement with Jujuy Energía y Minería S.E. ("JEMSE") a Province of Jujuy state company, setting the guidelines of JEMSE acquisition of an 8,5% participating interest in Exar, proportionally diluting GFL and LAR participating interest accordingly. JEMSE incorporation was completed in 2020. JEMSE acquired the Exar shares for a consideration of US$1 plus an amount equal to 8.5% of the capital contributions in Exar. JEMSE paid for this amount to the shareholders through the assignment of one-third of the dividends to be received by JEMSE from Exar after taxes. In accordance with the agreement, for future equity contributions GFL and LAR are obliged to loan to JEMSE 8.5% of the contributions necessary for JEMSE to avoid dilution, which loans also would be repayable from the same one-third dividends assignment, after taxes.

The above-mentioned agreements with private mineral rights owners are independent of, and do not impinge upon the Provincial Government royalty of up to 2% of the value of the mineral at well head. A summary of royalties and payments is presented in Table 3.2.

Table 3.2
Annual Royalties and Payments

Royalties	Value
Borax Argentina S.A.	US$200,000
Los Boros	3% Net Profit or US$7M payment every 20 years
Provincial Government of Jujuy	2% Value of Mineral at Well Head
Neighboring Communities Program Payments	**US$**
2017-2019 Total Payment	**239,417**
2020 – Onwards Annual Payments (estimated)	**552,000**

3.4.4. Creation of LAR

On October 3, 2023, LAC separated into two independent public companies, Lithium Americas (Argentina) Corp. (now known as Lithium Argentina AG) and a new Lithium Americas Corp. On January 23, 2025, Lithium Americas (Argentina) Corp. Changed its name to Lithium Argentina AG. LAR retained the Cauchari-Olaroz Project as well as the Pastos Grandes and Sal de la Puna projects in Argentina.

3.5. TYPE OF MINERAL TENURE

There are two types of mineral tenure in Argentina: Mining Permits and Exploration Permits ("cateos"). Mining Permits are licenses that allow the property holder to exploit the property, provided environmental approval is obtained. Exploration Permits are licenses that allow the property holder to explore the property for a period of time that is proportional to the size of the property (approximately 3 years per 10,000 ha). Exploration activity under Exploration Permits also require Environmental Permits. An Exploration Permit can be transformed into a Mining Permit any time before the expiry date of the Exploration Permit by filing a mineral discovery claim. Mining or Exploration can start only after obtaining the environmental impact assessment permit for the activity such permit is required.

Exar acquired its interests in the Cauchari and Olaroz Salars through either direct staking or exploration/usufruct of brines contracts with third party property owners (mainly Borax Argentina S.A.).

3.6. PROPERTY BOUNDARIES

The Exar claims follow the north-northeast trend of the Cauchari and Olaroz Salars. Figure 3.2 shows that the boundaries of the claims are irregular in shape (a reflection of the mineral claim law of the Province of Jujuy). All coordinates are recorded in the Gauss Krueger system with the WGS 84 datum. The coordinates of the boundaries of each claim are recorded in a file in the claims department of the Jujuy Provincial Ministry of Mines and are also physically staked on the ground with metallic pegs in concrete pillars. The entire area of exploitation has been surveyed and physically staked.

3.7. ENVIRONMENTAL LIABILITIES

Exar has developed a plan that promotes social and economic development within a sustainable framework. Exar began work on the Communities Relations Program with the Susques Department in 2009. This plan was created to integrate local communities into the Project by implementing programs aimed at generating positive impacts on these communities.

The Communities Relations Program has been divided into several sub-programs: one dealing with external and internal communications to provide information and transparency; a second is a consultation program that allows Exar to acknowledge community perceptions of their mining activities; a third program deals with service and supply contracts to be signed with the communities. The intended outcome of the program is to deliver on social, cultural, and environmental initiatives.

Exar has signed formal contracts with neighbouring communities that own the surface rights where the Project is developed. According to these contracts, the communities agree to grant Exar traffic and other rights in exchange for cash payments to be used based on decisions made at community assemblies.

The potential impacts to local fauna due to mine development must be managed to ensure they are minimal. Vicuñas are common in the region. The vicuña was traditionally exploited by local inhabitants for its wool. Past unrestricted hunting resulted in near extinction of the vicuña, which is now protected under a 1972 international agreement signed between Argentina, Chile, Bolivia, Peru, and Ecuador. It has been observed that vicuñas are present on the Archibarca Fan, part of which would be partially affected by Project development. The impact to vicuñas can be minimized by implementing the actions provided in the Project management plan in the IIA ("Estudio de Impacto Ambiental").

With regard to potential development effects on other species in the area, such as ocultos, small lizards, and birds, a primary concern is the danger associated with accidental confinement in the large processing ponds. This potential should be minimized by methods such as: devices to ward animals away from the ponds, rescuing animals that may become entrapped, and relocation of animals to appropriate areas nearby.

Exar has prepared an inventory of known archaeological sites in the Department of Susques. An archeological survey of the Property identifies all findings that need to be managed in order to minimize any impact from the Project. This information is also filed with the authorities. Additional information is provided in Section 17.1.

The IIA expressly considers the closing mechanism and the post-closure monitoring of the proposed mine. The federal environmental legislation in Argentina and the provincial environmental legislation in Jujuy do not require any closure bonding or guarantees.

3.8. PERMITS

The Provincial Government of Jujuy (Direccion Provincial de Mineria y Recursos Energéticos) approved the Exar Environmental Impacts Report (the "IIA") for the Cauchari-Olaroz Project exploration work, by Resolution No. 25/09 on August 26, 2009. Updates are required every two years to accurately reflect the ongoing exploration program. For the Cauchari-Olaroz Project these included a 2009 update for IIA reports ("Actualización de Impacto Ambiental") incorporating topographic and geophysical studies, opening supply wells and new exploration wells. In addition, there was an IIA for the installation of a brine enrichment pilot plant, and in 2011 the renewal of the IIA was presented for the exploration stage, specifying all activities undertaken, and planned exploration activities for the 2012-2013 period. An addendum to the IIA for Exploration was submitted in May 2014 for the installation, implementation and subsequent operation of a Posco lithium phosphate plant which was approved in July 2014 (Resolution No. 011/2014). And in June 2015 and June 2016 two separate IIA exploration permit addenda were submitted for on-going exploration work (Table 3.3). These remained in the approval process and, in agreement with the authority, were replaced in the approval process by the update of the IIA for exploration submitted in February 2017, and was approved for exploration works, by Resolution No. 008/17 on September 19, 2017. The IIA was updated again in Jun 2020 and December 2021 through

Resolution No. 017/2021 to reflect ongoing exploration activities. The most recent update, submitted in March 2024, is still pending. Details are presented in Table 3.3.

TABLE 3.3 EXPLORATION PERMITS FOR CAUCHARI-OLAROZ PROJECT EXPLORATION WORK			
Report Submitted	**Date Presented**	**Approvals**	**Observations**
Environmental Impacts Report for Exploration (IIA Exploration)	2009	Resolution No. 25/09, August 26, 2009	Original exploration permit for Project
Environmental Impacts Report for Exploration (AIIA Exploration 2009)	2009		Included topographic and geophysical studies, opening supply wells and new exploration wells
Environmental Impacts Report for Exploration (AIIA Exploration 2011)	September 2011	Resolution No. 29/2012, November 08, 2012	All activities undertaken to date, and planned exploration activities for the 2012-2013 period
Addendum to Environmental Impacts Report for Exploration, Posco Pilot Plant	May 2014	Resolution No. 011/2014, July 15, 2014	Installation, implementation and subsequent operation of the POSCO lithium phosphate plant
Environmental Impacts Report for Exploration (AIIA Exploration 2015)	June 2015	Update cancelled and filed: DMyRE Note No. 101/2019	Operation of the pilot-scale POSCO plant and the continuation of exploration including perforation of brine well field for the trial to test the hydraulic properties of the different aquifers. A drilling plan for the drilling of 49 wells was also presented as well as the update of the 4 wells drilled up to the time of the presentation of the report.
Environmental Impacts Report for Exploration	June 2016	Update cancelled and filed: DMyRE Note No. 101/2019	Presentation of the proposed work to be carried out over the following months: Phase 1: measurement of hydrogeological variables; Phase 2: pond construction and impermeability tests; Phase 3: drilling of deep wells; Phase 4: pilot plant tests and trials.
Update to Environmental Impacts Report for Exploration	February 2017	Resolution No.008/2017, September 19, 2017	It was agreed with the Authority that the Environmental Impacts Report for exploration (June 2016) would not be evaluated by the Authority and that this latest Environmental Impacts Report (Exploration, February 2017) would replace it.

TABLE 3.3 EXPLORATION PERMITS FOR CAUCHARI-OLAROZ PROJECT EXPLORATION WORK			
Report Submitted	**Date Presented**	**Approvals**	**Observations**
			Update of the proposed works to be carried out during next years. This consisted of seismic reflection, SEV, trenches, measurement of hydrogeological variables; pond construction, impermeability tests; drilling of deep wells; pilot plant tests, construction of embankments, auxiliary roads and drilling platforms, drilling of wells, construction of facilities and camp. It also described the exploration works that were to be developed, consisting of geochemical sampling and exploration wells.
Update to Environmental Impacts Report for Exploration 2019 -2021	June 2020	Resolution No. 017/2021, December 17, 2021	This up-dated biannual IIA for exploration has been submitted to the authority for approval to accurately reflect the ongoing exploration program and details the activities the Exar carried out during the 2019-2021 period.
Update to Environmental Impacts Report for Exploration 2021 - 2023	December 2021	Resolution No. 017/2021, December 17, 2021. (the previous resolution was maintained)	The authorities established that the same approving resolution be maintained in the current bi-annual renewal because the activities in this report correspond to the same ones from the previous renewal.
Update to Environmental Impacts Report for Exploration 2023 - 2025	March 2024	Pending	Presentation of the new activities to be carried out in the period which include the drilling of new brine wells and vertical electrical surveys focused on the southern area of the salt flat.

An Environmental Impacts Report ("IIA") for the exploitation phase was presented in December 2011 and approved by Resolution No. 29/2012 on 08 November 2012 based on an initial annual production of 20,000 tonnes of lithium carbonate with a second expansion phase to 40,000 tonnes/year.

A report for the update of the permit was submitted in March 2015 (AIIA Exploitation March 2015) based on the same Project description as in the initial 2011 filing. A further update was submitted in February 2017 based on updated Project parameters (AIIA Exploitation February 2017) and it was agreed with the Authority that this would replace the AIIA Exploitation March 2015 submission and was approved by Resolution No. 010/2017 on 05 October 2017.

The permit for exploitation issued in 2012 for the Project (IIA Exploitation December 2011) was still valid during this approval process, as ratified by a letter issued by the Gobierno de Jujuy (NOTA SMeH No 043/20179, issued 16 March 2017), which stated that "construction may commence on the necessary infrastructure approved in this permit, without prejudice to future adaptations and updates that the mining operator performs with respect to the mining project, which are subject to the analysis of this authority."

A further biannual update to the Environmental Impacts Report for Exploitation (AIIA Exploitation 2019) for the Cauchari-Olaroz Project has been submitted for evaluation by the Authority. This new document includes the new environmental studies carried out and information collected during the last two years as well as taking account of the current Project layout.

Exploitation permits and reports submitted are summarized in Table 3.4.

The IIA expressly considers the closing mechanism and the post-closure monitoring of the proposed mine. The federal environmental legislation in Argentina and the provincial environmental legislation in Jujuy do not require any closure bonding or guarantees and as a result, there are no bond, closure or remediation requirements, however, the cash flow model includes estimated closure and remediation cost of US$32.5 million in the end of the mine life for Exar's environmental and closure obligations in order to comply with the considerations in the IIA.

Exar has paid the water fee through 2018. The water concession permit (160 L/s) was approved.

TABLE 3.4
EXPLOITATION PERMITS FOR CAUCHARI-OLAROZ PROJECT

Report Submitted	Date Presented	Approvals	Observations
Environmental Impacts Report for Exploitation (IIA Exploitation December 2011)	December 2011	Resolution No. 29/2012, November 08, 2012	Production of 20,000 tonnes/year of lithium carbonate with a second expansion phase to 40,000 tonnes/year
Biannual Environmental Impacts Report for Exploitation (AIIA Exploitation March 2015)	March 2015	Update cancelled and filed: DMyRE Note No. 101/2019	Biannual update of the Environmental Impacts Report (AIIA) approved in 2012, based on exactly the same project approved in 2012
Biannual Environmental Impacts Report (Exploitation) (AIIA Exploitation February 2017)	February 2017	Resolution No. 010/2017, October 05, 2017	It was agreed with the Authority that the Environmental Impacts Report for exploitation (AIIA March 2015) would not be evaluated by the Authority and that this document (AIIA Exploitation, February 2017) would replace it Production of 25,000 tonnes/year of lithium carbonate with a second expansion phase to 50,000 tonnes/year
Biannual Environmental Impacts Report (Exploitation)	September 2019	Resolution No. 080/2020, December 18,2020.	The AIIA 2019, exploitation stage, was completed in June 2019.

TABLE 3.4 **EXPLOITATION PERMITS FOR CAUCHARI-OLAROZ PROJECT**			
Report Submitted	**Date Presented**	**Approvals**	**Observations**
(AIIA Exploitation 2019)			
Biannual Environmental Impacts Report (Exploitation) (AIIA Exploitation 2021)	March, 2022	Pending	The AIIA 2021, was presented with additionals, which included modifications for an expansion in production. Finally, at the UGAMP meeting, these modifications were dismissed by the company, leaving the activities in the same way as the previous AIIA. It is estimated that we will obtain the approving resolution soon.
Biannual Environmental Impacts Report (Exploitation) (AIIA Exploitation 2023)	December, 2023	Pending	Th AIIA 2023, was presented to respect the bi-annuity although the authority is not issued with the previous report. Some changes were added that are intended to be made with respect to ponds and harvest salts

3.9. Neigboring Communities

The surface rights of the area subject to exploitation are owned by the local neighboring communities of Pastos Chicos (10-23-2011), Olaroz Chico (12-20-2011), Huancar (12-20-2011), Puesto Sey (12-14-2011), and a part of El Toro (as an easement for the water and gas pipelines), some locations are shown in Figure 4.1. Ownership of the ground that is not currently proposed for exploitation also includes Portico de los Andes and Catua (2-23-2012).

Exar has completed contracts with each local community to have the right to develop the mine and use local water resources and transit. The arrangements vary between communities, but they all include the following (see Section 17.5.4.1 Community Relations Program):

- Aggregate payments of approximately US$239,417 per year between 2017-2019;
- Aggregate payments of approximately US$552,000 per year in 2020 and after;
- Joint environmental monitoring programs;
- Priority rights for any job for which a person from the community is qualified;
- Training on site to qualify for employment;
- A school of business training in each community to assist in setting up businesses for the provision of services during construction; and
- Individual infrastructure programs in each community.

4. ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE, AND PHYSIOGRAPHY

4.1. TOPOGRAPHY

The Cauchari and Olaroz Salars are bounded on the east and west by mountains that range in elevation from 4,600 m to 4,900 m (Figure 4.1). The Cauchari Salar forms an elongated northeast-southwest trending depression extending 55 km in a north-south direction and approximately 6 km to 10 km in an east-west direction. The Olaroz Salar extends 40 km north-south and 10 km to 15 km east-west. The elevation of the floor of the salars ranges from 3,910 m to 3,950 m. There is negligible vegetation on the surface of the salars.

4.2. ACCESS

The main access to the Olaroz and Cauchari Salars from San Salvador de Jujuy is via paved National Highways 9 and 52, as shown in Figure 3.1. The midpoint between the two salars is located along National Highway 52 (Marker KM 192). Paso Jama, a national border crossing between Chile and Argentina (also on National Highway 52) is 100 km west of the Project. These highways carry significant truck traffic, transporting borate products to market from various salars in northern Argentina. Access to the interior of the Olaroz and Cauchari Salars is possible through a gravel road, Highway 70, which skirts the west side of the salars.

4.3. POPULATION

The Town of Susques, (population of 3,980 according to a 2022 census), 45 km east of the Olaroz Salar, is the nearest population centre (Figure 4.1). Further east lies the provincial capital of San Salvador de Jujuy (population of 276,222 according to a 2022 census) and the settlement of Catua (population of 427 according to a 2010 census) to the southwest. LAR utilizes local employees for approximately 74% of the Project workforce (from Salta and Jujuy), of which 24% are from the local communities. The company transports them to and from the site by bus.

Figure 4.1 Regional Topography and Population Centres Near the Cauchari-Olaroz Project

Source: *Burga et al. (2019)*

4.4. CLIMATE

The climate in the region of the Cauchari-Olaroz Salares is severe as a result of its geographical position bordering elevations of 4,000 masl, and due to the effect of two semi-permanent high-pressure systems. The Pacific anticyclone, which operates mainly in winter, provides very dry air to the region, and the Atlantic anticyclone, which brings warm and moist air to the region, mainly in the summer.

The climate favors the recovery of some minerals such as lithium through processes that depend on the evaporation caused by the severe conditions and a large amount of solar radiation available all year in the region.

In the Project area, Exar installed two weather stations in 2010 and 2018.

The first was Vaisala, model MAWS301 and the second DAVIS model Vantage Pro (www.davisinstruments.com/solution/vantage-pro2/).

The Vaisala weather station collected reliable data from May 18, 2010, to December 2015, The Davis Weather Station began recording data on September 25, 2018, until the effective date of this report. Data from this station have not yet met one year of records, so they are not presented in this report.

4.4.1. VAISALA STATION

Parameters recorded by Vaisala station are in Table 4.1.

The parameters of temperature, dew point, Net radiation and Evaporation are estimated are by Vaisala but are not direct measurements.

TABLE 4.1
MEASURED PARAMETERS - VAISALA WEATHER STATION

Parameter	Units
Air Temperature (Tamb)	°C
Relatively Humidity (RH):	%
Temperature dew point (DP):	°C
Atmopheric pressure (Patm)	hpa
Wind Speed (VV)	m/s
Maximum Wind Speed (VMV)	m/s
Minimum Wind Speed (VmV)	m/s
Wind Direction (DV)	
Maximum Wind Direction (DMV)	
Minimum Wind Direction (DmV)	
Solar Radiation (SR)	W/m^2

TABLE 4.1 MEASURED PARAMETERS - VAISALA WEATHER STATION	
Parameter	**Units**
Net Radiation (NR)	W/m^2
Precipitation (PR)	mm
Evaporation (Evap)	mm

4.4.2. REGIONAL METEOROLOGICAL STATIONS

Several regional meteorological stations are located in surrounding communities and provide historical temperature and precipitation records that are used to validate site-collected data and assess the potential long-term variability of climate at the site. The period of record and location of the most representative of these weather conditions are shown in Table 4.2. A map illustrating the location of the stations closest to the Project site (Susques, Olacapato and San Antonio de los Cobres) is presented in Figure 6.10, the black dot with a number beside it represents the meteorological station.

TABLE 4.2 CLIMATE RECORDS IN NORTHWEST ARGENTINA				
Station	**Latitude**	**Longitude**	**Elevation**	**Period**
Coranzuli	23.03 S	66.40 W	4,100 m	1972/96
Castro Tolay	23.35 S	66.08 W	3,430 m	1972/90
Susques	23.43 S	66.50 W	3,675 m	1972/96
Mina Pan de Azucar	23.62 S	66.03 W	3.690 m	1982/90
Olacapato	24.12 S	66.72 W	3,820 m	1950/90
San Antonio de Los Cobres	24.22 S	66.32 W	3,775 m	1949/90
Salar de Pocitos	24.38 S	67.00 W	3,600 m	1950/90

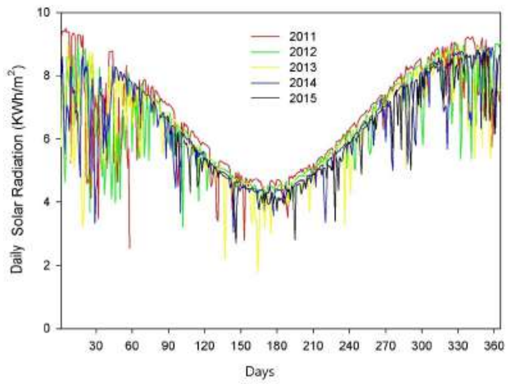
4.4.2.1.SOLAR RADIATION

Statistical data analysis indicates that monthly hourly values through all of the years of measurements are decreasing in amplitude (day duration) and maximum value, from summer to winter. Then the values increase, from winter to summer (Figure 4.2).

Data dispersion is greater in the summer months. This is due to the effect of cloud cover, which appears to be greater in summer and spring (November to February).

Solar Radiation, being seasonal, has an average daily value in November, of 8.31 kWh/m^2 (daily) and minimum in June of 4.30 kWh/m^2 (daily).

Figure 4.2 Solar Radiation, 2011-2015



Source: *Salazar (2019)*

4.5. TEMPERATURE

As the Olaroz-Cauchari Salars are located in a plateau at approximately 4,000 masl, the temperature varies considerably between day and night, over 20°C on many days.

Temperature in the Puna Region is also affected by the seasons, with winter minimum temperatures dropping to between -25°C and -30°C, while summer maximum temperatures reach between 15°C and 25°C.

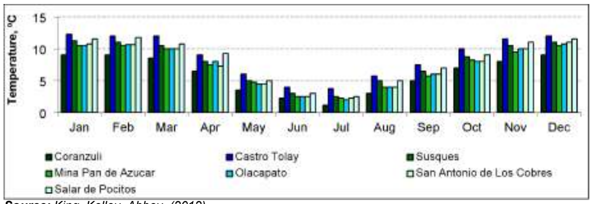
Meteorological stations are located in many surrounding communities (Figure 6.10) providing additional historical records for assessing the potential variability of climate at the site. The period of record and location of the most representative of these weather conditions are shown in Table 4.3.

The mean temperatures recorded by the stations in Table 4.3, are shown in Figure 4.3. The 2012 values are taken from King, Kelley, Abbey (2012) and the 2011-2015 Vaisala Station values are taken from Salazar (2019).

TABLE 4.3
TEMPERATURE DATA

Temperature (°C)	2012 Feasibility Study	Vaisala Station (2011-2015)
Average	6.3	6.4
Absolute Minimum	-14.6	-18
Absolute Maximum	25.9	25.9

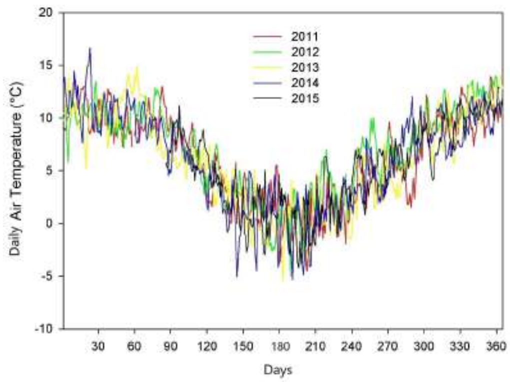
Figure 4.3 Mean Monthly Temperature Recorded by Regional Meteorological Stations



Source: *King, Kelley, Abbey, (2012).*

Figure 4.4.shows the temperature from Vaisala Station in the Project area averaging every month of the five-year period.

Figure 4.4 Daily Temperature, Vaisala Station, Cauchari, 2011-2015



***Source**: Salazar (2019)*

The observed temperature fluctuations in Cauchari by the Vaisala weather station show similar trends to the regional meterological stations. The average of these oscillations during the period recorded shows Extreme temperatures during this period had an absolute maximum of 25.9°C (January 11, 2011) and an absolute minimum of -16.3°C (July 29, 2014).

The records for Vaisala Station 2011-2015 show that:

- The lowest temperature of the day is at sunrise; and
- The highest temperature of the day occurs after solar noon.

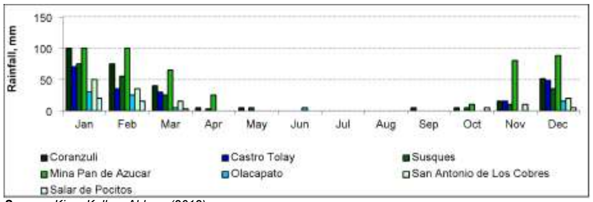
4.6. PRECIPITATION

The desert climate of Cauchari and Olaroz is also known as the Puna climate (Hoffmann, 1971). The Puna region is exposed to substantial warming due to the enormous amount of radiation received and the limited availability of moisture to use this energy in the atmosphere. These extreme conditions make the location very attractive for the use of processes that depend on evaporation at the region of the Project; rainfall is usually less than 50 mm during the year (Cabrera, 1976).

Rainfall originates during the summer season, between December and March when the South American Continental Low approaches the region of the salt flats, bringing hot and humid air from the jungles of the Amazon, causing very active convective cloud development with abundant storm-type rainfall.

The rainfall in the region according to the stations are shown in Figure 4.5.

Figure 4.5 Average Monthly Rainfall Recorded by Regional Meteorological Stations Near the Cauchari- Olaroz Salars

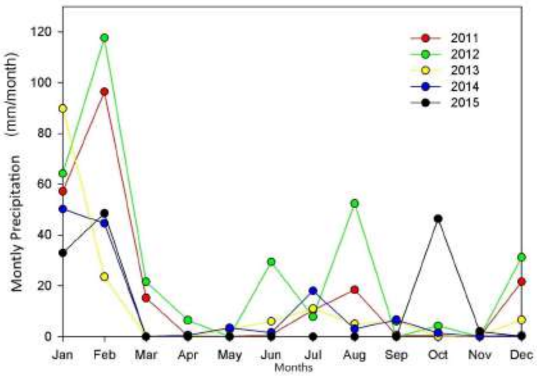


Source: *King, Kelley, Abbey, (2012).*

Precipitation occurs in the summer months (December, January and February), being almost nil for the rest of the year (Figure 4.6).

January averages 59 mm/month of precipitation, and February averages 66 mm/month of precipitation (year-on-year). The lowest precipitation values occur in April, May and November with 1 mm/month.

Figure 4.6 Rainfall Data Collected at the Cauchari Salar, 2011-2015



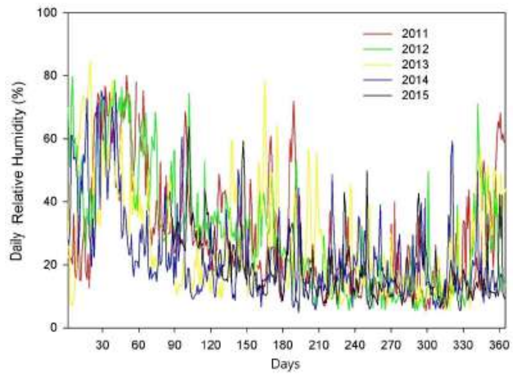
Source: *Salazar (2019)*

4.7. HUMIDITY

Puna desert climate is extremely dry for most of the year. However, in summer, due to the incursion of the South American Continental Low, the air is changed by acquiring high moisture content that sometimes causes heavy precipitation as described above. The average daily records show these changes in moisture during the year 2011-2015, Figure 4.7.

For relative humidity, considering the monthly average, the maximum values are in summer, 69% in February. In November, during the spring, the relative humidity drops to 5%.

Figure 4.7 Daily Humidity Collected at Cauchari Salar, 2011-2015



Source: *Salazar (2019)*

4.8. WINDS

The Puna desert is usually visited by a low-level jet stream current, which arises as a secondary branch of the subtropical jet stream that is generated as a result of the horizontal surface and intertropical convergence of trade winds on the cell (Hadley, Holton, 2004), which pushes the air molecules to higher levels of the atmosphere. The air transported to the upper atmosphere, due to the high potential energy gained by the elevation, acquires great speed during the descents, and converts the potential energy into kinetic energy. This allows the molecules to reach high speeds within the jet streams.

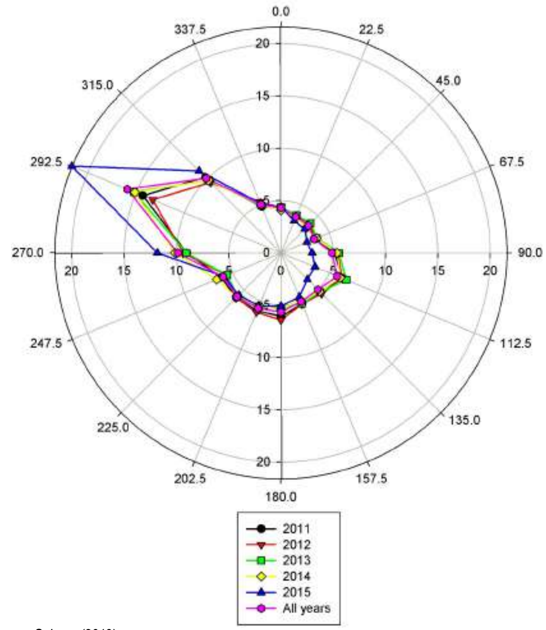
The intensities of these low flows reach speeds of 35.9 m/s (129 km/h) and are often observed in the salt flats of Olaroz and Cauchari.

The daily monthly average of wind velocity values is higher during winter and spring (July to November), reaching the highest values in September. There is no manifest seasonality.

Wind direction values indicate that during ten months of the year, the predominant wind direction is west-northwest. Only in January and February does the predominant wind direction change to east-southeast.

The Rose plot in Figure 4.8 shows the prevailing wind directions for the years 2011-2015.

Figure 4.8 Prevailing Wind Directions, Vaisala Station, Cauchari, 2011-2015



Source: *Salazar (2019)*

4.9. EVAPORATION

Records of water evaporation are more complex to perform in the Puna desert because the water tanks of evaporimeters freeze most of the year during the night. Therefore, most readings, including those from remote sensors, have a large associated error (WMO, 1971) which is another added difficulty. Because of these difficulties, the Vaisala station installed on the Cauchari Salar uses an indirect method to calculate evaporation, which in practice is very effective because of the adjustments to the curve that assesses the evaporation rate works well.

However, extreme climate conditions favour evaporation because the air in the Puna is extremely dry, so the large input of solar radiation is the most relevant factor in the evaporation process. Additionally, wind frequently intensifies the kinetic energy that is delivered through the transfer of momentum between molecules facilitating the process of evaporation.

It should be noted that the information presented in this section is collected from the Vaisala station. The Evaporation Rate used for the Project is based on a 12-month evaporation test conducted by Exar are elaborated upon in Section 10.2.2.

4.9.1. Evaporation Measurements

To avoid errors that could affect indirect estimates of the Vaisala weather station, two cylindrical tanks were installed, the type of Class A or PAN evaporimeters (WMO No. 168, 1994), for direct measurements of evaporation of water and brine. The persons responsible for carrying out evaporation observations were trained to make daily observations, which also allowed for the control of the evaporation measurements from the Vaisala meteorological station.

The correlations obtained were used to establish some climatic extrapolations, using tight correlations between the Vaisala automatic weather station and PAN evaporimeters at the Pilot Plant.

Annual seasonality can be seen in the average of the monthly values.

Based on the information in Figure 4.9, evaporation rates from the Vaisala station show:

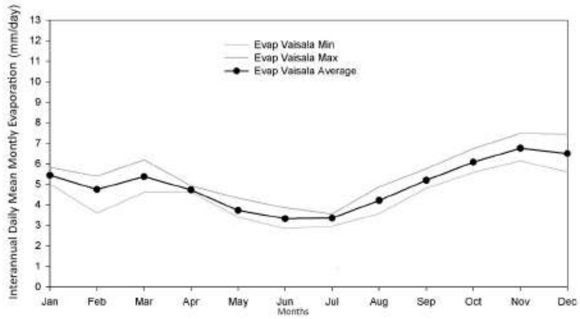
- Annual, monthly average: 4.95 mm/day;
- The monthly minimum value (June): 3.32 mm/day; and
- The maximum monthly daily value (November): 6.75 mm/day.

4.9.2. Calculated Evaporation Using Site-Collected Parameters

Monitoring of evaporation from pans is complex to perform in the Puna desert because the water in the pans is subject to freezing during the night, which can introduce error (WMO, 1971). Therefore, to validate the evaporation pan data, evaporation was calculated using surrogate meteorological parameters collected at the Vaisala station installed on the Cauchari Salar. The dominating processes controlling evaporation (and considered in the equation) are solar radiation, humidity, wind speed and temperature.

The daily calculated record of evaporation for 2011 to 2015 are shown in Figure 4.9.

Figure 4.9 Daily Calculated Evaporation from Vaisala Weather Station at the Cauchari Salar, 2011-2015

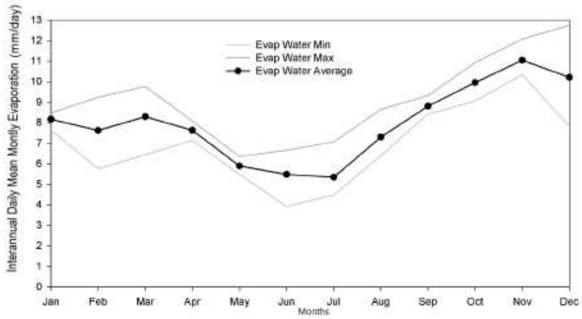


Source: *Salazar (2019)*

Evaporation for water is summarized below and in Figure 4.10:

- Annual, monthly average: 8.00 mm/day;
- The monthly minimum value (July): 5.34 mm/day; and
- Maximum monthly value (November): 11.03 mm/day.

Figure 4.10 Minimum and Maximum Daily Water Evaporation at the Cauchari Salar, 2011-2015



Source: *Salazar (2019)*

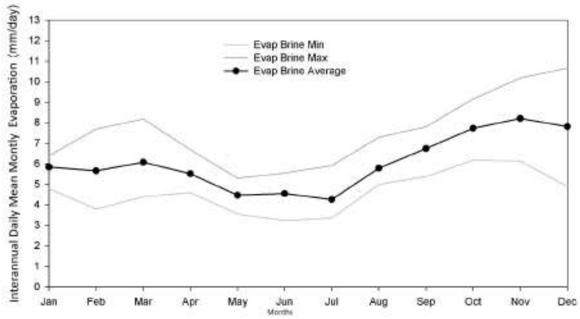
Evaporation for brine is summarized below and in Figure 4.11:

- Average annual monthly: 6.05 mm/day;
- The monthly minimum value (July): 4.25 mm/day; and
- Maximum monthly value (November): 8.20 mm/day.

The annual mean evaporation values are:

- Vaisala: 1,806 mm per year (Min: 1,605 mm per year; Max: 2,017 mm per year);
- Water (PAN Evaporators): 2,910 mm per year (Min: 2,520 mm per year; Max: 3,324 mm per year); and
- Brine (PAN Evaporators): 2,208 mm per year (Min: 1,682 mm per year; Max: 2,759 mm per year).

Figure 4.11 Minimum and Maximum Daily Brine Evaporation at the Cauchari Salar, 2011-2015



Source: *Salazar (2019)*

4.10. EXISTING INFRASTRUCTURE

National Highway 52, a paved, well-maintained highway, passes through the Property. A high-pressure natural gas pipeline is located 52 km south of the Project.

Electricity is provided by a new 33 kV transmission line that interconnects with an existing 345 kV transmission line located approximately 60 km south of the Project. The interconnection consists of a sub-station with a voltage transformer (345/33 kV) and associated switchgear.

A 53 km long water pipeline parallel to the gas pipeline was constructed to transport water to the lithium plant. The freshwater requirements are provided by local wells within the watershed. The infrastructure for camp water handling includes wells, low-voltage transmission lines to power the wells, pipelines, storage tanks and reverse osmosis plants.

Facilities at the site also include a permanent camp ("Operations Camp"), and the Construction Camp. The Operations Camp is a complete housing and administrative complex to support all activities of the operation with a capacity of 634 people. The Operations Camp includes office buildings, a habitational area, dining facilities, medical room, and recreation areas, consisting of a gym, an indoor sports center, a recreation room and an outdoor soccer field. The modular offices for operation and project management activities to support the activities of hydrogeology, drilling, site management, health and safety, the pilot plant, maintenance, human resources and community relations, amongst others.

In the Construction Camp there are 8 housing modules with a total capacity of 392 people, of which only 3 modules are currently in use. In addition, this camp includes the pilot plant facilities, water treatment plants and contractor workshops.

Additional buildings in Operations Camp include:

- Lithium carbonate plant;
- Spare parts and consumables warehouse building;
- Soda ash storage building;
- Final product – lithium carbonate – storage building;
- Chemical laboratory;
- Maintenance Shop; and
- Water treatment plants.

All buildings are equipped with appropriate lighting, heating, ventilation, and security provisions.

Additionally, a storage building (720 m^2 covered area), contractors' facilities, a pilot plant, and laboratory. The aforementioned facilities have water supply, a site generated power supply, and an effluents treatment plant.

Production wells are operative, and the access is through roads and platforms to move around the different areas of the Property and Project as well as internal roads and platforms.

The Project considers the design of a single Control and Data Building, dedicated to the control and monitoring of Plant and Peripherals, located near the electrical substation.

5. HISTORY

Historically, Rio Tinto has mined borates on the western side of the Cauchari salar, at Yacimiento de Borato El Porvenir. Grupo Minero Los Boros S.A. mines a few thousand tonnes per year of ulexite on the east side of the Olaroz Salar. No other mining activity (including lithium production) has been recorded at the properties comprising the Cauchari-Olaroz Project. Exar acquired Mining and Exploration Permits across the Cauchari and Olaroz Salars during 2009 and 2010. The Company completed a resource exploration program in 2009 and 2010 targeting both lithium and potassium.

In 2010, the Company filed a Measured, Indicated, and Inferred Mineral Resource report for both lithium and potassium (King, 2010b). An amended Inferred Mineral Resource report was filed later that year (King, 2010a). In 2012, the Company filed a NI 43-101 complaint feasibility study that presented a Mineral Resource and Mineral Reserve Estimate, proposed processing technology, environmental and permitting assessment, costing and economic analysis. In 2017, LAR filed a NI 43-101 compliant Feasibility Study, with an updated Mineral Reserve Estimate. In April of 2019, LAR filed a NI 43-101 compliant Updated Mineral Resource Estimate with an updated Mineral Resource Estimate which is used in Section 11.0. For reference purposes, the 2012 Mineral Resource Estimate is provided in 24.0 References. All past Mineral Resource and Mineral Reserve Estimates are no longer considered current and are superseded by the Mineral Resource Estimate presented in Section 11.0 and the Mineral Reserve Estimate presented in Section 12.0 of this Report. None of the past Mineral Resource and Mineral Reserve Estimates were compliant with the S-K regulations.

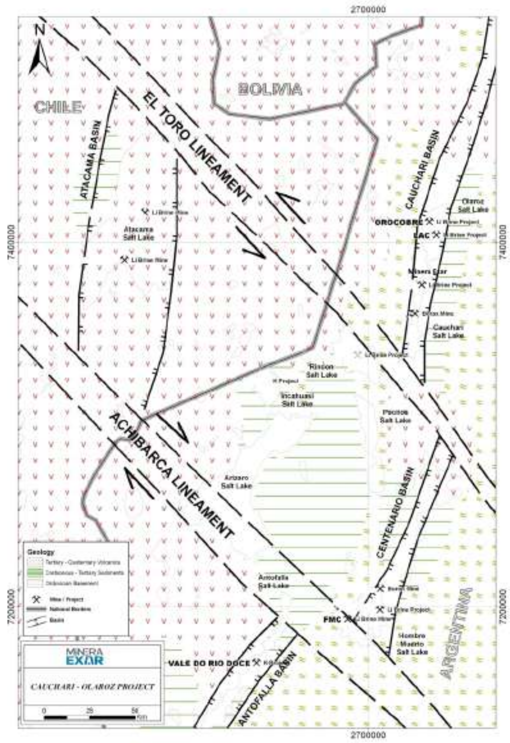
6. GEOLOGICAL SETTING, MINERALIZATION AND DEPOSIT

6.1. REGIONAL STRUCTURAL FEATURES

There are two dominant structural features in the region: north-south trending, high-angle faults and northwest-southeast trending lineaments. The high-angle north-south trending faults form narrow and deep basin systems (Figure 6.1). These basins have formed primarily in the eastern and central sectors of the Puna Plateau, through compressional Miocene-age orogeny (Helvaci and Alonso, 2000), and have been accumulation sites for numerous salars, including Olaroz and Cauchari.

The northwest-southeast trending lineaments cause displacement of the horst-and-graben basins. The El Toro Lineament and the Archibarca Lineament occur in the vicinity of the LAR Project. The Cauchari Basin, which contains the Olaroz and Cauchari Salars, is located north of the El Toro Lineament in the northeast of the Figure 6.1 map area. Between the El Toro and Archibarca Lineaments, the basin is displaced to the southeast and is known as the Centenario Basin. South of the Archibarca Lineament, the basin is displaced to the northwest and is known as the Antofalla Basin. Collectively, these three displaced basin segments contain a lithium brine mine (in Salar Hombre Muerto) and several lithium brine exploration projects (Figure 6.1). Two additional lithium brine mines are located in the Atacama Basin, approximately 150 km west of the Cauchari Basin, between the El Toro and Archibarca Lineaments.

Figure 6.1 Regional Geology in the Vicinity of the Exar Project



Source: *Burga et al. (2019)*

6.2. REGIONAL GEOLOGY

The regional geology of the Olaroz and Cauchari Salars is shown in Figure 6.1. The basement rock in this area is composed of Lower Ordovician turbidites (shale and sandstone) intruded by Late Ordovician granitoids. It is exposed to the east, west, and south of the two salars, and generally along the eastern boundary of the Puna Region.

Throughout the Puna Region, a wide range of rock types unconformably overlies the basement rock. In some areas, including to the south and east of the Project area, the basement rock is overlain by Cretaceous-Tertiary continental and marine sedimentary rocks such as conglomerates, sandstones, and siltstones, as well as tuffs and oolitic limestones. In most of the Chilean and Argentina-Chile border area of the region, the basement rock is overlain by Tertiary-Quaternary volcanics. In the Project area, the basement rock is overlain by andesites (six to three million years) and recent basaltic flows (0.8 - 0.1 million years) ranging up to several tens of metres in thickness. In addition, Neogene dacitic to rhyolitic ignimbrites (20 – 0.1 million years) sourced from calderas to the north and south of the Cauchari and Olaroz salars overlie basement strata. In some cases, these ignimbrites flowed into the salars and are intercalated with the basinal stratigraphies. These ignimbrites and their source calderas are the presumed sources for the lithium contained in the brines of the Lithium Triangle.

Salars formed in the basins of the Puna region have thick layers of Pleistocene halite beds. Jordan et al. (2002) studied the Atacama Salar in Chile and found high rates of sedimentation and accumulation for halite and clastic material (around 0.6 m/ka).

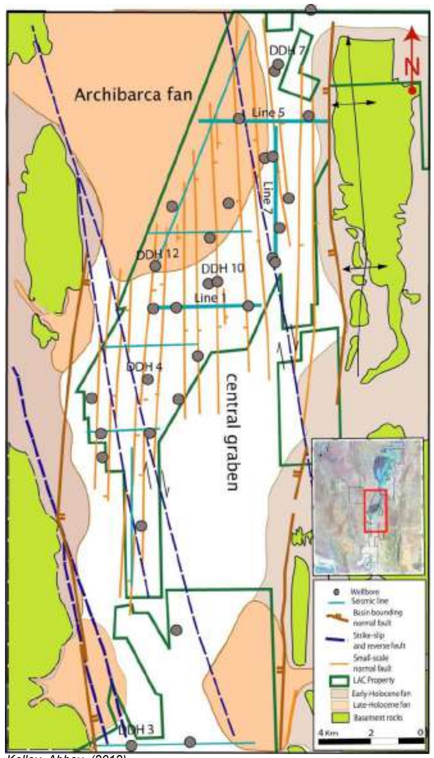
6.3. GEOLOGY OF THE OLAROZ AND CAUCHARI SALARS

6.3.1. SALAR STRUCTURAL SETTING

Figure 6.2 shows structural features in the central area of the Cauchari Basin (northern area of the Cauchari Salar), which is the focus of this Mineral Reserve Estimate. These features are interpreted from the seismic lines and boreholes shown in the figure.

Several small-scale, north-south trending, faults occur within the Cauchari Salar, between the basin border main faults. Cutting across the salar basin is a series of out-of-sequence, south-southeast trending, reverse faults that have a strong right-lateral component in the Exar Project area. These reverse faults are likely related to displacement along the El Toro Lineament.

Figure 6.2 Structural Features in the Central Area of the Cauchari Basin



Source: *King, Kelley, Abbey, (2012).*

6.4. SALAR SURFACE SEDIMENTS AND MINERALIZATION

The surface distribution of alluvium, salar sediments, and basement rock in the central zone of the Cauchari Basin is shown in Figure 6.3. This zone is shown because it is the focus of the Mineral Reserve Estimate (Section 12.0). Flat-lying salar deposits occur throughout the salars, at the lowest ground surface elevation in the basin. Alluvial deposits intrude into these salar deposits to varying degrees, depending on location. The alluvium surface slopes upward from the salar surface and extends outside the basin perimeter. Raised bedrock exposures also occur outside the salar basin.

The most extensive intrusion of alluvium into the basin occurs on the Archibarca Fan (Figure 6.2), which partially separates the Olaroz and Cauchari Salars. Route 52 is constructed across this alluvial fan. The Archibarca Fan developed during the late-Holocene. In addition to this major fan, much of the perimeter zone of both salars exhibits encroachments of alluvial material forming fans of varying sizes. Alluvium deposition is interpreted to range from early- to late-Holocene.

A range of dominant sediment types and characteristic mineral assemblages are found across the surface of the Olaroz and Cauchari Salars. In the Olaroz Salar and the southern part of the Cauchari Salar, particularly in marginally elevated areas, buff clays occur, interlayered with dirty calcite travertine sand with irregular calcite cementation produced mainly by hydrothermal activity (calcareous sinters). Ulexite concretions with or without gypsum and mirabilite are occasionally associated with the carbonate deposits.

Borax is common throughout both salars, occuring as small, rounded concretions in red and brown clays along a narrow and discontinuous strip on the western border of Cauchari Salar and in the eastern and central area of Olaroz Salar. In some areas of central Olaroz Salar, surficial borax alters to form evaporitic ulexite. When this mineral occurs in significant concentrations it forms large ulexite concretions or “papas” that expand the associated black or red clays, creating a hummocky surface. In the subsurface, borax commonly occurs as concretions and as an in-filling of corrosion holes in halite. In some locations, borax has been replaced by ulexite and/or tincal.

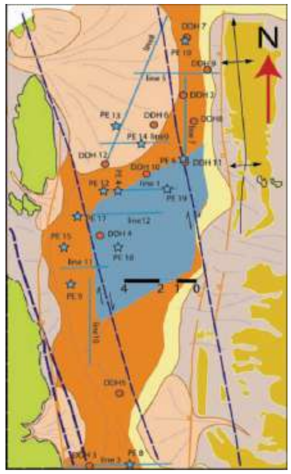
Gypsum is the primary sulphate mineral in the surficial muds and the crystals commonly have a small, bladed habit. In some locations, mirabilite and trona are associated with the gypsum-bearing layers. Trona is more abundant in the Cauchari Salar, although neither salar is known to contain exploitable amounts.

Halite occurs throughout the surface of both salars but is more dominant on the Olaroz Salar where a well-formed, polygonal-cracked, salt hardpan is present. In contrast, the surface layer across much of the Cauchari Salar consists of a thin, red silt / halite, polygonal-cracked crust over brine-saturated red plastic silt.

Distinctive accessory minerals occur within the red surface silt of the Cauchari Salar. Gypsum and minor glaserite are the main accessory phases in the southern area of the salar. In the central area, halite is a primary accessory mineral and gypsum is secondary. Ulexite, mirabilite, and trona are the primary accessory phases in the northern area of Cauchari.

In the zone where the recent alluvial fans merge with the salar sediments, the salar sediments often exhibit evidence of biological activity (bioturbation and rootlets) and are typically devoid of borate concretions and gypsum.

Figure 6.3   Surficial Geology in the Central Area of the Cauchari Basin



	Recent sediments (mainly salted muds with a halite rough polygon crust)
	Mud flat with borates and gypsum
	Young alluvial fans
	Old bahadas and alluvial fans
	Cenozoic volcanics and pyroclastic rocks
	Ordovician thin bedded fine sands and shales

Source: *King, Kelley, Abbey, (2012).*

6.5. SALAR LITHOSTRATIGRAPHIC UNITS

The following five informal lithological units are interpreted from the drill core:

- Unit 1. Red silts with minor clay and sand;
- Unit 2. Banded halite beds with clay, silt, and minor sand;

- Unit 3. Fine sands with minor silt and salt beds;
- Unit 4. Massive halite and banded halite beds with minor sand; and
- Unit 5. Medium and fine sands.

These units are described briefly in the following sections.

6.5.1. Unit 1 – Red Silts with Minor Clay and Sand

This unit consists of layers of massive red to grayish-brown silt with some clay, alternating with layers of fine sand with minor clay and medium to coarse sands, and trace gravel. At the surface, this unit exhibits mud cracks, as well as bioturbation and mottled structures with organic matter. At depth, the silt layers contain phreatic carbonate concretions, mottled structures, bioturbation, and occasional gypsum crystals. These layers are relatively thin, typically ranging from less than one metre up to four metres.

Borate concretions often occur throughout this unit. Halite crystals occur at some locations (for example in DDH4 and DDH10) but are absent in others (DDH12). X-ray diffraction ("XRD") analysis of the clays in this unit (Cravero, 2009a and 2009b) shows that they are predominantly illite with minor kaolinite, smectite, and chlorite. Glass shards and magnetite are also present, indicating that the dominant source for this unit is the Neogene volcanic rocks.

6.5.2. Unit 2 – Banded Halite Beds with Clay, Silt and Minor Sand

This unit is characterized by banded halite with reddish clay or silt partitions alternating with massive fine-grained sand beds. The sand beds may contain halite crystals or may be cemented by halite. This unit may also contain occasional layers of thinly bedded clays, evaporites, silts, and sands. The individual beds of this unit vary in thickness from a few centimetres to a few metres. Unit 2 is generally more clayey than Unit 1. The evaporites in Unit 2 are comprised mainly of halite and occasionally halite with gypsum. Borehole logs show that Unit 2 is typically between 50 m and 60 m in thickness.

Some of the thick sand beds in this unit are friable and devoid of halite cement. These sands were likely deposited in water and may have been mobilized from the surrounding old alluvial fans. The green color of some sand beds is characteristic of material derived from volcanic sources. While this unit is relatively thin in some locations (e.g., DDH12), it is well-developed and dominated by massive and banded salt beds in boreholes located in the central area of the salar. The relatively thin occurrence of Unit 2 in DDH12 (see Figure 6.3) is due to the close proximity of the Archibarca Fan clastic source (see Figure 6.2).

6.5.3. Unit 3 – Fine Sands with Minor Silt and Salt Beds

This unit is composed of massive light grey to grayish-brown, fine-grained, clean sand inter-layered with evaporite (primarily halite) beds. The layers are tens of metres thick and are typically friable. This unit also contains occasional thin red silt horizons (20 cm to two metres thick). Structures indicating biological activity are uncommon in this unit, although some of the silt layers are mottled (e.g., in DDH10).

The sand composition in this unit is a mixture of quartz, feldspar, and mafic minerals (pyroxene, biotite, and amphibole), with abundant magnetite and volcanic glass. Other minerals commonly present in the sand include halite and gypsum, with lesser amounts of borate, ulexite, and narrow beds of tincal. The sand beds of this unit often contain a component of well-sorted aeolian sand (identifiable as rounded particles) mixed with sub-angular finer sand. The aeolian sands were likely re-worked and mixed with alluvial materials and dispersed into the basin by surface water.

6.5.4. Unit 4 – Banded and Massive Halite Beds with Minor Sandy Beds

This unit is dominated by banded halite beds and dark to light grey massive halite beds alternating with sandy layers. These primary layers typically range from 1 to 3 m in thickness, although a continuous 100 m layer of halite beds was observed at the DDH3. Layers of red clay and irregular halite mixes are also common in this unit. Thin silt horizons between 0.25 m and 1 m in thickness are occasionally observed.

The banding in the banded halite beds is caused by layers of grey or brownish-grey silts or sands that are typically cemented by halite and contain halite and gypsum crystals. The massive halite layers of this unit occasionally occur as a sintered sponge of halite crystals, with high porosity due to crystal corrosion. Borate concretions are common in the upper section of this unit. In the southern Cauchari Salar, several carbonate horizons ranging up to six metres in thickness were observed in this unit, with karstic solution cavities in-filled with loose sand.

6.5.5. Unit 5 – Medium and Fine Sands

This unit is composed of massive, thick-bedded, fine-grained, light to dark-green sand layers, alternating with massive light-red silt layers. The grain size of the sand is coarser in the lower levels of the unit. The sand mineralogy indicates volcanic source rocks.

Bioturbation by invertebrates is observed at some locations in this unit. Halite and gypsum crystals occur infrequently. Only boreholes DDH4, DDH10, and DDH12 penetrated deep enough to encounter this unit.

Refer to Section 11.2.1 and Section 12.7 for a more detailed breakdown of the stratigraphic and hydrostratigraphic units used in the Mineral Resource Estimate and Mineral Reserve Estimate, respectively. Cross sections can be viewed in Section 11.3.2.

6.5.6. Sedimentation Cycles

Sedimentation cycles were evaluated for the salar sediments, as a supportive step for understanding, delineating, and grouping the important hydrostratigraphic units. The energy level and RBRC curves help to explain the vertical variations observed in the salar sediments. The RBRC curves show the distribution of measured RBRC, expressed over 10 m intervals. The collection and analysis of the RBRC samples are described in Section 8.9.2. The energy level curves represent a qualitative measure of depositional energy, expressed over five metre intervals. The lithology-based scale used to rank the energy level is summarized below:

- 0 - Massive halite beds (> 5 cm thick);
- 1 - Halite in thin beds (< 5 cm), including banded halite with thin sand, silt, or clay partitions;
- 3 - Silt with root marks or bioturbation; silty clay beds with or without halite crystals and borate concretions; silt or clay with plant remains; thin and irregular clay or halite bedding;

4 - Silt with or without halite crystals and borate concretions;

5 - Fine-grained sands;

7 - Medium-grained sands; and

8 - Coarse-grained sand with or without gravel.

This scale is qualitative and was developed as an aid for interpreting sedimentary cycles in the salar. The exclusion of Levels 2 and 6 is intended to represent a large energy level increase between Levels 1 and 3, and Levels 5 and 7, relative to the other levels.

The energy level measurements in DDH10 exhibit a repeating pattern, between the upper 130 m of the borehole and the lower part of the borehole. This pattern is considered to represent two distinct sedimentation cycles: an Upper Salt Generation Cycle ("USGC") and a Lower Salt Generation Cycle ("LSGC"), with the division between the two occurring at approximately 130 mbgs. These cycles are used as an aid to interpret the progression of sediment deposition throughout the Project area, and to support the development of a hydrostratigraphic model.

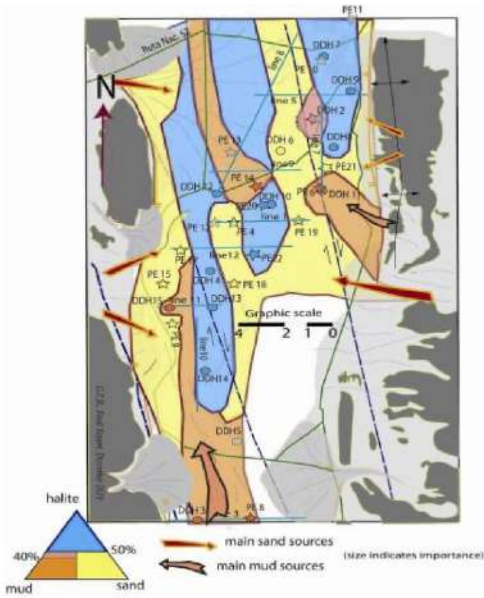
6.5.7. Sedimentary Facies Analysis and In-filling History

The figures referred to in this subsection are from a sedimentology report prepared on behalf of Exar (Bossi, 2011).

The distribution of dominant geologic materials within the LSGC (defined as > 130 mbgs) is shown in Figure 6.4. Materials are divided into fractions of three end members that exhibit unique porosity profiles: sand, silt, and halite. Isopleth maps of salt and sand thickness within the LSGC are shown in Figure 6.5 and Figure 6.6, respectively. These maps were used to infer the primary locations where salt deposition occurred within the basin, and where sand entered the basin.

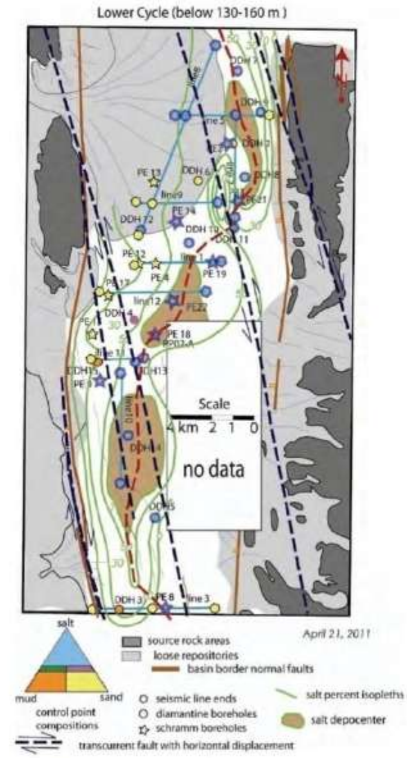
A central elongated salt deposition zone dominates the LSGC, as shown in Figure 6.4. This salt body is continuous, but irregular in the fraction that it comprises of the LSGC. As shown in Figure 6.5, elongated zones of relatively more dominant salt deposits occur in the southern, central, and northern areas of the salar. The northern zone is displaced towards the east, due to the strong influence of clastic sedimentation associated with the Archibarca Fan.

Figure 6.4 Facies Map of the Lower Salt Cycle Showing Line 1 Crossing a Thick Salt Succession



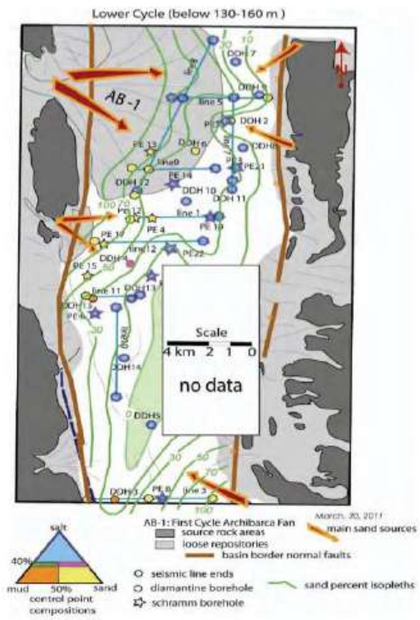
***Source**: Bossi, (2011)*

Figure 6.5 Isopleth Curves of Salt Percent in the Facies Triangle



***Source**: Bossi, (2011)*

Figure 6.6 Main Salt Sources of the Lower Cycle



Source*: Bossi, (2011)*

Clastic contributions to the LSGC originated from various locations around the salar (Figure 6.6). However, the main sand source was located in the mountains to the west of the salar and is responsible for the LSGC occurrence of the Archibarca Fan. The influence of this source is indicated by the increasing sand fraction in the vicinity of the fan (Figure 6.6). The main mud source is south of the salar, with an additional source located to the west.

The distribution of materials in the LSGC is related to the equilibrium between subsidence and clastic supply. Brine became concentrated in the dropped zones, and extensive halite beds were formed through evaporation. Conversely, the horsts were relatively elevated and primarily received muds (silts) or sands. LSGC deposits were formed during the Late/Middle Pleistocene when the Puna region was situated at lower altitudes. At that time, cooler climatic conditions and rain-shadow effects associated with the eastern Pampean Ranges resulted in enhanced aridity. Climatic conditions cycled between relatively wet and dry periods.

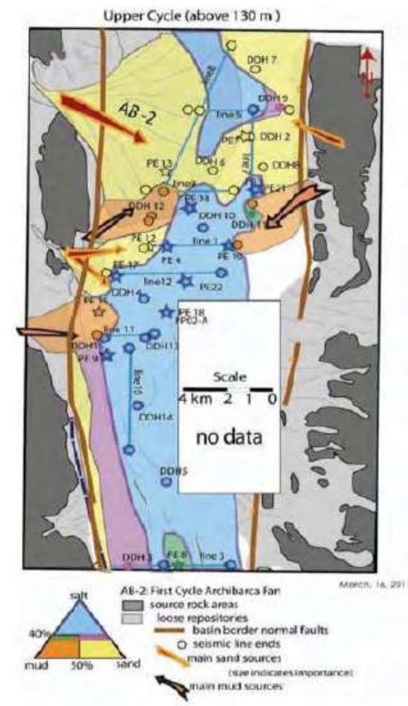
The wet periods were characterized by the development of permanent shallow lakes with high evaporation rates and the dry periods by ephemeral lagoons. Saltpan formation was enhanced during the wet periods, and the salt deposited at these times tends to be white to grey in colour and lacking in clastic components. Conversely, banded halite and associated reddish-coloured clastic materials were likely crystallized and deposited in drier periods.

The distribution of materials in the USGC (defined as <130 mbgs) is shown in Figure 6.7. For these more recent deposits, the supply of clastic sediments is greater, particularly in association with the Archibarca Fan. Consequently, the saltpan is located mainly in the southern area of the salar with a minor isolated zone in the north, probably connected with the Olaroz Basin.

The distribution of salt in the LSGC follows a relatively regular pattern (Figure 6.8), probably due to the smoothing effect of the final subsidence stage. The two southern loci of salt deposits in the LSGC (Figure 6.5) unify into one in the USGC (Figure 6.8,) that occupies a broader zone in the central area of the basin. A remnant small salt zone persists in the northeastern area of the salar close to the eastern border and in front of the Archibarca Fan.

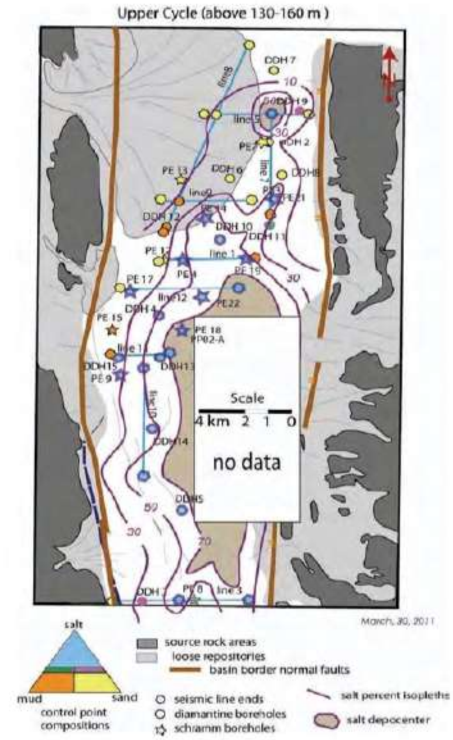
Figure 6.9 shows locations where sand entered the salar basins during the USGC deposition period. Similar to the LSGC, the primary location is at the Archibarca Fan (below the present-day fan), as indicated by the high sand fraction extending into the salar. Secondary locations occur at another fan system originating from the eastern mountains, and at two locations along the western basin border south of the Archibarca Fan. Penetration of the Archibarca Fan into the basin reaches a maximum during the period represented by the USGC. During this period, most mud still originated from the south with minor contributions from the mountains located on the western border.

Figure 6.7 Facies Map of the Upper Cycle



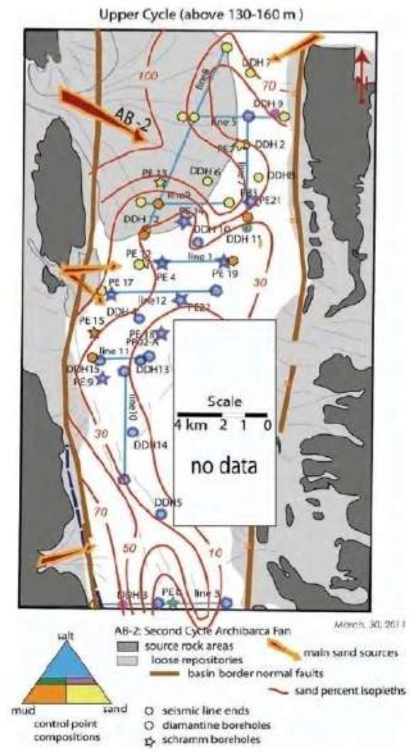
***Source**: Bossi, (2011)*

Figure 6.8 Salt Percent Isopleths of the Upper Cycle



Source: Bossi, (2011)

Figure 6.9 Isopleth Map of Sand Percents of the Upper Cycle Sedimentation Stage



***Source**: Bossi, (2011)*

6.6. SURFACE WATER

The Cauchari-Olaroz watershed is shown in Figure 6.10. The watershed is an elongated depression with a length of approximately 150 km in a north-south direction and a width of 30 to 40 km in an east-west direction and covering approximately 4,500 km^2. The surface water network within the watershed eventually flows into the Olaroz or Cauchari Salars. There is no surface water outflow from the salars. These rivers are the main freshwater inflows into the salar and have been monitored since 2009.

The primary surface waterways within the watershed basin are Rios El Rosario, Ola, and Tocomar. Rio Rosario, which is locally called Rio El Toro, originates in the northern part of the watershed, at an elevation of 4,500 m. The river flows south-southeast for 55 km, past the village of El Toro, before it enters into the Olaroz Salar.

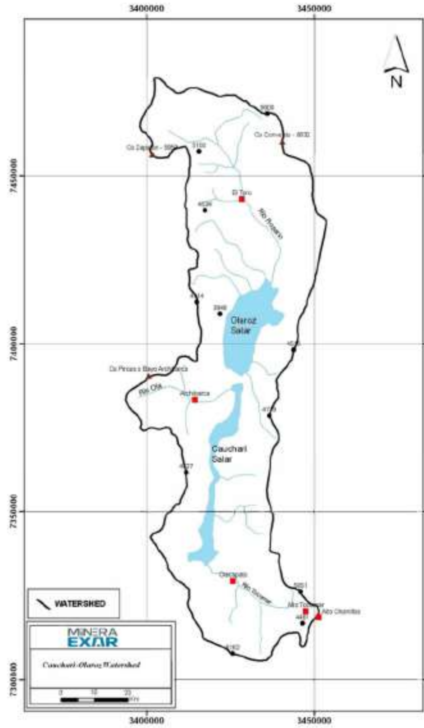
Rio Ola, which is locally called Rio Lama, originates just south of Cerro Bayo Archibarca, at an elevation of around 4,500 m, and flows east for 20 km. It enters the salars on top of the Archibarca Fan that separates Olaroz from Cauchari on the western flank of the basin.

Rio Tocomar, which is locally called Rio Olacapato, originates some 10 km west of Alto Chorillo at an elevation of around 4,360 m. The river flows west for approximately 30 km before it enters the Cauchari Salar from the southeast.

In addition to the surface waterways noted above which enter the salars, there is an area in the central southern part of the Cauchari Salar some 15 km north of the village of Cauchari, where surface water originates from an array of springs. Discharge from these springs is naturally channelled into a central stream that flows north for several kilometres and then gradually seeps back underground.

Chemistry and flow monitoring results from the Surface Water Sampling Program conducted throughout the Cauchari-Olaroz watershed are presented in Section 7.12.

Figure 6.10 Caucharri-Olaroz Watershed



Note: *black dot with a number beside it = meteorological station, red square = town.*
Source: *Burga et al. (2019)*

6.7. MINERALIZATION

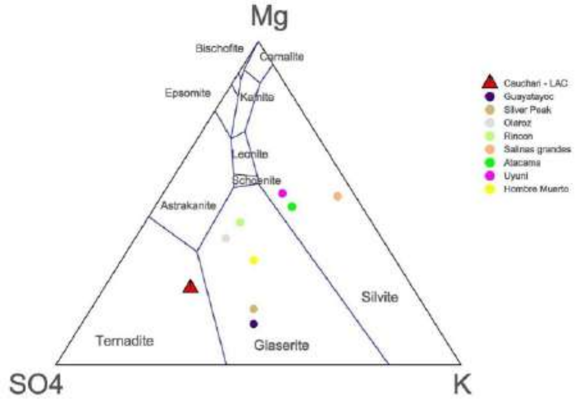
The brines from Cauchari are saturated in sodium chloride with total dissolved solids (TDS) on the order of 27% (324 to 335 g/L) and an average density of about 1.215 g/cm^3. The other primary components of these brines are common to brines in other salars in Argentina, Bolivia, and Chile, and include potassium, lithium, magnesium, calcium, sulphate, HCO_3, and boron as borates and free H_3BO_3.

A Janecke Projection comparing the chemistry of several brine deposits is shown in Figure 6.11. This type of figure can be used as a visualization tool for mineral crystallization. The diagram represents an aqueous five-component system (Na+, K+, Mg++, SO_4=, and Cl–) saturated in sodium chloride. The aqueous system can be represented in this simplified manner, due to the higher content of the ions Cl–, SO_4=, K+, Mg++, Na+ compared with other elements (e.g., Li, B, Ca). In Figure 6.11, each corner of the triangle represents one of three pure components (Mg, SO_4 and K_2), in mol%. The sides of the triangle represent sodium chloride-saturated solutions, with two reciprocal salt pairs ($MgCl_2$ + Na_2SO_4), (Na_2SO_4+KCl) and a quaternary system with a common ion ($MgCl_2$+KCl+NaCl).

The inner regions of the diagram show expected crystallization fields for minerals precipitating from the brine. Since the brines are saturated in NaCl, halite precipitates during evaporation in all the cases. In addition, the Cauchari brine is predicted to initially precipitate ternadite (Na_2SO_4). The brines of Guayatayoc, Silver Peak, Hombre Muerto, Olaroz, and Rincon would initially precipitate glaserite ($K_3Na(SO_4)_2$). Atacama, Uyuni, and Salinas Grandes brines would initially precipitate silvite (KCl).

In addition to the primary minerals indicated in the diagram, a wide range of secondary salts may precipitate from these brines, depending on various factors including temperature and dissolved ions. The additional salts could include: astrakanite ($Na_2Mg(SO_4)_2 \cdot 4H_2O$), schoenite ($K_2Mg(SO_4)_2 \cdot 6H_2O$), leonite ($K_2Mg(SO_4)_2 \cdot 4H_2O$), kainite ($MgSO_4 \cdot KCl \cdot 3H_2O$), carnalite ($MgCl_2 \cdot KCl \cdot 6H_2O$), epsomite ($MgSO_4 \cdot 7H_2O$), and bischofite ($MgCl_2 \cdot 6H_2O$).

Figure 6.11 Janecke Classification of Brines



References as per Table 8.1, with the addition of information from Houston (2010b) for Salinas Grandes and Guayatayoc.
Source: *King, Kelley, Abbey, (2012).*

The Cauchari and Olaroz Salars are classified as "Silver Peak, Nevada" type terrigenous salars. Silver Peak, Nevada in the USA was the first lithium-bearing brine deposit in the world to be exploited. These deposits are characterized by restricted basins within deep structural depressions in-filled with sediments differentiated as inter-bedded units of clays, salt (halite), sands and gravels. In the Cauchari and Olaroz Salars, lithium-bearing aquifers have developed during arid climatic periods. On the surface, the salars are presently covered by carbonate, borax, sulphate, clay, and sodium chloride facies. A detailed description of the geology of the Olaroz and Cauchari Salars is provided in Section 6.0.

Cauchari and Olaroz have relatively high sulphate contents and therefore both salars can be further classified as "sulphate type brine deposits". Section 7.16 provides detailed further discussion of the chemistry of Cauchari and Olaroz.

Table 6.1 compares mean values for hydrochemical compositions of brines from Andean salt pans. It should be noted that the Qualified Person, Mr. David Burga, has been unable to verify the information for other properties listed in Table 6.1 and that the information is not necessarily indicative of the mineralization on the Property that is the subject of the Technical Report but is presented for reference purposes only.

TABLE 6.1
COMPARATIVE CHEMICAL COMPOSITION OF ANDEAN SALT PANS

N°	Salt pan	n	means										
			TDS	Ca	Mg	Na	K	Li	Cl	SO_4	CO_3	HCO_3	B
1	Surire	3	178	967	2291	56,103	9203	359	96,060	8997	13	99	1848
2	Coipasa	11	145	360	12,211	104,836	9155	258	178,091	37,355	–	785	883
3	Uyuni	165	123	550	15,533	87,670	12,389	715	183,885	17,149	–	4	646
4	Empexa	1	239	259	8480	67,200	3400	213	120,000	34,100	–	430	702
5	Huasco	3	93	221	1964	21,722	4508	160	37,694	8977	<1	20	779
6	Coposa	6	20	246	869	5430	534	16	8890	3710	3	146	19
7	Michincha	5	<1	31	13	28	12	<1	18	–	<1	46	<1
8	Alconcha	1	1	150	2	97	13	<1	90	–	0	87	3
9	Carcote	4	234	7039	4151	70,567	7268	217	61,812	3038	5	169	224
10	Ascotan	10	29	280	786	8497	899	47	13,581	3885	14	593	374
11	Pastos Grandes (Altiplano)	1	321	3100	3480	101,000	14,200	1640	194,000	2460	–	–	3041
12	Atacama	10	181	606	4064	46,793	8706	562	90,047	9856	<1	273	482
13	El Tara	12	35	346	165	22,504	243	140	35,240	3083	12	772	201
14	Aguas Calientes Norte	7	10	633	151	4414	165	25	7964	541	1	281	66
15	Pujsa	10	–	269	376	15,731	1130	89	18,670	12,400	349	562	189
16	Loyoques o Quisquiro	5	94	11,454	1960	53,698	409	286	141,913	1615	8	599	480
17	Aguas Calientes Centro	5	17	1225	946	6060	394	15	12,460	1740	0	339	7
18	El Laco	6	62	852	2372	22,308	1787	37	38,583	6341	0	393	180
19	Aguas Calientes Sur	8	7	432	265	2569	189	4	4660	1062	0	167	0
21	Imilac	4	5	321	32	8948	49	19	2374	801	4	59	4
22	Punta Negra	6	2	50	18	718	61	1	1255	144	6	56	5
23	Aguas Calientes Sur Sur	10	4	202	131	1668	163	5	2718	1014	7	108	19
24	Pajanoles	25	49	3234	1560	19,437	1221	25	45,588	1810	0	283	160
25	La Azufrera	2	287	441	34,400	42,317	10,773	61	121,157	65,834	0	36	532
26	Gorbea	5	58	288	26,810	47,060	3925	316	114,070	72,389	0	0	2319
27	Ignorados	2	11	495	576	490	490	2	927	6895	0	0	24
28	Agua Amarga	6	75	16,652	2411	34,783	1429	60	92,098	1095	0	121	311

N°	Salt pan	n	means										
			TDS	Ca	Mg	Na	K	Li	Cl	SO_4	CO_3	HCO_3	B
29	Aguilar	3	113	51,667	6600	60,667	2600	367	203,334	461	0	917	739
30	La Isla	12	62	390	2578	46,667	10,898	402	87,278	7015	4	188	118
32	Las Parinas	6	46	300	1185	36,317	1114	130	59,607	4501	0	326	148
34	Pedernales	4	1	143	47	735	53	3	1285	342	2	112	10
38	Maricunga	3	19	517	252	5988	485	36	11,309	172	0	167	26
39	Incahuasi	5	82	1103	11,214	9705	5705	95	57,983	712	0	145	436
40	Antofalla-Botijuelas	6	73	1075	577	25,033	1304	209	43,280	4574	0	457	710
41	Río Grande	11	247	1869	2161	88,510	3161	398	154,487	7937	0	211	513
42	Arizaro	11	147	497	2082	47,320	4156	188	84,682	14,106	0	102	1794
43	Hombre Muerto	6	167	805	954	56,463	5458	628	105,948	2811	0	165	950
44	Diablillos	4	56	1119	1226	14,949	3920	180	28,235	6865	0	323	592
45	Ratones	3	61	1387	223	22,542	2360	158	41,636	3812	0	470	418
46	Centenario	6	88	586	2293	26,503	3130	288	46,444	10,551	0	431	971
47	Pocitos-Quirón	11	108	837	655	38,512	1420	60	64,681	5986	0	25	170
48	Pozuelos	8	266	1072	1641	96,694	3266	401	167,880	9038	0	126	898
49	Pastos Grandes (Puna)	6	198	640	4155	65,177	3552	476	122,093	7472	0	904	879
50	Rincón	11	199	823	2032	65,696	6333	287	115,585	14,579	0	173	1732
51	Cauchari	5	119	600	1746	83,886	4757	860	130,867	12,306	0	442	2158
52	Olaroz	10	154	516	2002	98,846	6224	1014	180,798	10,077	0	344	2533
53	Jama	10	32	527	228	20,424	1469	82	32,306	6633	0	309	983
54	Salinas Granes	10	107	1520	1068	73,255	4135	332	126,663	2082	0	314	447
55	Guayatayoc	3	72	1579	183	28,033	16,647	96	185,463	11,353	0	315	360

Notes:

(A) *n = number of samples*

(B) *Total Dissolved Solids (TDS) is reported in g/L*

(C) *Remaining concentrations in mg/L*

7. EXPLORATION

The work described in this Section, other than the 2024 VES survey, was done for Exar and reported by LAC prior to the creation of LAR in 2023.

7.1. OVERVIEW

The following exploration programs have been conducted to evaluate the lithium brine and freshwater development potential of the Project area:

- Surface Brine Program – Brine samples were collected from shallow pits throughout the salars to obtain a preliminary indication of lithium occurrence and distribution.
- Seismic Geophysical Program – Seismic surveying was conducted to support delineation of basin geometry, mapping of basin-fill sequences, and siting borehole locations.
- Gravity Survey – A limited gravity test survey was completed to evaluate the utility of this method for determining depths to basement.
- TEM Survey – TEM surveying was conducted to attempt to define freshwater / brine interfaces around the salar perimeter. This work was conducted by Quantec Geoscience.
- VES Survey – A VES survey was conducted to attempt to define freshwater and brine interfaces, and extensive freshwater occurrences.
- Surface Water Sampling Program – An ongoing program is conducted to monitor the flow and chemistry of surface water entering the salars.
- Pumping Test Program – Pumping and monitoring wells were installed, and pumping tests were conducted at five locations, to estimate aquifer properties related to brine recovery and freshwater supply.
- Reverse Circulation (RC) Borehole Program – Dual tube reverse circulation drilling was conducted to develop vertical profiles of brine chemistry at depth in the salars and to provide geological and hydrogeological data.
- Diamond Drilling (DD) Borehole Program – This program was conducted to collect continuous cores for geotechnical testing (RBRC, grain size and density) and geological characterization. Some of the boreholes were completed as observation wells for future brine sampling and monitoring.

Samples were representative and no known biases were introduced due to sampling procedures. Details of the drilling programs are discussed in Section 7.16.

7.2. SURFACE BRINE PROGRAM

In 2009, a total of 55 surface brine samples were collected from shallow hand-dug test pits excavated throughout the Project area. Results from this early program indicated favourable potential for significant lithium grades at depth. Additional exploration work was initiated on the basis of these results. A full description of the Surface Brine Program is provided in the Inferred Mineral Resource Estimate Report for the Project (King, 2010a).

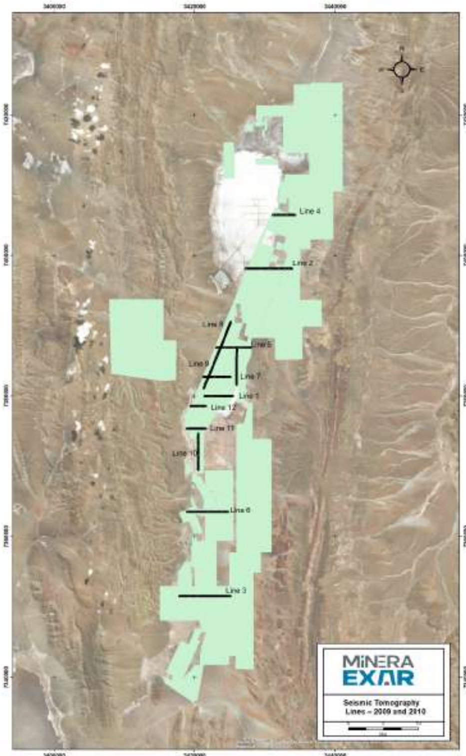
7.3. SEISMIC GEOPHYSICAL PROGRAM

A high-resolution seismic tomography survey was conducted primarily on the Cauchari Salar and to a lesser extent on the Olaroz Salar, during 2009 and 2010. The survey was contracted to Geophysical Exploration Consulting (GEC) of Mendoza, Argentina. Measurements were conducted along 12 survey lines, as shown in Figure 7.1. Nine lines are oriented east-west (1, 2, 3, 4, 5, 6, 9, 11, and 12), two lines (7 and 10) have a north-south orientation, and Line 8 is a northeast trending diagonal line parallel to the western property boundary and covering the Archibarca Fan. A total of 62,500 m of seismic survey data was acquired.

The survey configuration utilized a five-metre geophone separation, and a semi-logarithmic expanding drop-weight source array symmetrically bounding the central geophone array. The geophone array comprised 48 mobile measurement sites utilizing Geode Geoelectrics 8 Hz geophones. Symmetrically surrounding the 48 geophones were accelerated, 150 kg drop-weight sites moving away from the geophone array as follows: 15, 30, 60, 90, 120, 150, 250, 500, 750, and 900 m. Based on standard methods for depth resolution, the outer drop-weight positions would provide sufficient velocity detail to depths on the order of 500 to 600 m. The seismic survey data supported the identification of drilling sites for the RC and DD Programs in 2009 and into 2010. The seismic inversions are shown in Figure 7.2.

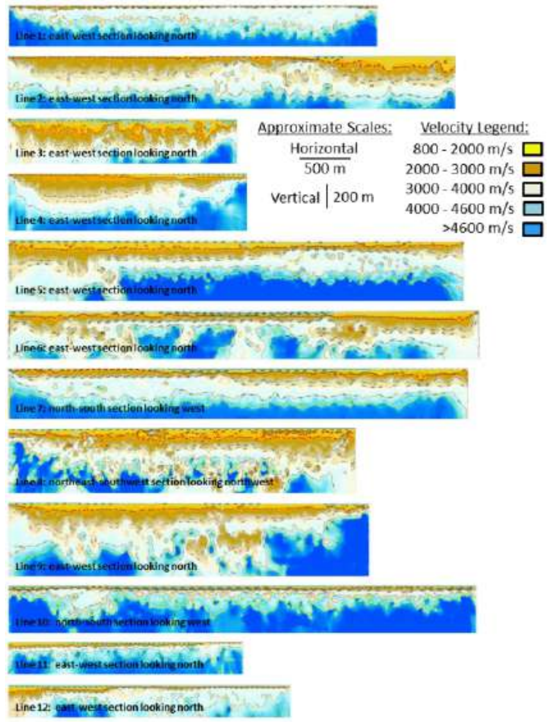
The maximum interpreted depth of the salars for each of the twelve seismic lines ranged from approximately 300 to 600 m. This variance in the apparent depth of the basin is attributed to two factors: 1) actual basin depth, and 2) property limitations which restricted the placement of the source hammer, and therefore the depth of exploration.

Figure 7.1 Seismic Tomography Lines – 2009 and 2010



Source: *Burga et al. (2020)*

Figure 7.2 Seismic Tomography Results for the 12 Survey Lines in Figure 7.1



Source: *King, Kelley, Abbey, (2012).*

7.4. GRAVITY SURVEY

A reconnaissance gravity survey was completed at the Cauchari Salar during July of 2010. The survey was a test to evaluate the effectiveness of the gravity method to define basement morphology and grabens that could represent favourable settling areas for dense brine. Data were collected at 200 m intervals along the two survey profiles shown in Figure 7.3. These profiles extended to outcrop locations outside the salar limits, to facilitate final gravity data processing and inversion.

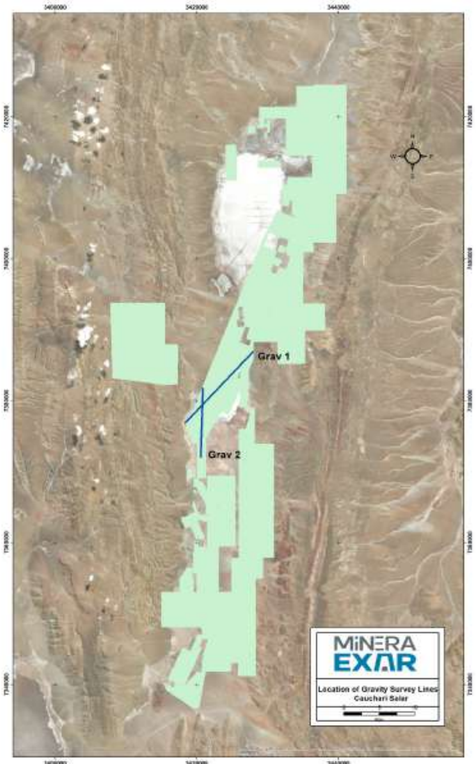
Instrumentation used for the survey was a La Coste and Romberg #G-470 gravimeter with an accuracy of ± 0.01 mGal. The gravity survey field procedure included repetition of survey control points at intervals of less than five hours, to minimize instrument drift control errors. Initial gravity data processing was completed with Oasis software, using the Gravity and Terrain Correction module. Inversions were also produced with Oasis software, using the gravity module GM-SYS.

Differential GPS measurements provided the station control with an accuracy level of ± 1 cm. A GPS base station using a Trimble DGPS 5700 model was employed in two locations within five kilometres of the survey lines and operated continuously during the measurement of the survey GPS points along the gravity traverses. A Trimble model R3 was used for the gravity station placement.

Modelling results for the northeast oriented gravity survey line (GRAV 1) are shown in Figure 7.4. The image shows the location of boreholes, the input densities used for model generation, and the calculated Bouger results from the field data. The upper profiles indicate an excellent fit of observed and modeled data based on the coloured model shown in the lower part of the figure. The lower red portion is the modeled depth to basement, or denser lithologies, using the starting model densities and the observed field data. There is good correlation between the gravity and seismic results which indicate changes in density and velocity, respectively, at approximately 300 m depth. It is interpreted that this approximate depth represents an increase in compaction of the sand-salt mix encountered during drilling.

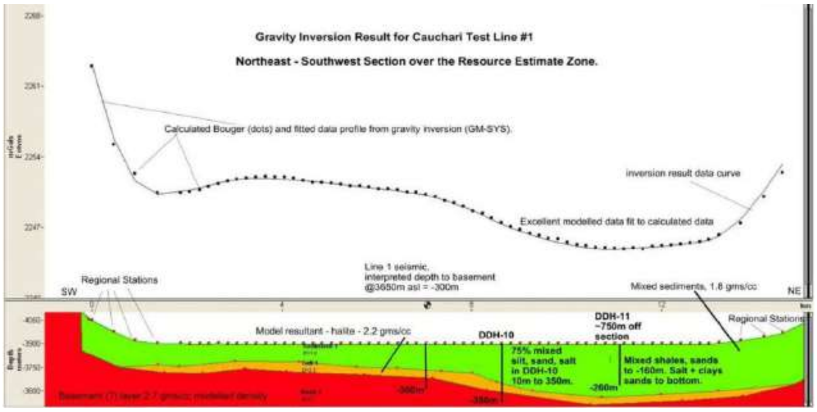
Modelling results for the north-south gravity profile (GRAV 2) across the southwest portion of the Mineral Resource Estimate zone are shown in Figure 7.5. Drilling results for DDH-4 show a change at 160 m depth to thick and dense halite with low porosity. This is marginally higher than the red area indicated by the gravity inversion modelling program. Similarly, for DDH-12, the intersection of the massive halite is slightly different from the model results but is within acceptable limits. Overall, an excellent fit is apparent between the observed and modeled data as seen in the profile on the upper section of the figure. This image demonstrates that the gravity method is effective for identifying relative density changes associated with different lithologies or increased compaction with depth in the salar.

Figure 7.3   Location of Gravity Survey Lines at the Cauchari Salar



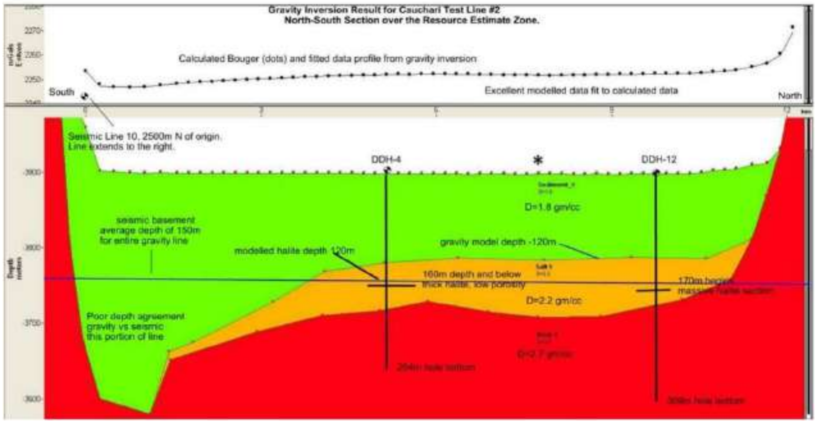
Source: *Burga et al. (2020)*

Figure 7.4 Modeling Results for the Northeast Oriented Gravity Line (Grav 1) Over the Mineral Resource Estimate



Source: *King, Kelley, Abbey, (2012).*

Figure 7.5 Modeling Results for the North-South Gravity Line (Grav 2) Across the Southwest Portion of the Mineral Resource Estimate



Source: King, Kelley, Abbey, (2012).

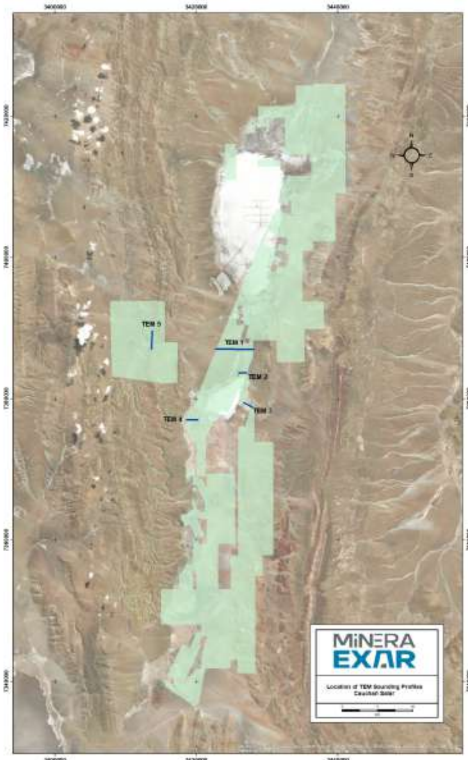
7.5. TEM SURVEY

A Time Domain Electromagnetic (TEM) survey was conducted in the Cauchari Salar during July 2010, along the five TEM lines shown in Figure 7.6. The main objective of the survey was to test the applicability of this method for determining resistivity contrasts that may relate to changes in groundwater salinity. In general, it is expected that saline brines will be more conductive (lower resistivity), whereas areas of freshwater will be less conductive (higher resistivity). The TEM survey parameters included:

- The use of Zonge GDP-16 Rx and GGT-20 Tx instrumentation;
- In-loop sounding configuration using 200 m x 200 m square transmitting loops and a base transmitting frequency of 4 Hz;
- Soundings completed at 100 m station intervals from 45 ms to 48 ms; and
- Completion of a total of 12.6 linear survey kilometres.

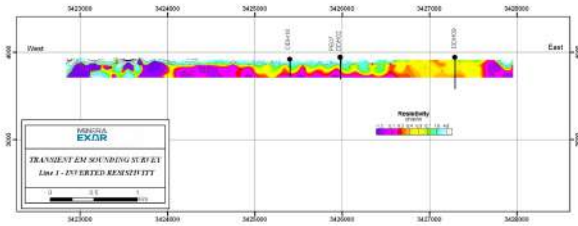
Line TEM 1 (Figure 7.7) – Borehole logs and brine sampling results for PE-07 and DDH-02 indicate that the top of the brine aquifer is at approximately 40 m depth. This is reasonably consistent with the low resistivity values seen in the inversion at this location where the resistivity drops in the presence of brine. For DDH-09, there is sand present to approximately 60 m depth, followed by variable salt, silt, and sand past the bottom of the TEM inversion depth. The resistivity section is supported by the logging results. Notably on this TEM line is the area on the west (left) side of the image, which corresponds to a portion of the alluvial Archibarca Fan, where freshwater inflow occurs. The higher resistivity values in this area are consistent with the inflow of freshwater. The profile also shows two low resistivity anomalies that may be attributable to occurrence of brines at depth, possibly related to structures that intersect the TEM profile orthogonally at these locations.

Figure 7.6 Location of TEM Sounding Profiles Conducted at the Cauchari Salar



Source: *Burga et al. (2019)*

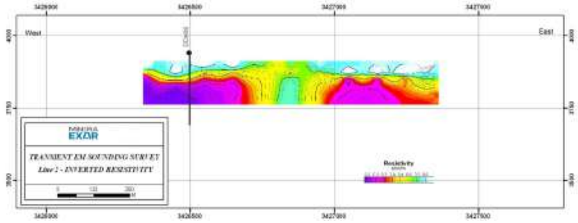
Figure 7.7 2010 Survey Results for Line TEM 1



Source: *Exar.*

Line TEM 2 (Figure 7.8) – This TEM image shows a typical layered model in the vicinity of DDH-08 where sandy layers containing the brine resource are situated at 20 m depth. The deeper, low resistivity region associated with DDH-08 is associated with the sandy brine-containing layers continuing to depth. Further to the east (right) there is indication of another low resistivity, high conductivity source. The higher resistivity values in the center of the image may be associated with compacted halite, possibly related to a horst.

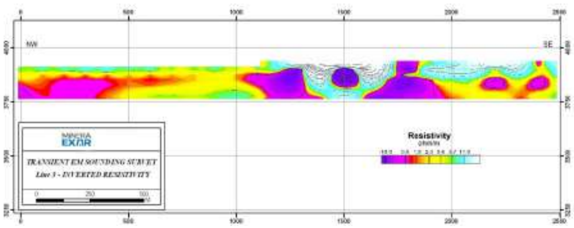
Figure 7.8 2010 Survey Results for Line TEM 2



Source: *Exar.*

Line TEM 3 (Figure 7.9) – This northwest-southeast oriented line is situated in the eastern sector of the Cauchari Salar, where no drilling has occurred. It was selected to investigate the possibility of freshwater inflow and/or the presence of brine. The resistivity data suggest that both scenarios occur. Higher resistivity values are likely attributable to freshwater inflow from one of the alluvial fans in the area. The lower resistivity values may be related to brines, with typical resistivity values of < 1.0 ohm/m, associated with interpreted structural features within the basin.

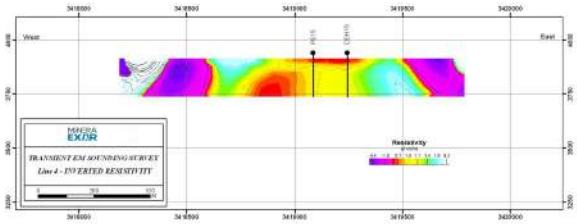
Figure 7.9   2010 Survey Results for Line TEM 3



Source: *Exar.*

Line TEM 4 (Figure 7.10) – This line is situated along the western margin of the Cauchari Salar. PE-15 is cased from the surface to a depth of 65 m. Sampling results indicate the presence of a brine aquifer at the bottom of the casing. The resistivity values suggest continuity of the brine to surface. Below 65 m the lithology is characterized by high halite content. The resistivity values at this point are around 1 ohm/m, which is slightly more resistive than sandy brine responses, and consistent with high halite content. Further to the west (left) of the boreholes, a low resistivity zone may indicate brine in a structural feature along the margin of the salar. The higher resistivity at the left end of the section may indicate freshwater moving into the salar.

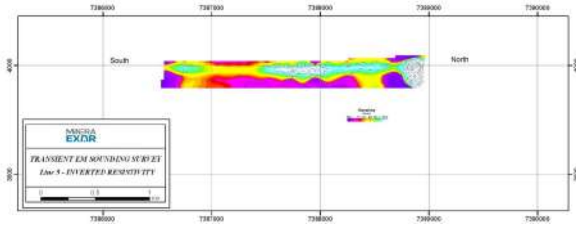
Figure 7.10   2010 Survey Results for Line TEM 4



Source: *Exar.*

Line TEM 5 (Figure 7.11) – This line was located to investigate groundwater composition under the Archibarca Fan. The central portion of the inversion shows an area of higher resistivity extending from the surface to a depth of approximately 75 m. Laterally, this zone could approach one kilometre in width. The resistivity values decrease under this interpreted body of freshwater, but not to the degree that would indicate brine presence. They may represent either background resistivity, or the transition to more saline water at depth. Some of the resistivity zones on this TEM line are greater than 1,000 ohm/m, clearly indicating a highly resistive environment that is in contrast with the conductive brines of Cauchari. The higher resistivity values on the right side of the section may relate to the near-surface occurrence of bedrock.

Figure 7.11 2010 Survey Results for Line TEM 5

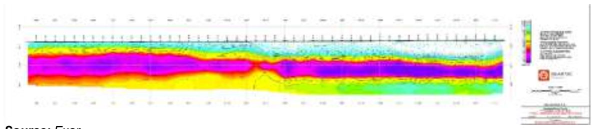


Source: *Exar.*

In December 2017, another campaign was conducted in the Cauchari south and Olaroz Salar. There were three lines completed with a total of 98 TEM surveys, shown in Figure 7.12 to Figure 7.14.

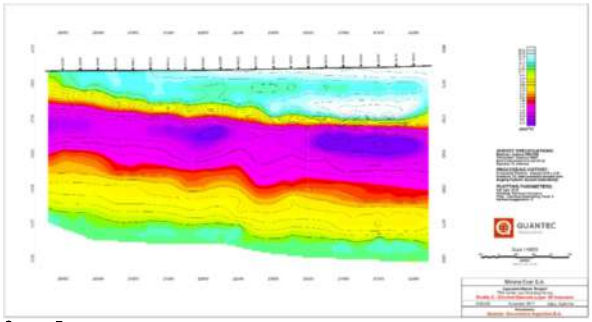
The TEM survey successfully mapped the resistivity to different depths in the area of salt depending on the conductivity of the area considered. In more conductive areas, such as the profile 1, the signal penetrates only up to about 300 m depth, while, in the southern area of the Project, in profiles 2 and 3, models can be defined up to about 800 m or more.

Figure 7.12 2017 Survey Results for Line TEM 1



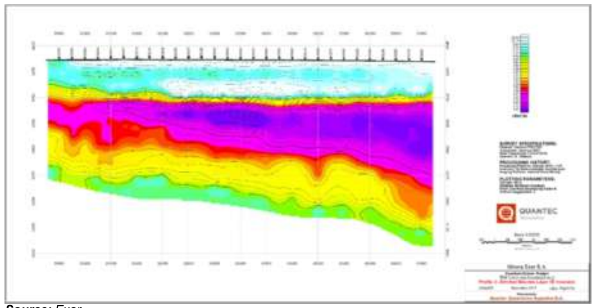
Source: *Exar.*

Figure 7.13 2017 Survey Results for Line TEM 2



Source: *Exar.*

Figure 7.14 2017 Survey Results for Line TEM 3



Source: *Exar.*

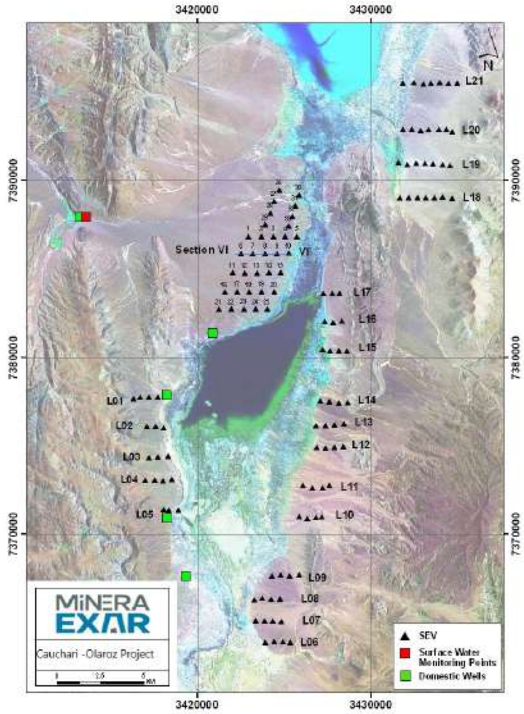
In conclusion, the TEM survey results indicate that the method can be used to determine resistivity contrasts within the salar. However, resolution may be limited to depths on the order of 75 m – 100 m, due to the broad presence of low resistivity materials, as indicated by ambient resistivity values of near sub-ohm/m in many areas of the salar.

7.6. VERTICAL ELECTRICAL SOUNDING SURVEY (VES)

A Vertical Electrical Sounding (VES) survey was conducted at perimeter locations on the Cauchari-Olaroz Salar, from November 2010 to May 2011. The extended survey period was due to recurring weather conditions that were unfavourable for surveying. The objectives of this program were to: 1) explore potential shallow freshwater sources on the Archibarca Fan, for future industrial purposes; and 2) evaluate salar boundary conditions related to the configuration of the brine/freshwater interface.

The survey was conducted using a 4-point light HP, which provides a simultaneous reading of intensity and potential that directly yields apparent resistivity. Data collected in the field were interpreted using RESIX 8.3 software, producing a graph of points representing the field measurements, and a solid line curve corresponding to the physical-mathematical model. Survey locations are shown on Figure 7.15.

Figure 7.15 2010-2011 Map of VES Survey Area



Source: *Burga et al. (2019)*

The VES results enable the differentiation of the following five zones on the Archibarca Fan and the salar perimeter locations, as shown in Figure 7.16 through to Figure 7.19:

- An upper unsaturated layer, with relatively high resistance;
- An upper saturated aquifer containing freshwater;
- A lower conductive layer, interpreted as containing brine;
- An interface or mixed zone, grading from freshwater to brine; and
- A lower resistive zone, only detected in three VES lines and in which the degree of saturation and water salinity is unknown.

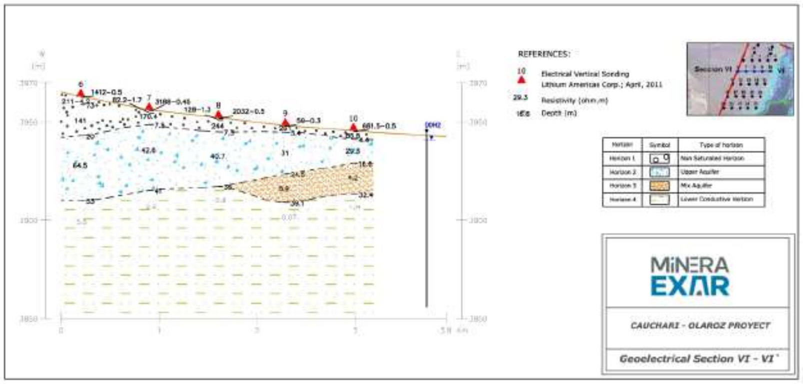
The first three of these were encountered on most lines and are interpreted to be relatively continuous on the Archibarca Fan and the salar perimeter. The latter two were discontinuous. On the Archibarca Fan, the VES results indicate the occurrence of freshwater to an average depth of 50 m below surface. Below the freshwater layer, a gradational interface often occurs between shallow freshwater and deeper brine, from approximately 20 to 70 m depth.

The upper zone, interpreted as freshwater, is present throughout the investigated area of the fan and has potentially favourable characteristics for water supply. This zone is a target for expansion of the freshwater supply at PB-I (Section 7.14). The occurrence of freshwater on the Archibarca Fan indicates with the inflow of freshwater into the shallow sandy fan sediments from upgradient areas. The VES results are consistent with existing drilling results and are useful for evaluating the potential thickness of the freshwater wedge.

Additional potential zones of freshwater were also identified on other smaller alluvial fans and also other non-fan perimeter locations (e.g., Figure 7.16, Figure 7.17, Figure 7.18 and Figure 7.19). The water supply potential of these additional zones appears to be lower than that of the Archibarca, due to more limited lateral and/or vertical extent of the interpreted freshwater zone. Nevertheless, these occurrences may yield useful quantities of freshwater, and would be worthwhile to evaluate further, depending on final water supply results from the Archibarca Fan.

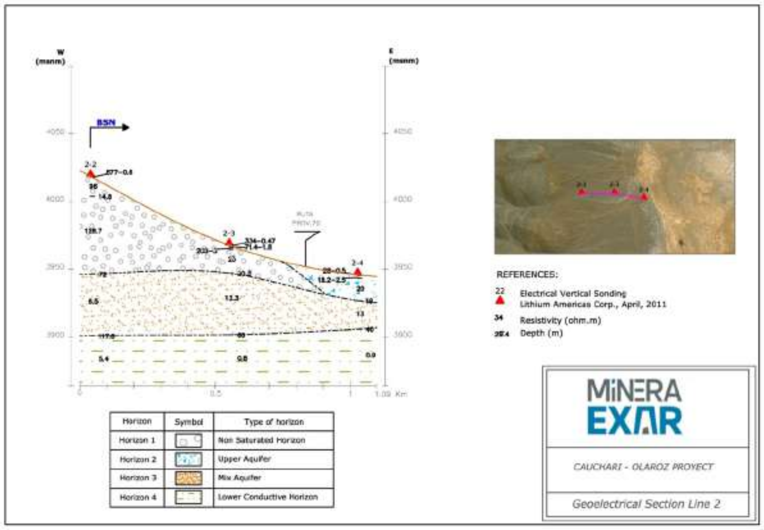
The VES results are also useful for general delineation of the freshwater/brine interface on the salar boundary. They were used to identify follow-up sampling locations at perimeter drilling and test pitting locations (see Section 7.11). Subsequently, the VES results and the follow-up sampling were used to define grade boundary conditions along the salar perimeter.

Figure 7.16 2010-2011 VES Survey Interpretation on the Archibarca Fan, Along Line VI



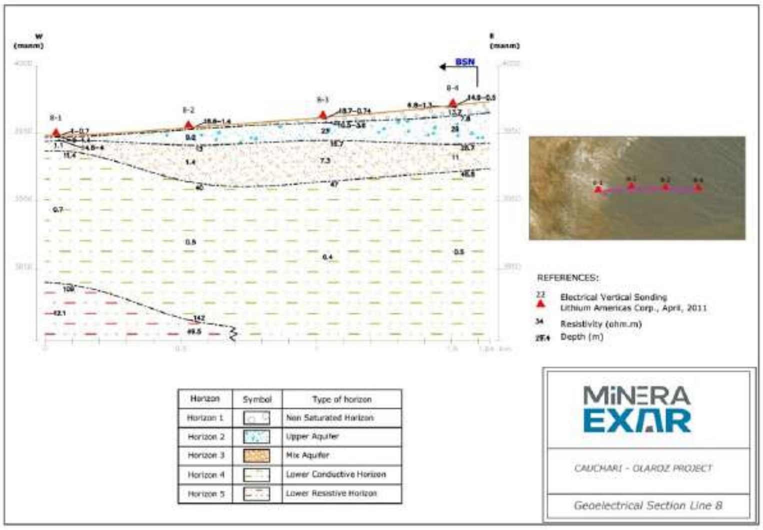
Source: *Exar.*

Figure 7.17 2010-2011 VES Survey Interpretation Along Line 2



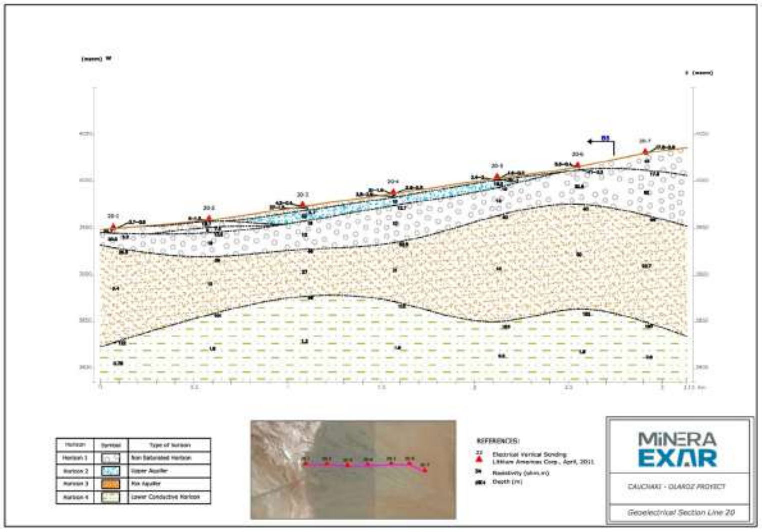
Source: Exar.

Figure 7.18 2010-2011 VES Survey Interpretation Along Line 8



Source: *Exar.*

Figure 7.19 2010-2011 VES Survey Interpretation Along Line 20

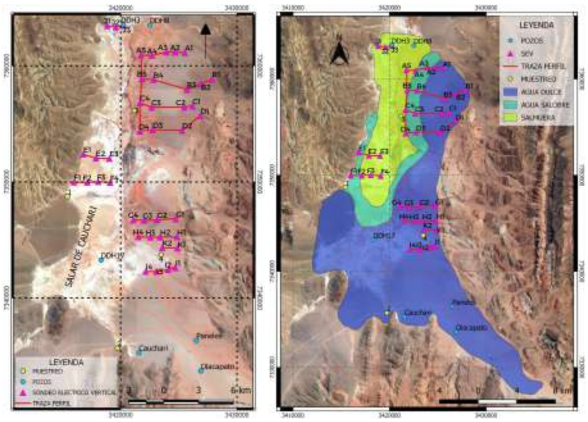


Source: *Exar.*

7.7. 2019 VERTICAL ELECTRICAL SOUNDING SURVEY (VES)

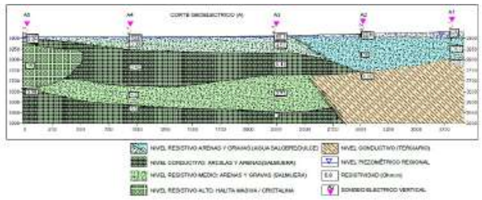
In 2019, Geoelectric prospecting hydrogeological in Cauchari salar. In the study area, 42 Vertical Electrical Surveys were carried out. The objectives of this program were to: 1) explore potential shallow freshwater sources on the basin edges, for future industrial purposes; and 2) evaluate salar boundary conditions related to the configuration of the brine/freshwater interface. The survey lines and results are presented on Figure 7.20 to Figure 7.31.

Figure 7.20 2019 VES Survey Area



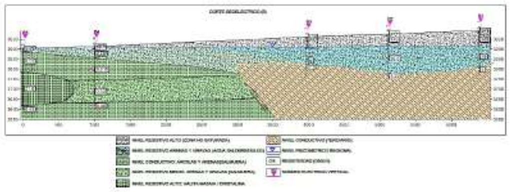
Source: *Exar (2024)*

Figure 7.21   2019 VES Survey Interpretation Along Line A



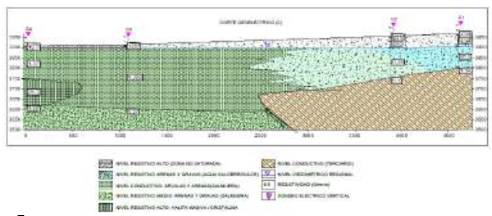
Source: *Exar*

Figure 7.22   2019 VES Survey Interpretation Along Line B



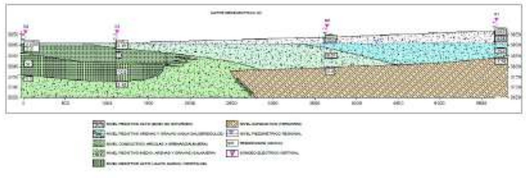
Source: *Exar*

Figure 7.23   2019 VES Survey Interpretation Along Line C



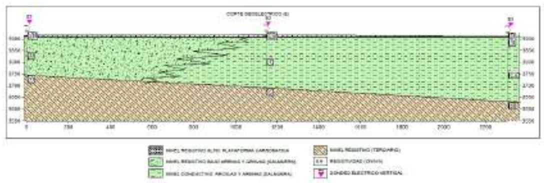
Source: *Exar*

Figure 7.24 2019 VES Survey Interpretation Along Line D



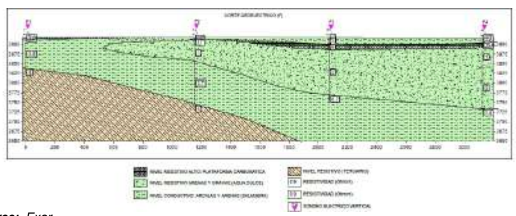
Source: *Exar*

Figure 7.25 2019 VES Survey Interpretation Along Line E



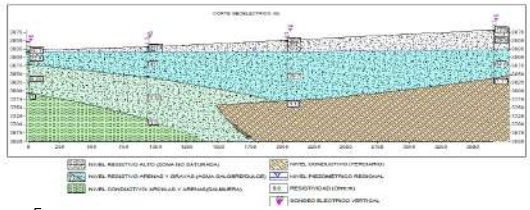
Source: *Exar*

Figure 7.26 2019 VES Survey Interpretation Along Line F



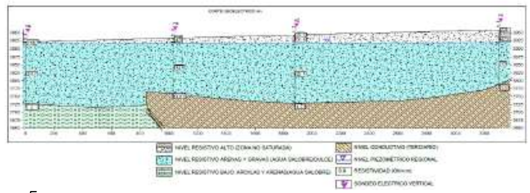
Source: *Exar*

Figure 7.27 2019 VES Survey Interpretation Along Line G



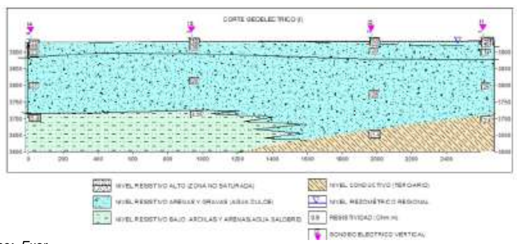
Source: *Exar*

Figure 7.28 2019 VES Survey Interpretation Along Line H



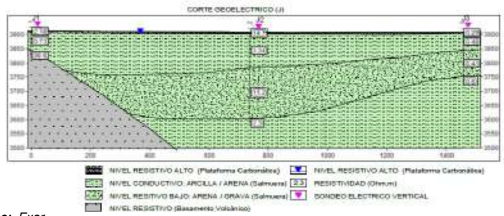
Source: *Exar*

Figure 7.29 2019 VES Survey Interpretation Along Line I



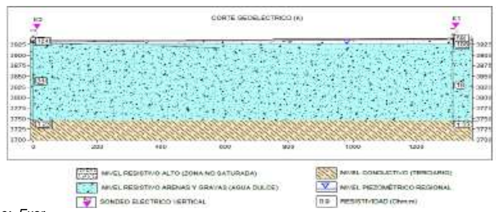
Source: *Exar*

Figure 7.30 2019 VES Survey Interpretation Along Line J



Source: *Exar*

Figure 7.31 2019 VES Survey Interpretation Along Line K

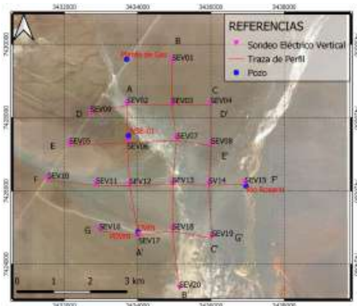


Source: *Exar*

7.8. 2020 VERTICAL ELECTRICAL SOUNDING SURVEY (VES)

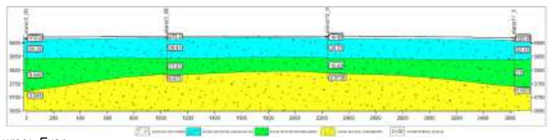
During 2020, Geoelectric hydrogeological prospecting was conducted in the Rosario River, alluvial fan, Salar de Olaroz. The study was carried out with the objective of identifying, based on geophysics, the different sedimentological units and especially the units that can behave as freshwater aquifers for industrial use. In the study area, 20 (twenty) Vertical Electrical Surveys were carried out. The survey lines and results are presented on Figure 7.32 to Figure 7.39.

Figure 7.32 2020 VES Survey Area



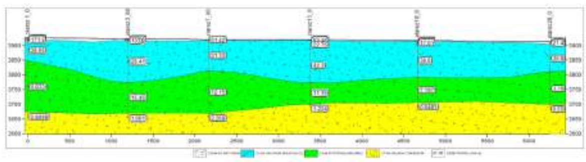
Source: *Exar (2024)*

Figure 7.33 2020 VES Survey Interpretation Along Line A-A'



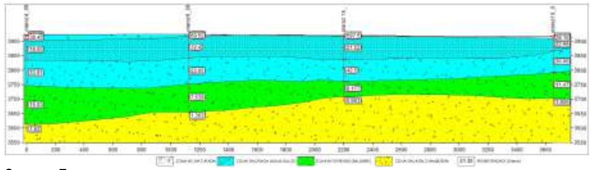
Source: *Exar*

Figure 7.34 2020 VES Survey Interpretation Along Line B-B'



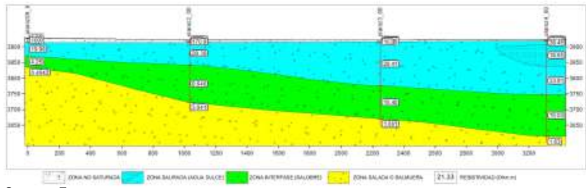
Source: *Exar*

Figure 7.35 2020 VES Survey Interpretation Along Line C-C'



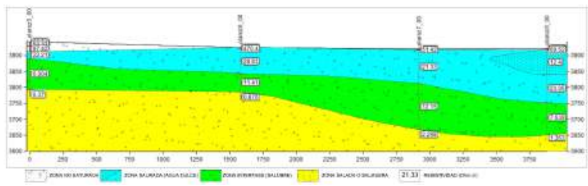
Source: *Exar*

Figure 7.36 2020 VES Survey Interpretation Along Line D-D'



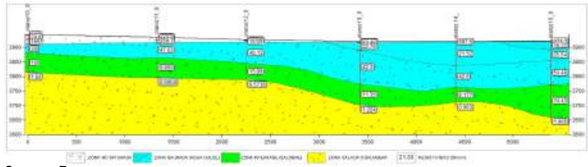
Source: *Exar*

Figure 7.37 2020 VES Survey Interpretation Along Line E-E'



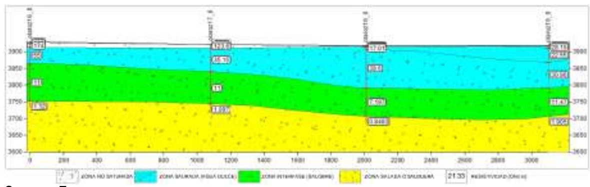
Source: *Exar*

Figure 7.38 2020 VES Survey Interpretation Along Line F-F'



Source: *Exar*

Figure 7.39 2020 VES Survey Interpretation Along Line G-G'

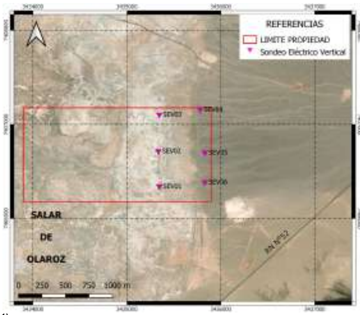


Source: *Exar*

7.9. 2021 VERTICAL ELECTRICAL SOUNDING SURVEY (VES)

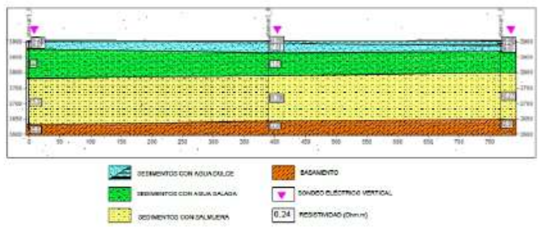
In 2021, a new geolectric campaign was carried out. Geoelectric hydrogeological prospecting in mina Irene, Salar de Olaroz. The objective was to identify, based on geophysics, the different sedimentological units and especially the units that can behave as aquifers with different characteristics, such as freshwater, brackish water or brine. In the study area, 6 (six) Vertical Electrical Surveys were carried out. The survey lines and results are presented on Figure 7.40 to Figure 7.42.

Figure 7.40   2021 VES Survey Area



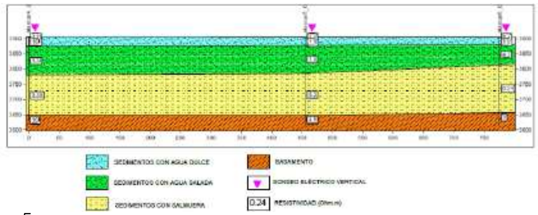
Source: *Exar (2024)*

Figure 7.41   2021 VES Survey Interpretation Along Line A



Source: *Exar*

Figure 7.42   2021 VES Survey Interpretation Along Line B



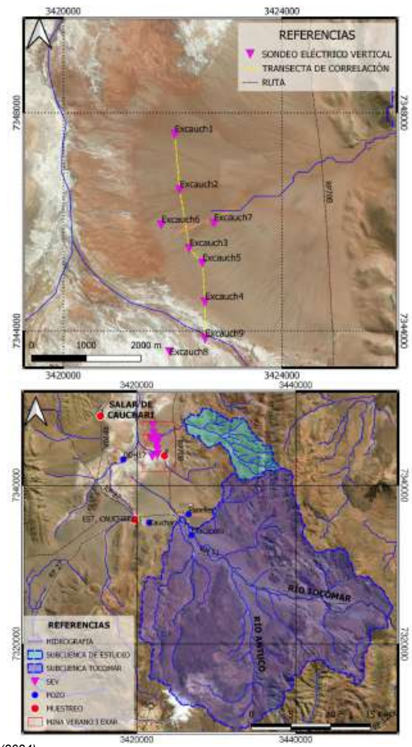
Source: *Exar*

7.10. 2024 VERTICAL ELECTRICAL SOUNDING SURVEY (VES)

Finaly in 2024, a new geophysics study was made, the objective of the study was the characterization of the sedimentological units through geophysical techniques, with a special focus on the identification of those with the potential to act as aquifers for industrial water use, in order to adjust a potential drilling target, in the Salar of Cauchari, geoelectric prospecting hydrogeological, southeast sector, Salar Cauchari

In the study area, 9 Vertical Electrical Surveys were carried out. The survey lines and results are presented on Figure 7.43 and Figure 7.44.

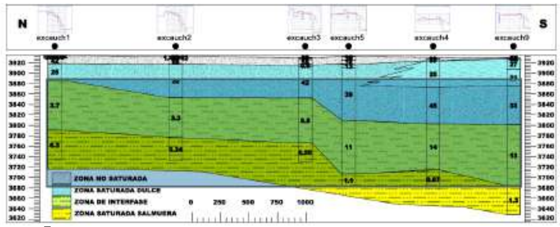
Figure 7.43 2024 VES Survey Area



Source: *Exar (2024)*

This study recommends carrying out exploratory drilling in the southern sector of the alluvial fan, in the vicinity of the Excauch4, Excauch5, Excauch8, Excauch9 and Excauch4 boreholes, where the greatest thicknesses of the zone saturated with freshwater were interpreted.

Figure 7.44 2024 VES Survey Interpretation



Source: *Exar*

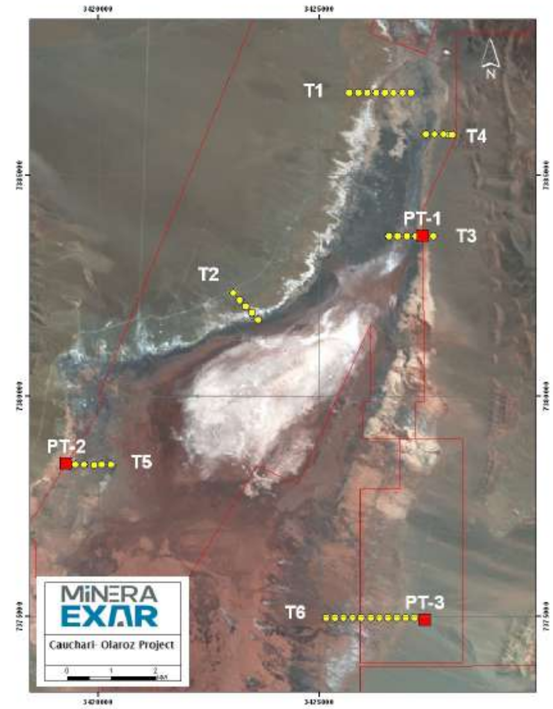
7.11. BOUNDARY INVESTIGATION

The Boundary Investigation was conducted to further assess the configuration of the freshwater/brine interface, at the salar surface and at depth, at selected locations on the salar perimeter. Data from this program were interpreted in conjunction with the VES survey (described in the previous section). Information from these two programs supported the extension of the hydrostratigraphic model and the lithium grade interpolation to the outer boundaries of the salar, and the evaluation of numerical model boundary conditions for lithium (Section 12.0).

Test pits and monitoring wells advanced for the Boundary Investigation are shown in Figure 7.45, and were advanced in two successive steps. In the first step, test pits were excavated along lateral transects at salar boundary locations (T3 through T6) or on the edge of the Archibarca Fan (T1 and T2). The purpose of the test pits was to identify the shallow transition zone from brine to freshwater. Test pits were excavated until water was reached, and water samples were collected from the bottom of the pits.

Water samples were sent to Alex Stewart Laboratory for major ion analysis. Field parameters, including conductivity, density, and temperature, were also measured and were used for assessing if the transition zone was captured by the transect in real time. For the salar perimeter transects, the capability to fully capture the transition zone was limited by the edge of the Exar claim boundary (T3, T4, and T5) or by difficult access conditions (T6). A summary of test pit transect data for Total Dissolved Solids (TDS) and lithium is provided in Table 7.1.

Figure 7.45 Boundary Investigation Map Showing Test Pit Transects and Multi-level Monitoring Well Nests



Source: *Burga et al. (2020)*

Table 7.1
Test Pit Transect Results for TDS and Lithium

Transect Test Pit	TDS (mg/L)	Lithium (mg/L)	Transect Test Pit	TDS (mg/L)	Lithium (mg/L)
T1-1	1,120	ND	T4-3	23,260	33
T1-2	1,420	ND	T4-4	110,980	175
T1-3	720	ND	T4-5	215,740	402
T1-4	64,860	112	T5-1	12,560	18
T1-5	114,740	194	T5-2	30,220	52
T1-6	175,340	328	T5-3	106,080	240
T1-7	256,540	631	T5-4	128,500	261
T1-8	182,680	327	T5-5	227,200	442
T2-1	1,100	ND	T5-6	292,580	619
T2-2	3,640	ND	T6-1	No water	
T2-3	2,780	ND	T6-2	4,200	ND
T2-4	2,300	ND	T6-3	6,280	ND
T2-5	59,500	101	T6-4	7,580	ND
T3-1	No water		T6-5	21,640	25
T3-2	33,300	45	T6-6	26,860	29
T3-3	84,260	140	T6-7	26,980	34
T3-4	207,920	301	T6-8	22,460	26
T3-5	251,160	362	T6-9	22,200	26
T3-6	237,180	472	T6-10	26,000	35
T4-1	No water		T6-11	No water	
T4-2	No water		ND – below detection limit.		

The goal of the second step of the investigation was to install multi-level monitoring well nests at the locations identified as central to the freshwater/brine transition zone. In execution, the nests could not be installed directly on the shallow transition zones, due to access restrictions. Well nests were installed on three of the test pit transects and, within each nest the wells were screened at different levels, to enable an evaluation of depth trends in brine strength and lithium grade. Drilling was completed by Andina Perforaciones SRL using rotary methods. A summary of well specifications and sampling results for TDS and lithium is provided in Table 7.2.

Table 7.2 Test Pit Transect Results for TDS and Lithium with Depths					
Drill Hole ID	**Depth of Screened Interval (m)**	**Casing Diameter (in)**	**Lithology of Screened Interval**	**TDS[1] (mg/L)**	**Lithium[1] (mg/L)**
PT1	59.0–63.0	4.0	Medium to fine sand	265,380 263,120 267,920	559 541 545
PT1A	39.5–43.5	4.0	Sand and Gravel	243,520 243,140 246,260	471 464 457
PT2	39.0–49.0	4.5	Medium to fine sand	190,120 190,640 189,520	372 365 365
PT2A	21.5–29.5	4.5	fine gravel sandy clay matrix	119,280 128,040 123,400	230 250 237
PT2B	11.5–15.5	4.0	fine gravel sandy clay matrix	39,160 39,100 46,040	76 76 87
PT2C	3.5–5.5	4.0	clay	99,600 55,540	197 111
PT3	47.5–77.5	2.0	Inter-bedded sand and clay	19,940 18,920	38 36
PT3 2”	11.5–33.5	4.5	Coarse sand and gravel	18,700	35
PT3 4”				Dry well	

(1) Triplicate, duplicate or single samples were collected.

7.12. SURFACE WATER MONITORING PROGRAM

A Surface Water Monitoring Program was initiated in early 2010 to record the flow and chemistry of surface water in the vicinity of the Cauchari-Olaroz salars. Measurements were taken at each monitoring location for pH, conductivity, dissolved oxygen, and temperature. A subsequent Surface Water Monitoring Program, measuring identical parameters, was initiated in 2017 with the new drilling and was ongoing as of the effective date of this report. Flow rates are being monitored monthly. Measurements were made by monitoring flow velocity across a measured channel cross-sectional area at each site. Where the flow was too small to measure, it was estimated qualitatively. Monitoring locations are shown in Figure 7.46. Table 7.3 shows the results of this program for every month and the results with different methodologies used to measure the flows. The following methods were used to estimate the flow rates:

- Volumetric Method - consisting in a section of a known volume and measurement of time;
- Float Method - recording the time it takes a float to pass along a known volumetric section of stream; and

- Flow meter - a mechanical spinner tool which measuring the velocity of surface water passing through a known section of stream width.

These parameters are somewhat elevated in surface water inflows at the north and south ends of the salars, relative to other surface water inflows.

The data acquired from this program supported the water balance calibration and numerical groundwater modeling.

Figure 7.46 Surface Water Flow Monitoring Sites

Source: *Burga et al. (2020)*

TABLE 7.3
AVERAGE SURFACE WATER FLOW RATES

Year	2017			2018			2019			
Month	Volume-tric (L/s)	Float (L/s)	Flow Meter (L/s)	Volume-tric (L/s)	Float (L/s)	Flow Meter (L/s)	Volume-tric (L/s)	Float (L/s)	Flow Meter (L/s)	Monthly Average (L/s)
Tocomar Norte										
April				9.46	8.8		9,14			9.13
May				7.25	7.34			7,00		7.19
June	11.30	13.47	3.33	6.43	9.52					8.81
July			6.62		4.53	3.335				4.83
August	8.65	13.36		7.80	5.33					8.78
September			9.77	26.14	20.21					18.71
October	8.93	8.65	15.61	18.13	12.78					12.82
November	7.58	10.21	14.88	8.71						10.35
December	5.92	9.74		8.34	14.87					9.72
January					9.67			20.83		15.25
February				7.92	8.6		7.66	3.47		6.91
March				8.4	8.8		7,11			8.10
Tocomar Sur										
April					51.40	49.40		35,09		45,29
May					24.62	29.42		30,50		28,18
June		66.83	62.66		29.27	28.53				46.82
July					45.08	44.01				44.55
August		46.00	29.02		46.89					40.64
September			46.12		40.64	40.27				42.34
October		36.14	34.37		22.28	28.49				30.32
November		30.32	23.84		23.34	21.45				24.74
December			8.03		33.55	31.97				24.51

TABLE 7.3
AVERAGE SURFACE WATER FLOW RATES

Year	2017			2018			2019			
Month	Volume-tric (L/s)	Float (L/s)	Flow Meter (L/s)	Volume-tric (L/s)	Float (L/s)	Flow Meter (L/s)	Volume-tric (L/s)	Float (L/s)	Flow Meter (L/s)	Monthly Average (L/s)
January					38.29	45.30				41.80
February					28.08	33.60		46.22	62.66	42.64
March					64.30	48.90		29,96		47.72
Tocomar Puente										
April					102.8	96.45		103,74	116,54	104,88
May					84	63.46		102,69		83,33
June		194.15	40.64		81.45	81.22				99.36
July			234.99		161.6	135.07				177.22
August		82.28	62.17		147.34	152.9				111.17
September			113.10		44.07	49.33				68.83
October			73.11		42.90	49.86				55.29
November			64.59		43.75	43.02				50.45
December		30.68	51.68		25.75	26.61				33.68
January					55.49	82.88		41.01	40.64	55.01
February					37.36	27.8		47.62		37.59
March					90.42	60.2		25,12		58,58
Afluente Este 1										
April					4.99	4.15		0,65		3,26
May					2.65			4,89		3,77
June		16.55	11.45		2.74					10.25
July			6.18							6.18
August		27.33			5.38					16.36
September	6.47	8.34	4.15		7.98					6.74
October		11.31	7.37		7.75					8.81

TABLE 7.3
AVERAGE SURFACE WATER FLOW RATES

Year	2017			2018			2019			
Month	**Volume-tric (L/s)**	**Float (L/s)**	**Flow Meter (L/s)**	**Volume-tric (L/s)**	**Float (L/s)**	**Flow Meter (L/s)**	**Volume-tric (L/s)**	**Float (L/s)**	**Flow Meter (L/s)**	**Monthly Average (L/s)**
November		9.54	9.58		5.21					8.11
December		5.37			7.72					6.54
January					11.05			26.13		18.59
February					1.84	1.38		5.86		3.03
March					1.33			6,46		3,89
Afluente Este 1R										
April				0.75			1,68			1,21
May				0.54			1,04			0.79
June	0.60			0.52						0.56
July	0.92			0.59						0.76
August	0.67			0.56						0.62
September	1.17			1.59						1.38
October	0.81			1.33						1.07
November	0.87			0.85						0.86
December	0.68			1.53						1.10
January				0.57						0.57
February				0.53						0.53
March				0.43			0,65			0.54
Los Berros										
April				2.40		1.74		26,34		10.16
May				0.60						0.60
June	10.53			8.77						9.65
July						27.22				27.22
August	11.76	11.76			23.43					15.65

TABLE 7.3 **AVERAGE SURFACE WATER FLOW RATES**										
Year	**2017**			**2018**			**2019**			
Month	**Volume-tric (L/s)**	**Float (L/s)**	**Flow Meter (L/s)**	**Volume-tric (L/s)**	**Float (L/s)**	**Flow Meter (L/s)**	**Volume-tric (L/s)**	**Float (L/s)**	**Flow Meter (L/s)**	**Monthly Average (L/s)**
September	4.65			6.15						5.40
October	1.33		1.74	3.78						2.28
November	0.16			1.08						0.62
December	0.19			0.17						0.18
January										
February				5.97				4.68	4.83	5.16
March				7.29			12,05			9,67
Puente Centro Sur Cauchari										
April					11.36	10.98				11.17
May				1.70						1.70
June			0.33		20.45					10.39
July						16				16.00
August					11.03					11.03
September	6.96		15.29		15.91					12.72
October	0.77				18.16					9.46
November					3.35					3.35
December					2.23					2.23
January					2.73			9.66		6.19
February				10.60	2.90					6.75
March				5.29	5.85			11,67		7.60
Quebrada Arizaro										
April				0.33			0,61			0.47
May				0.52			0,27			0.39
June	0.92			0.85						0.88

TABLE 7.3 AVERAGE SURFACE WATER FLOW RATES										
Year	**2017**			**2018**			**2019**			
Month	**Volume-tric (L/s)**	**Float (L/s)**	**Flow Meter (L/s)**	**Volume-tric (L/s)**	**Float (L/s)**	**Flow Meter (L/s)**	**Volume-tric (L/s)**	**Float (L/s)**	**Flow Meter (L/s)**	**Monthly Average (L/s)**
July										
August	0.83	0.83		1.35						1.00
September	0.96			1.20						1.08
October	0.60			1.35						0.97
November	0.199203 19			0.25						0.22
December	0.12			0.12						0.12
January				2.94						2.94
February				1.35			2.55			1.95
March				0.53			0,31			0.42
Quebrada Guayar										
April				0.38			0,53			0.45
May				0.40			0,24			0.32
June	1.28			0.33						0.80
July	1.79			0.24						1.01
August	1.15	1.15		0.22						0.84
September	0.38			0.22						0.30
October	0.39			0.21						0.30
November	0.29			0.29						0.29
December	0.31			0.24						0.27
January				0.27						0.27
February				0.46						0.46
March				0.31			0,43			0.37

TABLE 7.3
AVERAGE SURFACE WATER FLOW RATES

Year	2017			2018			2019			
Month	Volume-tric (L/s)	Float (L/s)	Flow Meter (L/s)	Volume-tric (L/s)	Float (L/s)	Flow Meter (L/s)	Volume-tric (L/s)	Float (L/s)	Flow Meter (L/s)	Monthly Average (L/s)
Río Antuco										
April					12.00	11.19		85,21		36.13
May					4.58	7.5		16,18		9,42
June		29.46	7.6		4.00					13.69
July			15.53		8.53	9.8				11.29
August		27.91			13.89					20.90
September			10.62		12.03					11.32
October		16.36	15.28		17.05					16.23
November			12.88		12.78					12.83
December		12.60	13.45		11.15	14.11				12.83
January						9.44		10.64	7.60	9.23
February					15.4	13.27		11.15		9.42
March					9.35	5.9		9,28		8.17
Río Quebar										
April					56.37	39.80				48.09
May					35.40	29.32				32.36
June		85.50	22.08		66.04	77.42				62.76
July			76.56		67.63	65.20				69.80
August		86.32	33.86		38.61	42.90				50.42
September			65.09		44.85	44.15				51.36
October		51.86	52.57							52.22
November		51.05	55.63		41.71					49.46
December		20.1	33.82		20.82	22.68				24.36
January					20.39	39.81		34.71		31.64

TABLE 7.3
AVERAGE SURFACE WATER FLOW RATES

Year	2017			2018			2019			
Month	Volume-tric (L/s)	Float (L/s)	Flow Meter (L/s)	Volume-tric (L/s)	Float (L/s)	Flow Meter (L/s)	Volume-tric (L/s)	Float (L/s)	Flow Meter (L/s)	Monthly Average (L/s)
February					57.80	35.47				46.64
March					76.65	89.25				82.95
Río Rosario (Puente Aar)										
April					334	255		277,49	309,25	293,93
May			276.67		288.95	228.811		208,38	244,32	249.42
June					427.33	338.56				382.95
July					393.19	418.76				405.98
August		331.18	224.52		577.86					377.85
September			114.36		391.75	380.72				295.61
October		33.15	42.37		229.39	235.13				135.01
November		32.27	36.61		131.01	119.09				79.75
December		704.3	459.59		96.87	73.03				333.45
January					92.40	67.90				80.15
February					439	426.17		548.11	216.15	407.36
March					973	781		903,16		885.72
Río Tocomar (Puente Esquina Azul)										
April					114.75	117.55				116.15
May					159.6	159.79				159.70
June										
July						12.67				12.67
August										
September										
October										
November										

TABLE 7.3 AVERAGE SURFACE WATER FLOW RATES										
Year	**2017**			**2018**			**2019**			
Month	**Volume-tric (L/s)**	**Float (L/s)**	**Flow Meter (L/s)**	**Volume-tric (L/s)**	**Float (L/s)**	**Flow Meter (L/s)**	**Volume-tric (L/s)**	**Float (L/s)**	**Flow Meter (L/s)**	**Monthly Average (L/s)**
December										
January										
February								14.43		14.43
March					151.2	157.6				154.40

7.13. BRINE LEVEL MONITORING PROGRAM

The static level of subsurface brine was monitored every month from an array of accessible wells within the salars. Monitoring was also conducted at domestic water wells just outside the Cauchari Salar. Measurements were taken with a Solinst Model 101 Water Level Meter. Some wells with difficult access used a Solinst Levelogger, model 3001, which records brine levels once a day.

Table 7.4 shows the average depth to static levels observed in the monitoring wells between 2010-2019. Variations in average fluid density and electrical conductivity monitored during sampling and testing were found to be negligible.

The data from the Brine Level Monitoring Program was used to calibrate the numerical groundwater model to long-term static conditions. Extensive monitoring of dynamic brine levels (i.e., in response to pumping) was also conducted, for the Pumping Test Program described in Section 7.14.

TABLE 7.4
STATIC WATER LEVEL MEASUREMENTS FOR THE PERIOD FROM JANUARY 2010 TO FEBRUARY 2019

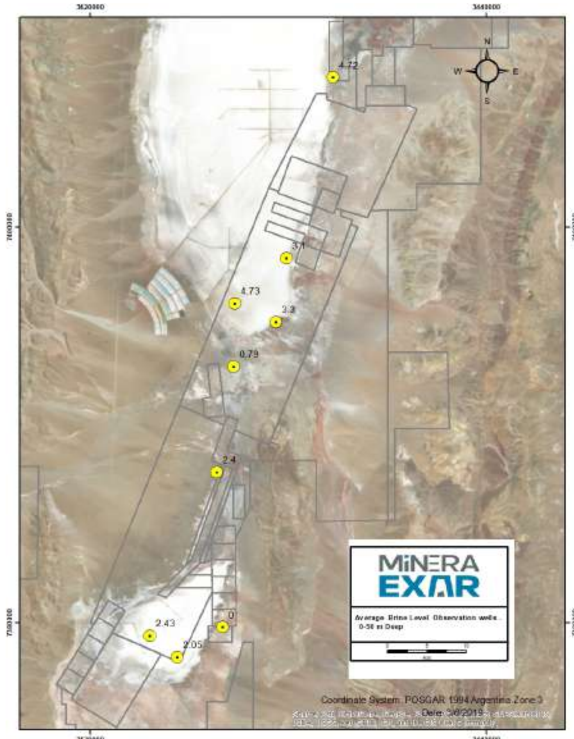
Borehole ID	Monitoring Period (mm/yy)	Average Water Level (m below ground surface)
DL-001	12/17 - 02/19	6.02
ML-001	10/17 - 02/19	7.98
SL-001	09/17 - 02/19	2.05
W-01	02/18 - 02/19	7.95
DL-002	12/17 - 02/19	14.43
ML-002	01/18 - 02/19	12.56
SL-002	10/17 - 02/19	4.73
W-02	02/18 - 02/19	13.34
ML-003	09/17 - 02/19	11.96
DL-003	09/17 - 02/19	14.51
DL-003B	01/18 - 02/19	26.39
DL-004B	03/18 - 02/19	12.47
ML-004	09/17 - 02/19	4.52
SL-004	09/17 - 02/19	2.35
SL-004B	03/18 - 02/19	2.43
DL-005	03/18 - 02/19	17.22
ML-005	12/17 - 02/19	16
W-05	02/18 - 02/19	23.81
DL-006	12/17 - 02/19	11.46
ML-006	11/17 - 02/19	3.11

TABLE 7.4 STATIC WATER LEVEL MEASUREMENTS FOR THE PERIOD FROM JANUARY 2010 TO FEBRUARY 2019		
Borehole ID	**Monitoring Period (mm/yy)**	**Average Water Level (m below ground surface)**
SL-006	09/17 - 02/19	0.79
SL-007	09/17 - 02/19	3.11
ML-007	12/17 - 02/19	8.67
DL-007	12/17- 02/19	15.90
DL-008	03/18 - 02/19	14.1
ML-008	10/17 - 02/19	Artesian
DL-009	12/17 - 02/19	18.42
ML-009	12/17 - 2/19	7.68
SL-009	09/17 - 02/19	4.72
DL-010	01/18 - 02/19	8.66
ML-010	09/17 - 02/19	5.39
SL-010	12/17 - 11/18	3.3
DL-011	01/18 - 02/19	13.01
ML-011	10/17 - 02/19	5.46
DL-012	01/18 - 02/19	5.70
ML-012	04/18 - 02/19	11.96
DL-013	01/18 - 02/19	8.85
ML-013	01/18 - 02/19	7.06
SL-013	01/18 - 02/19	Artesian
SL-014	01/18 - 02/19	2.41
ML-014	01/18 - 02/19	9.53
DL-014	01/18 - 02/19	12.72
DDH-04A	01/10 - 01/19	3.22
DDH-05	01/09 - 01/19	1.92
DDH-06A	02/10 - 02/19	3.69
DDH-07	01/10 - 02/19	1.54
DDH-08	02/10 - 02/19	1.05
DDH-09A	04/10 - 02/19	2.64
DDH-11	06/10 - 02/19	9.36
DDH-12A	05/10 - 02/19	5.72
DDH-13	06/10 - 01/19	4.23

TABLE 7.4 **STATIC WATER LEVEL MEASUREMENTS FOR THE PERIOD FROM JANUARY 2010 TO FEBRUARY 2019**		
Borehole ID	**Monitoring Period (mm/yy)**	**Average Water Level (m below ground surface)**
DDH-14	07/10 - 12/18	7.39
DDH-15	08/10 - 12/18	2.09
DDH-16	07/10 - 02/19	10.90
DDH-17	08/10 - 02/19	Artesian
DDH-18	08/10 - 02/19	4.21
DDH-1	08/10 - 02/29	11.40
PP-20	03/14 - 02/19	18.00

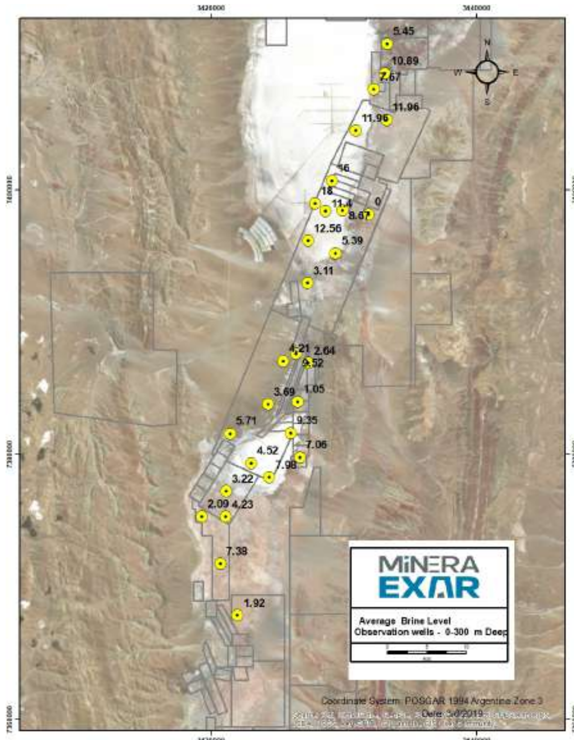
Figure 7.47, Figure 7.48 and Figure 7.49 show the average depth of water levels for observation wells drilled in the shallow part of the aquifer (50 m deep), intermediate parts of the aquifer (250 to 300 m deep) and in the deeper parts of the aquifer (450 and 600 m deep).

Figure 7.47 Average Depth to Static Water Levels in Shallow Wells (50 m)



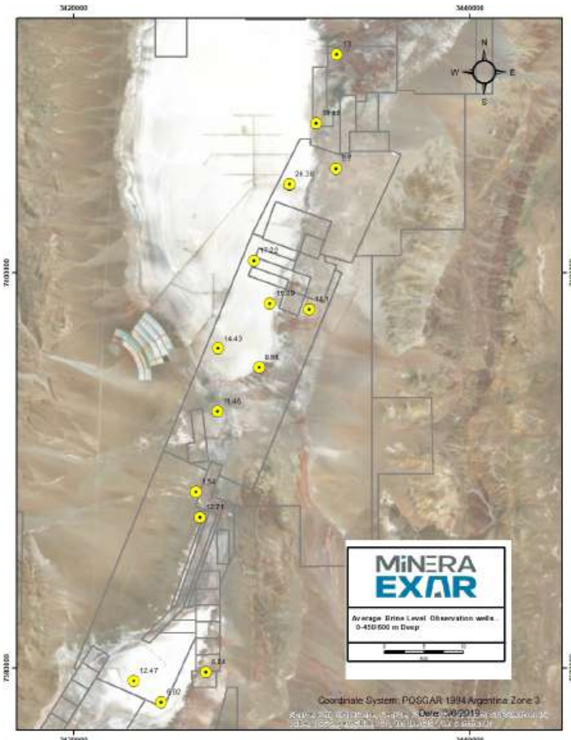
Source: *Burga et al. (2020)*

Figure 7.48 Average Depth to Static Water Levels in Intermediate Depth Wells (250 - 300 m)



Source: *Burga et al. (2020)*

Figure 7.49 Average Depth to Static Water Levels in Deep Wells (450 - 600 m)



Source: *Burga et al. (2020)*

7.14. PUMPING TEST PROGRAM

7.14.1. Overview

Based on exploration results in 2017-2019, production wells drilled after the 2011 production wells penetrate deeper parts of the aquifer. Deeper production wells increase the depth of the extractable part of the aquifer. A total of ten pumping wells and associated observation wells were installed at the site from 2011 to 2019 at the locations shown in Figure 7.50.

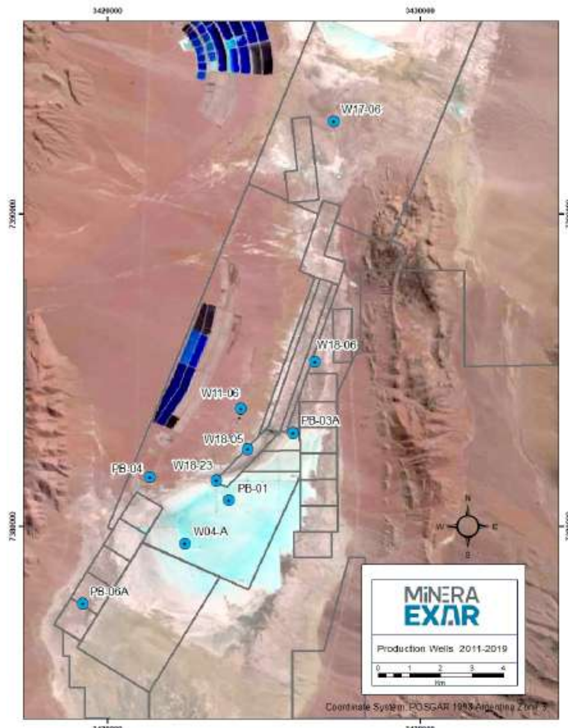
The pumping tests were conducted with two main objectives. The first objective was to develop broad-scale estimates of K (from Transmissivity (T)) and Ss (from Storativity (S)), for use in the numerical groundwater model. The second objective was to assess hydraulic interconnections between hydrostratigraphic units, to assist in understanding the overall flow system and in developing the groundwater model.

Drilling and testing in 2011 was conducted by Andina Perforaciones of Salta, Argentina, under field supervision by Conhidro of Salta, Argentina; in 2018-2019 by Hidrotec Perforaciones and Wichi Toledo. The drilling method was direct rotary. Field supervision of the pumping tests was provided by Exar personnel. The constant rate pumping tests were preceded by step tests, to determine appropriate pumping rates for the constant rate tests.

The 2011 pumping test analysis was conducted independently by both Conhidro and Matrix Solutions Inc.; in 2018-2019 the pumping test analysis is being conducted by Exar with technical review by Montgomery.

A summary of the pumping tests carried out during 2011-2019 is provided in Appendix 1.

Figure 7.50 Production Wells

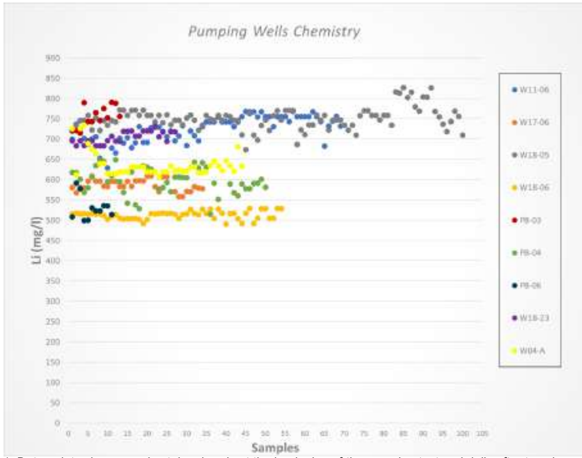


Source: *Burga et al. (2020)*

7.15. CHEMISTRY OF SAMPLES COLLECTED DURING PUMP TESTS

A plot of lithium results for samples collected during 2018-2019 pumping tests is provided in Figure 7.51. The record of concentration is relatively stable for each well.

Figure 7.51 Lithium Concentrations in Samples Collected During Pump Tests



** Data points show samples taken hourly at the beginning of the pumping test and daily after two days. In some cases, the pumping test stopped due to mechanical reasons and the sampling resumed when the pumping re-started.*
Source: *Exar.*

7.16. DRILLING

7.16.1. Reverse Circulation (RC) Borehole Program 2009-2010

The objectives of this program were to: 1) develop vertical profiles of brine chemistry at depth in the salars, and 2) provide geological and hydrogeological data. This program was conducted between September 2009 and August 2010 and the drilling is summarized in Table 7.5. Twenty-four RC boreholes (PE-01 through PE-22, plus two twin holes) were completed during this period, for total drilling of 4,176 m. Borehole depths range from 28 m (PE-01) to 371 m (PE-10).

TABLE 7.5
BOREHOLE DRILLING SUMMARY FOR THE RC BOREHOLE PROGRAM CONDUCTED IN 2009 AND 2010

RC Borehole	Drilling Interval		Drilling Length (m)	RC Borehole	Drilling Interval		Drilling Length (m)
	From (m)	To (m)			From (m)	To (m)	
PE-01	-	28	28	PE-13	-	209	209
PE-02	-	40	40	PE-14	-	144	144
PE-03	-	90	90	PE-14A	144	228	84
PE-04	-	187	187	PE-15	-	205	205
PE-05	-	210	210	PE-16	-	64	64
PE-06	-	165	165	PE-17	-	246	246
PE-07	78.9	249	170.1	PE-17A	-	220	220
PE-08	-	194	194	PE-18	-	312	312
PE-09	-	198	198	PE-19	-	267	267
PE-10	-	371	371	PE-20	-	204	204
PE-11	-	80	80	PE-21	-	222	222
PE-12	-	36	36	PE-22	-	230	230
Total Boreholes: 24 / Total drilling: 4,176 m							

Note: *RC = reverse circulation.*

Major Drilling, a Canadian drilling company with operations in Argentina, was contracted to carry out the RC drilling using a Schramm T685W rig and support equipment. The holes were initially drilled using ODEX and open-hole RC drilling methods at 10”, 8”, and 6” diameters. No drilling additives were used. A change was later made from ODEX and open-hole RC drilling to tri-cone bits of 17½” 16”, 9½”, 7⅞”, 6”, and 5½” diameters. Bit diameters were selected based on ambient lithological conditions at each borehole, with the objective of maximizing the drilling depth.

During drilling, chip and brine samples are collected from the cyclone at one-metre intervals. Occasionally, lost circulation resulted in the inability to collect samples from some intervals. Brine sample collection is summarized in Table 7.6. A total of 1,487 brine samples were collected from 15 of the RC boreholes and submitted for laboratory chemical analyses. For each brine sample, field measurements were conducted on an irregular basis, for potassium (by portable XRF analyzer), and regularly for electrical conductivity, pH and temperature. Sample collection, preparation and analytical methods are described in Section 8.0.

Table 7.6 Summary of Brine Samples Collected and Submitted for Laboratory Analysis from the RC and DDH Borehole Programs	
Description	**Brine Samples**
Total Field Samples	1,614
Total RC Borehole Program Field Samples	1,487
Total DDH Borehole Program Field Samples	127
Total Samples (Including QC)	2,390
Total Field Duplicates	260
Total Blanks	263
Total Standards	253

Note: *RC = reverse circulation, DDH = diamond drill hole.*

Air-lift flow measurements were conducted at six-metre intervals in six RC boreholes, when circulation was adequate. Daily static water level measurements were carried out inside the drill string at the start of each drilling shift, using a water level tape. Boreholes were completed with steel surface casing, a surface sanitary cement seal, and a lockable cap.

Average concentrations and chemical ratios of brine samples are shown in Table 7.7, for sampled intervals in 14 of the 15 sampled RC boreholes. Results for PE-3 (a flowing artesian well) are not included in the table because it receives freshwater from the alluvial cone adjacent to its position on the eastern margin of the Olaroz Salar. The sampled brines have a relatively low Mg/Li ratio (lower than most sampling intervals), indicating that the brines would be amenable to a conventional lithium recovery process. RC borehole logs are provided by King (2010b), including available brine sampling results.

Table 7.7
Brine Concentrations (mg/L) and Ratios Averaged Across Selected Depth Intervals for RC Program Boreholes

Borehole	Depth (m)	Length (m)	B	K	Li	Mg	SO_4	Mg/Li	K/Li	SO_4/Li
PE-04	11-32	21	795	5,987	692	2,458	20,498	4	8.652	29.621
	59-79	20	1,033	7,225	759	1,993	24,114	3	9.519	31.770
	83-187	89	935	6,226	623	1,844	22,568	3	9.994	36.246
PE-06	18-21	3	729	7,060	834	2,737	18,234	3	8.465	21.872
	54-165	111	1,261	6,982	870	2,031	16,731	2	8.025	19.240
PE-07	78-108	20	824	3,520	380	907	14,388	2	9.263	37.867
	109-113	4	1,078	5,328	768	1,924	16,961	3	6.938	22.075
	117-136	19	1,019	3,887	448	1,151	13,238	3	8.676	29.530
	145-205	54	1,054	4,558	579	1,461	16,420	3	7.872	28.351
	207-248	38	1,030	4,205	490	1,080	15,326	2	8.582	31.247
PE-09	72-105	33	921	4,229	530	1,482	17,379	3	7.979	32.800
	109-163	54	809	4,998	646	2,126	23,746	3	7.737	36.755
	164-197	33	827	5,998	741	1,734	16,445	2	8.094	22.196
PE-10	60-152	92	1,041	4,051	396	174	17,495	0	10.230	44.183
	152-234	82	1,398	6,072	598	1,144	20,401	2	10.154	34.106
PE-13	102-105	3	655	3,963	505	1,383	16,225	3	7.848	32.129
	108-120	12	751	4,433	533	1,379	20,465	3	8.317	38.431
PE-14	147-179	32	860	6,572	733	1,918	23,359	3	8.966	31.853
	179-192	13	874	6,287	681	1,821	20,763	3	9.232	30.499
	192-228	36	861	6,152	712	1,842	21,222	3	8.640	29.813
PE-15	62-92	30	981	5,096	527	1,174	16,079	2	9.670	30.527
	103-132	29	762	3,719	465	1,066	16,639	2	7.998	35.758
	144-156	12	883	4,794	582	1,238	13,966	2	8.237	24.017
	168-189	21	888	5,079	606	1,224	12,575	2	8.381	20.744
PE-17	78-84	6	968	3,910	537	1,623	17,021	3	7.281	31.716

TABLE 7.7
BRINE CONCENTRATIONS (MG/L) AND RATIOS AVERAGED ACROSS SELECTED DEPTH INTERVALS FOR RC PROGRAM BOREHOLES

Borehole	Depth (m)	Length (m)	B	K	Li	Mg	SO_4	Mg/Li	K/Li	SO_4/Li
PE-18	87-91	4	901	3,572	481	1,442	16,137	3	7.426	33.531
	103-107	4	669	4,229	482	1,121	18,481	2	8.774	38.322
	110-111	1	863	5,446	648	1,702	23,544	3	8.404	36.333
	154-156	2	1,044	4,026	472	935	12,167	2	8.530	25.805
	171-174	3	968	4,269	507	1,109	12,965	2	8.420	25.573
	140-260	120	1,396	7,216	717	1,489	27,284	2	10.064	38.064
PE-19	26-30	4	1,154	5,152	404	761	17,275	2	12.752	42.733
	42-62	20	1,182	7,601	911	3,050	20,347	3	8.344	22.343
	64-132	68	817	6,347	738	2,456	18,160	3	8.600	24.604
	145-267	122	757	5,957	655	1,906	21,467	3	9.095	32.755
PE-20	18-30	12	717	6,712	747	2,706	21,407	4	8.985	28.644
	60-127	64	821	5,759	650	1,778	22,117	3	8.860	34.013
	129-150	19	794	6,389	698	2,183	21,572	3	9.153	30.887
	155-204	49	795	6,193	691	2,193	21,464	3	8.962	31.040
PE-21	92-112	20	1,255	5,619	661	1,298	22,085	2	8.501	33.389
	113-134	21	1,235	5,587	735	1,412	22,605	2	7.601	30.761
	135-222	87	1,233	7,162	825	1,694	22,086	2	8.681	26.769
PE-22	72-89	17	1,095	6,414	656	1,456	26,397	2	9.777	40.248
	90-197	107	1,136	7,216	696	1,482	26,604	2	10.368	38.232
	198-230	32	1,051	7,036	733	1,913	24,928	3	9.599	34.002

Note: *RC = reverse circulation.*

7.16.2. Diamond Drilling (DDH) Borehole Program 2009-2010

The objectives of this program were to collect: 1) continuous cores for mapping and characterization, 2) geologic samples for geotechnical testing, including Relative Brine Release Capacity (RBRC), grain size and density, 3) brine samples using low-flow pumping methods, and 4) information for the construction of observation wells for future sampling and monitoring. The drilling reported herein was conducted between October 2009 and August 2010. DD Borehole Program drilling is summarized in Table 7.8. Twenty-nine boreholes (DDH-1 through DDH-18, plus twin holes) were completed, for a total of 5,714 m of drilling. Borehole depths range from 79 m (DDH-2) to 449.5 m (DDH-7).

TABLE 7.8
BOREHOLE DRILLING SUMMARY FOR THE DDH PROGRAM CONDUCTED IN 2009 AND 2010

DDH Borehole	Drilling Interval		Drilling Length (m)	DDH Borehole	Drilling Interval		Drilling Length (m)
	From (m)	To (m)			From (m)	To (m)	
DDH-1	-	272.45	272.45	DDH-10B	-	36.80	36.80
DDH-2	-	78.90	78.90	DDH-11	165.00	260.80	95.80
DDH-3	-	322.00	322.00	DDH-12	-	309.00	309.00
DDH-4	-	264.00	264.00	DDH-12A	-	294.00	294.00
DDH-4A	-	264.00	264.00	DDH-13	-	193.50	193.50
DDH-5	-	115.50	115.50	DDH-13A	-	20.50	20.50
DDH-6A	-	338.50	338.50	DDH-13B	-	20.50	20.50
DDH-6	-	129.00	129.00	DDH-13C	-	20.50	20.50
DDH-7	371.00	449.50	78.50	DDH-13D	-	20.50	20.50
DDH-8	-	250.50	250.50	DDH-14	-	254.50	254.50
DDH-8A	-	252.50	252.50	DDH-15	-	206.50	206.50
DDH-9	-	362.50	362.50	DDH-16	-	270.00	270.00
DDH9A	-	352.00	352.00	DDH-17	-	79.00	79.00
DDH-10	-	350.50	350.50	DDH-18	-	203.50	203.50
DDH-10A	-	258.00	258.00				
Total Boreholes: 29 / Total Drilling: 5,714 m							

Note: *DDH = diamond drill hole.*

Major Drilling, a Canadian drilling company with operations in Argentina, was contracted to carry out the drilling using a Major-50 drill rig and support equipment. The boreholes were drilled using triple tube PQ and HQ drilling methods. During drilling, core was retrieved and stored in boxes for subsequent geological analysis. Borehole logs are provided by King (2010b). Undisturbed samples were taken from the core in PVC sleeves (two-inch diameter and five-inch length) at selected intervals, for laboratory testing of geotechnical parameters including: RBRC, grain size, and particle density. A total of 832 undisturbed samples were tested.

On completion of exploration drilling, selected DD boreholes were converted to observation wells to enable brine sample collection as a means of supplementing the brine data collected through the RC Borehole Program. The observation wells were prepared by installing Schedule 80, 2-inch diameter, PVC casing and slotted (1 mm) screen in the boreholes. The wells were completed with steel surface casing, a surface sanitary cement seal and lockable cap. Brine sampling was conducted from March to August 2010. Samples were initially collected with a low-flow pump. However, later samples were collected with a bailer, due to technical difficulties with the low-flow setup. Analytical results are summarized in Table 7.9.

Table 7.9
Brine Concentrations (mg/L) Averaged Across Selected Depth Intervals for DDH Program Boreholes

Borehole	Depth (m)	Length (m)	B	K	Li	Mg	SO_4	Mg/Li
DDH-01	15-55	40	610	4.847	523	1.147	9.039	2.20
	70-105	40	765	5.253	596	1.399	10.901	2.35
	140-170	30	832	5.518	634	1.528	11.694	2.41
	205-260	55	839	5.558	636	1.463	11.572	2.30
DDH-04	15-190	175	668	4.968	544	1.039	23.038	1.91
DDH-06	100-115	15	674	3.961	515	1.100	15.934	2.14
	118-136	18	667	5.860	627	1.353	18.552	2.16
	140-190	51	719	6.698	732	1.579	20.853	2.16
DDH-08	20-75	50	611	3.735	408	1.409	10.537	3.46
	80-205	125	822	5.232	588	1.223	16.971	2.08
DDH-12	65-70	5	696	4.120	464	927	16.834	2.00
	170-185	10	800	5.050	545	1.161	17.888	2.13
	225-285	25	827	5.249	565	1.223	17.819	2.16
DDH-13	50-140	90	872	5.940	650	1.921	20.955	2.96

7.16.3. Diamond Drilling (DDH) Borehole Program 2017-2019

The objectives of this program were to collect: 1) continuous cores for mapping and characterization of the shallow, intermediate and deeper parts of the aquifer; 2) geologic samples for geotechnical testing and grain size analysis; 3) brine samples using a bailer; and 4) information for the construction of observation wells for future sampling and monitoring. The drilling reported in Table 7.10 was conducted between July 2017 and June 2019. It should be noted that the lithium resource is contained in brines and is not affected by the drill core recovery.

The 2017, 2018, and 2019 programs included drilling 50 m, 200 m and 450 to 600 m deep, smaller diameter wells from the same drilling platform. Shallow and intermediate depth boreholes were competed in the same borehole. The shallowest wells use 1" diameter PVC casing. The deeper borehole was drilled 15 m away from the shallow and intermediate well locations. The intermediate and deep wells were cased using Schedule 80, 2-inch or 2.5-inch diameter, PVC casing and slotted (1 mm) screen in the boreholes. The wells were completed with steel surface casing, a surface sanitary cement seal and lockable cap. Brine sampling was conducted prior to pump testing. Sample collection, preparation and analytical methods are described in Section 8.0.

Major Drilling, a Canadian drilling company with operations in Argentina, and Ideal Drilling, a Bolivian company, were contracted to carry out the drilling program.

The deep boreholes were drilled using HQ-diameter size, triple-tube core recovery methods. During drilling, core was retrieved and stored in metal boxes for subsequent geological analysis. The shallow and medium depth boreholes were drilled with tricone 5 ½" diameter rotary methods. Description of continuous core from the deep borehole served as overall characterization of lithologies for the location of the platform. A photo of the black sand targeted in DDH19D-001 is shown in Figure 7.52.

All borehole locations and their associated platforms are presented in Figure 7.53. Brine concentrations averaged across select intervals are presented in Table 7.11 Brine sample collection is summarized in Section 8.4.

TABLE 7.10
BOREHOLE DRILLING SUMMARY FOR THE DDH PROGRAM CONDUCTED IN 2017 AND 2019

DD Borehole ID	Piezometer Name	Screen Diameter	Plataform	Contractor	Total Depth (m)	Screen Top (mbtw)	Screen Base (mbtw)	X Coordinate	Y Coordinate
DD17S-001	ML-001	2"	1	IDEAL	200	109.40	174.80	3424377.00	7378282.00
DD17S-001	SL-001	1"	1	IDEAL	50	23.80	47.73	3424377.00	7378282.00
DD17D-001	DL-001	2.5"	1	IDEAL	450	265.50	444.00	3424392.00	7378275.00
DD17D-002B	DL-002	2"	4	IDEAL	450	343.36	444.24	3427266.00	7396185.00
DD17S-002	ML-002	2"	4	IDEAL	189.1	109.20	168.70	3427273.00	7396180.00
DD17S-002	SL-002	1"	4	IDEAL	50	23.80	47.73	3427273.00	7396180.00
DD17S-003	ML-003	2"	9	IDEAL	200	151.72	193.30	3430870.00	7404487.00
DD17D-003	DL-003	2.5"	9	IDEAL	650	292.60	636.10	3430861.00	7404476.00
RC17D-003	DL-003 B	2.5"	9	Major	648	221.20	642.00	3430859.00	7404497.00
RC17S-004	ML-004	2"	2	Major	200	122.75	194.00	3422991.00	7379367.00
RC17S-004	SL-004	1"	2	Major	50	23.80	47.73	3422991.00	7379367.00
DD17D-004	DL-004	2.5"	2	IDEAL	650	427.68	617.57	3423010.00	7379367.00
RC17D-004 B	DL-004 B	2.5"	2	Major	550	196.92	547.30	3423006.00	7379355.00
RC17S-004 B	SL-004B	2.5 "	2	IDEAL	50	14.30	50.00	3423001.00	7379362.00
DD17D-005	DL-005	2.5"	7	IDEAL	604.55	309.25	576.77	3429086.00	7400627.00
RC17S-005	ML-005	2"	7	Major	192	115.00	186.40	3429092.00	7400696.00
RC17S-006	ML-006	2"	3 13 14	Major	200	122.70	194.00	3427230.00	7392980.00
RC17S-006	SL-006	1"	3 13 14	Major	50	23.80	47.73	3427230.00	7392980.00
DD17D-006B	DL-006	2.5	3 13 14	IDEAL	450	255.90	443.95	3427245.00	7393001.00
RC17S-007	SL-007	1"	8 15	Major	50	23.80	47.73	3429894.00	7398465.00
RC17S-007	ML-007	2"	8 15	Major	200	110.10	175.50	3429894.00	7398465.00
DD17D-007	DL-007	2.5"	8 15	IDEAL	450	217.10	436.70	3429885.00	7398456.00
RC17S-008	ML-008	2.5"	6	Major	160	86.10	151.50	3431846.00	7398167.00
DD17D-008	DL-08	2"	6	Major	447	267.30	439.56	3431865.00	7398168.00
RC17S-009	SL-009	2"	11 12	Major	50	23.80	47.73	3432230.00	7407612.00
RC17S-009	ML-009	2.5"	11 12	Major	200	122.90	194.00	3432230.00	7407612.00
DD17D-009	DL-09	2.5"	11 12	Major	450	218.00	444.05	3432221.00	7407596.00
RC17S-010 B	ML-010	2.5"	5	Major	200	115.97	187.1	3429367.00	7395232.00
RC17S-010 B	SL-010	2"	5	Major	50	23.80	47.73	3429367.00	7395232.00
DD17D-010	DL-10	2.5"	5	Major	450	230.10	444.40	3429348.00	7395235.00
RC17S-011	ML-011	2.5"	16	Major	200	101.00	166.00	3433260.00	7411045.00
DD17D-011	DL-011	2.5"	16	IDEAL	450	235.80	444.00	3433255.00	7411065.00

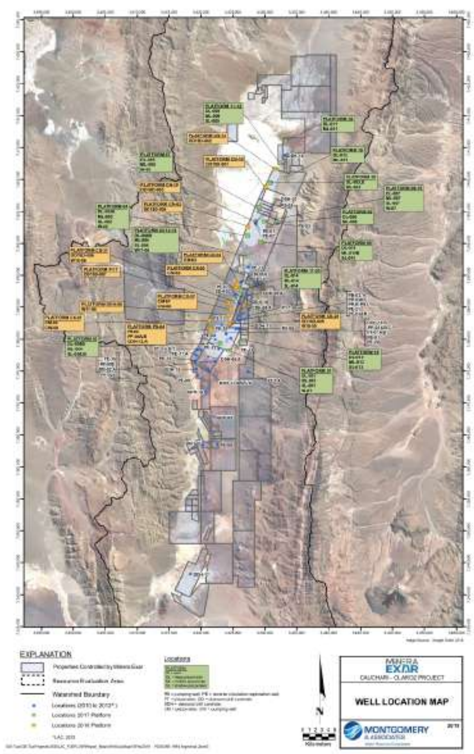
TABLE 7.10
BOREHOLE DRILLING SUMMARY FOR THE DDH PROGRAM CONDUCTED IN 2017 AND 2019

DD Borehole ID	Piezometer Name	Screen Diameter	Plataform	Contractor	Total Depth (m)	Screen Top (mbtw)	Screen Base (mbtw)	X Coordinate	Y Coordinate
RC17S-012	ML-012	2.5"	10	Major	200	128.94	194.39	3433213.00	7405310.00
DD17D-012	DL-012	3"	10	Major	451.65	204.34	436	3433225.00	7405308.00
RC17S-13	SL-13	1"	18	IDEAL	50	23.8	47.6	3426671.00	7379792.00
RC17S-13	ML-013	2"	18	IDEAL	200	122.7	194	3426671.00	7379792.00
DD17D-013	DL-013	2.5"	18	IDEAL	450	279.18	443	3426658.00	7379792.00
DD17D-014	DL-014	2.5"	17 20	IDEAL	431.35	238	425.03	3426361.00	7387640.00
RC17S-014	ML-014	2.5"	17 20	IDEAL	200	104.75	194.9	3426381.00	7387647.00
RC17S-014	SL-014	1"	17 20	IDEAL	26.7	2.9	26.7	3426361.00	7387640.00
DD18D-001	Cemented	2.5"	CN-10	IDEAL	300	Cemented	Cemented	3430069.00	7403904.00
DD18D-002	Cemented	2.5"	CN-14	IDEAL	300	Cemented	Cemented	3431478.00	7406690.00
DD18D-003	Abandoned	2.5"	CN-19	IDEAL	13	Abandoned	Abandoned	3428499.00	7398500.00
DD18D-004	Cemented	2.5"	CN-02	IDEAL	300	Cemented	Cemented	3427303.00	7397557.00
DD18D-005	Cemented	2.5"	CS-28	IDEAL	300	Cemented	Cemented	3424500.00	7382499.00
DD18D-006	Cemented	2.5"	CS-31	IDEAL	300	Cemented	Cemented	3426650.00	7385299.00
DD18D-007	Cemented	2.5"	P-17	IDEAL	300	Cemented	Cemented	3424250.00	7385700.00
DD19D-001	DD19D-001	-	1	Hidrotec	632	-	-	3424376.00	7378282.00
DD19D-PE09	DD19D-PE09	2”	PE-09	Hidrotec	358	42	352	3419473.00	7374367.00

Note: *DD = diamond drilling, DDH = diamond drill hole, mbtw = metres below top of well.*

Figure 7.52 Black Sand in DD19D-001

Figure 7.53 Borehole Locations and Associated Drilling Platforms



Source: *Burga et al. (2020)*

TABLE 7.11
BRINE CONCENTRATIONS (MG/L) AVERAGED ACROSS SELECTED DEPTH INTERVALS FOR DDH PROGRAM BOREHOLES 2017-2019

DD Borehole ID	From – To (m)	Lenth (m)	Li (mg/L)	K (mg/L)	Mg (mg/L)	H_3BO_3 (mg/L)	SO_4 (mg/L)	Mg/Li
DL-001	0-100	100	574.0	5465.0	1584.0	5953.0	18996.0	2.8
DL-001	100-200	100	549.0	5368.0	1645.8	5782.8	20878.7	3.0
DL-001	200-300	100	502.3	4661.1	1674.6	6076.0	24260.6	3.3
DL-001	300-400	100	585.2	5186.1	1230.1	4477.4	22927.4	2.1
DL-001	400-450	50	579.4	4897.2	1230.1	5273.0	24900.6	2.1
DD19D-001	450-632	182	559.7	4768.0	1309.4	4604.7	18795.7	2.3
DL-002	0-100	100	528.0	3867.0	1182.0	6404.0	15717.0	2.2
DL-002	100-200	100	519.0	4129.0	1168.0	6355.0	15695.0	2.3
DL-002	200-300	100	588.0	4113.0	1172.0	6397.0	15578.0	2.0
DL-002	300-400	100	515.0	4208.0	1208.0	6781.0	15785.0	2.3
DL-002	400-450	50	511.6	4214.3	1315.4	6820.8	15955.8	2.6
DL-003B	0-250	250	805.9	6349.2	1271.1	9181.9	20757.0	1.6
DL-003B	250-300	50	770.5	5760.3	1289.0	9417.1	22503.2	1.7
DL-003B	300-400	100	807.2	5907.1	1235.2	9502.7	23114.7	1.5
DL-003B	400-500	100	767.3	4774.6	1609.0	7210.6	16808.4	2.1
DL-003B	500-600	100	730.8	4409.2	1814.8	6747.7	16686.6	2.5
DL-004B	0-200	200	652.9	4400.8	1594.7	4775.6	21278.4	2.4
DL-004B	200-300	100	679.0	5426.6	1831.9	4771.0	22094.8	2.7
DL-004B	300-400	100	733.2	5499.0	1936.9	4900.2	24440.0	2.6
DL-004B	400-500	100	757.0	5653.2	1871.8	4859.6	24786.3	2.5
DL-005	0-100	100	686.0	6100.5	1127.0	9205.9	31482.5	1.6
DL-005	100-200	100	685.4	5887.4	1101.6	8821.4	30967.2	1.6
DL-005	200-300	100	696.5	5938.9	1124.2	8645.7	31649.8	1.6
DL-005	300-375	75	766.1	6688.0	1349.8	8519.3	24563.2	1.8
DL-006	0-100	100	534.6	4775.0	1275.8	6196.5	17131.5	2.4
DL-006	100-200	100	552.0	4601.0	1299.0	6990.0	15762.0	2.4
DL-006	200-300	100	561.0	4627.0	1352.0	6782.0	14510.0	2.4

TABLE 7.11
BRINE CONCENTRATIONS (MG/L) AVERAGED ACROSS SELECTED DEPTH INTERVALS FOR DDH PROGRAM BOREHOLES 2017-2019

DD Borehole ID	From – To (m)	Lenth (m)	Li (mg/L)	K (mg/L)	Mg (mg/L)	H_3BO_3 (mg/L)	SO_4 (mg/L)	Mg/Li
DL-006	300-400	100	534.0	4627.0	1357.0	7034.0	15607.0	2.5
DL-007	0-100	100	446.0	3741.8	434.9	11671.4	46958.1	1.0
DL-007	100-200	100	481.7	4223.7	705.2	9843.0	43842.5	1.5
DL-007	200-300	100	459.9	3766.3	422.6	11646.9	51584.5	0.9
DL-007	300-400	100	448.9	3865.7	425.2	11771.7	54743.3	0.9
DL-008	0-100	100	315.1	2240.6	1260.4	3517.3	11319.9	4.0
DL-008	100-200	100	315.9	2281.5	1275.3	3201.1	11115.0	4.0
DL-008	200-300	100	237.0	1968.0	1172.0	2468.0	9528.0	4.9
DL-008	300-400	100	267.0	2064.0	1236.0	3837.0	10212.0	4.6
DL-009	0-100	100	782.0	5295.0	1170.0	10505.0	19910.0	1.5
DL-009	100-200	100	769.9	5205.7	1054.6	10680.3	20040.8	1.4
DL-009	200-300	100	689.0	4034.0	685.0	11400.0	43208.0	1.0
DL-009	300-400	100	765.0	5299.0	1325.0	10586.0	21966.0	1.7
DL-010	0-19	19	411.1	3566.6	943.0	6913.1	23817.3	2.3
DL-010	19-250	231	462.1	3733.1	766.1	8028.0	25049.6	1.7
DL-010	250-300	50	463.2	3803.3	792.4	8014.9	25964.7	1.7
DL-010	300-400	100	433.3	3379.7	520.0	10683.9	44196.6	1.2
DL-011	0-100	100	549.9	3165.0	1061.9	9470.5	17963.4	1.9
DL-011	100-200	100	523.7	3191.2	1082.8	8854.9	17539.2	2.1
DL-012	0-100	100	653.9	5788.6	1421.7	4861.0	15258.6	2.2
DL-012	100-200	100	690.8	6035.8	1452.0	5708.5	15150.0	2.1
DL-012	200-275	75	663.7	5825.5	1428.1	4621.0	15485.4	2.2
DL-013	0-100	100	631.0	5351.0	1547.0	8882.0	25501.0	2.5
DL-013	100-200	100	585.6	4977.6	1450.6	8479.0	21838.0	2.5
DL-013	200-260	60	476.6	4545.8	1242.8	8541.8	25662.0	2.6
DL-014	0-225	225	476.0	5224.0	1094.0	4008.0	23495.0	2.3
DL-014	225-300	75	458.0	4705.0	1092.0	7155.0	24746.0	2.4
DL-014	300-400	100	453.0	4790.0	1073.0	6424.0	25694.0	2.4

Table 7.11 Brine Concentrations (mg/L) Averaged Across Selected Depth Intervals for DDH Program Boreholes 2017-2019								
DD Borehole ID	**From – To (m)**	**Lenth (m)**	**Li (mg/L)**	**K (mg/L)**	**Mg (mg/L)**	**H_3BO_3 (mg/L)**	**SO_4 (mg/L)**	**Mg/Li**
ML-001	0-50	50	715.0	6104.0	2067.0	5291.0	37239.0	2.9
ML-001	50-100	50	679.0	7422.0	1701.0	5972.0	40111.0	2.5
ML-001	100-150	50	580.0	6357.0	1232.0	5904.0	29900.0	2.1
ML-002	0-50	50	641.0	4850.0	1264.0	6255.0	17492.0	2.0
ML-002	50-100	50	623.0	5164.0	1328.0	6240.0	18615.0	2.1
ML-002	100-150	50	557.1	5074.1	1093.5	4747.1	19376.0	2.0
DD19D-PE09	286-301	15	545.05	4552.8	1385.4	5168.7	19077.0	2.5
DD19D-PE09	325-340	15	532.4	4573.8	1458.05	4917.4	20328.0	2.7

7.16.4. Production Well Drilling

Information from the exploration drilling and pump tests was used to select the locations of the production wells that are used to pump lithium brine to the evaporation ponds. Since 2011, a total of 43 production wells have been drilled on the Property.

The production well field uses three wells drilled in 2011, these wells had a smaller diameter (8 inches). The wells drilled in 2018/2019 were drilled deeper and used a larger diameter according to the expected flow. The production wells were drilled with conventional rotary rigs and a surface casing at the top of the wells to ensure the stability of the well head over time. The design of the deeper wells used larger diameter casing in the upper 200/250 m, continuing with smaller diameter casing below. This telescopic design saves costs and drilling time. An example of brine being pumped from a well is shown in Figure 7.54.

The production wells use stainless steel screen, which guarantees a long life and avoids corrosion. The Stanley steel screen casing is inserted in each well at different intervals and is inserted facing the productive horizons of the aquifer. As a rule, the minimum length used is two metres. The solid screen casing is generally used in front of massive halite and clay layers (aquicludes and aquitards). The solid and screen casing alternate through the aquifer.

Details of the production wells and length of screened casing and solid casing used in each well are provided in Table 7.12. Well locations are shown in Figure 7.55.

Figure 7.54 Pumping Well W18-05

Source: *Exar*

Table 7.12
Production Well Drilling and Construction Details

Pumping Well	Year	Total Depth (m)	Coordinates X	Coordinates Y	Drilling Method	Drilling Diameter (Inches)	Well Construction: Total Length of Casing Inserted (m)	Well Construction: Total Length of Screen Casing Inserted (m)	Construction Material: Solid Casing	Construction Material: Screen Casing
PB-03A	2011	204	7383015	3425965	Rotary	22" (0-39 m) 13 1/4" (39-205 m)	8" (122.9 m)	8" (77.89 m)	Carbon Steel	Galvanized Steel
PB-04	2011	201	7381604	3421378	Rotary	22" (0-57 m) 12 1/4" (57-305 m)	8" (220.7 m)	8" (80.88 m)	Carbon Steel	Galvanized Steel
PB-06A	2011	305	7377554	3419220	Rotary	18" (0-47 m) 12 1/4" (47-194 m)	8" (114.5 m)	8" (79.0 m)	Carbon Steel	Galvanized Steel
W18-05	2018	270	7382499	3424500	Rotary	17" (0-273.7 m) 13" (273.7-278 m)	10" (138.0 m)	10" (132.4 m)	Carbon Steel	Stainless Steel
W17-06	2018	455	7392988	3427261	Rotary	27"(0-12 m) 17"(12-229.5 m) 13"(229.5-455 m)	20" (12 m) 10" (123.5 m) 6" (35.5 m)	10" (99.0 m) 6" (187.0 m)	Carbon Steel	Stainless Steel
W18-06	2019	460	7385299	3426650	Rotary	27" (0-44.5 m) 17" (44.5-253 m) 12 1/4" (253-450 m)	20" (44 m) 10" (104.0 m) 6" (51 m)	10" (146.0 m) 6" (149.0 m)	Carbon Steel	Stainless Steel
W11-06	2019	434	7383792	3424279	Rotary	27" (0-41.3 m) 17" (41.3-212.7 m) 12 1/4" (212.7-434 m)	20" 10" (127.5 m) 6" (59.5 m)	10" (74.0 m) 6" (167.0 m)	Carbon Steel	Stainless Steel
W18-23	2019	484	7381500	3423500	Rotary	27" (0-36 m) 18 1/2" (36-230 m) 12 1/4" (230-486 m)	20" 10" (91.5 m) 6" (73.5 m)	10" (134.0 m) 6" (185.0 m)	Carbon Steel	Stainless Steel
W-04A	2019	478	7379360	3423300	Rotary	27" (0-51 m) 17" (51-478 m)	10" (292.0 m)	10" (181.0 m)	Carbon Steel	Stainless Steel
WR-10	2019	445	7380009	3420981	Rotary	27" (0-23 m) 18" (23-190 m) 13 1/2" (190-355 m)	10" (114.5 m) 6" (33.5 m)	10" (70 m) 6" (132 m)	Carbon Steel	Stainless Steel
WR-28	2019	464	7391301	3427390	Rotary	27" (0-65.44 m) 17 1/2" (65.44-225 m) 12 1/4" (225-464 m)	20" 10" (123.5 m) 6" (63.5 m)	10" (97 m) 6" (174 m)	Carbon Steel	Stainless Steel

Table 7.12
Production Well Drilling and Construction Details

Pumping Well	Year	Total Depth (m)	Coordinates		Drilling Method	Drilling Diameter (Inches)	Well Construction		Construction Material	
			X	Y			Total Length of Casing Inserted (m)	Total Length of Screen Casing Inserted (m)	Solid Casing	Screen Casing
WR-23	2019	469	7387343	3426988	Rotary	27" (0-43.5 m)	20"		Carbon Steel	Stainless Steel
						17 1/2" (43.5-214 m)	10" (100.5 m)	10" (116 m)		
						12 1/4" (214-469 m)	6" (79.5 m)	6" (170 m)		
W-02B	2019	505	7396259	3427137	Rotary	27" (0-41 m)	20"		Carbon Steel	Stainless Steel
						18 1/2" (41-223.8 m)	12" (103.5 m)	12" (115 m)		
						15" (223.8-505 m)	8" (70.5 m)	8" (212 m)		
WR-21	2019	493	7385987	3425367	Rotary	27" (0-52.8 m)	20"		Carbon Steel	Stainless Steel
						17 1/2" (52.8-230 m)	10" (129.5 m)	10" (96 m)		
						14" (230-480 m)	6" (67.5 m)	6" (202 m)		
W09-06	2019	355	7381651	3425959	Rotary	24" (0-47.38 m)	20"		Carbon Steel	Stainless Steel
						18" (47.38-200 m)	10" (170.5 m)	10" (125 m)		
						12 1/4" (20-355 m)	6" (15.5 m)	6" (141 m)		
W-2	2019	475	7382500	3423500	Rotary	27" (0-19 m)	20"		Carbon Steel	Stainless Steel
						17" (19-220 m)	10" (122.5 m)	10" (94 m)		
						12 1/4" (220-470 m)	6" (56.5 m)	6" (199 m)		
W-14	2019	494	7395200	3427355	Rotary	27" (0-24 m)	20"		Carbon Steel	Stainless Steel
						17" (24-212.1 m)	10" (85.5 m)	10" (124 m)		
						13 1/2" (212.1-607.7 m)	6" (107.5 m)	6" (288 m)		
W-6	2019	514	7380503	3423495	Rotary	27" (0-26 m)	20"	27" (0-24 m)	Carbon Steel	Stainless Steel
						17 1/2" (26-210 m)	10" (128.5 m)	10" (80 m)		
						13 1/2" (210-514 m)	6" (97.5 m)	6" (201 m)		
W-11	2020	435	7381499	3422495	Rotary	27" (0-29 m)	20"		Carbon Steel	Stainless Steel
						17 1/2" (29-218 m)	10" (113.5 m)	10" (101 m)		
						12 1/4" (218-435 m)	6" (22.5 m)	6" (193 m)		
W-17	2020	680	7395459	3426522	Rotary	27" (0-26.9 m)	20"		Carbon Steel	Stainless Steel
						17 1/2" (26.9-212 m)	10" (122 m)	10" (89 m)		
						12 1/4" (212-680 m)	6" (74 m)	6" (392 m)		
W-15	2020	607	7393711	3426282	Rotary	27" (0-25 m)	20"			Stainless Steel

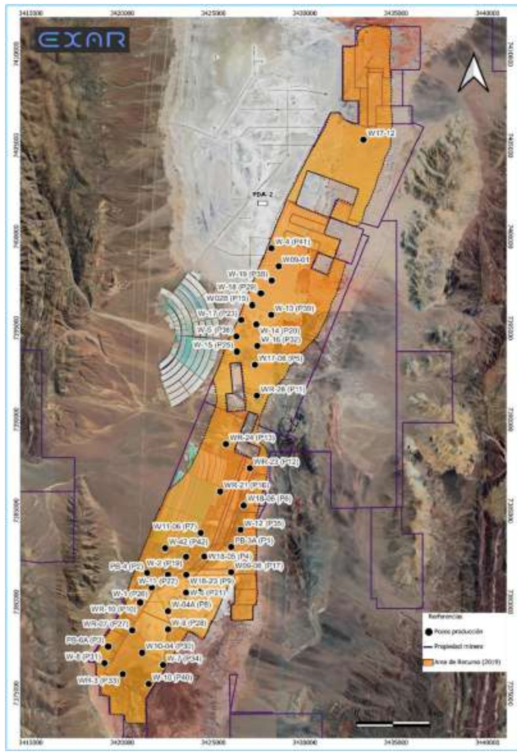
TABLE 7.12
PRODUCTION WELL DRILLING AND CONSTRUCTION DETAILS

Pumping Well	Year	Total Depth (m)	Coordinates X	Coordinates Y	Drilling Method	Drilling Diameter (Inches)	Well Construction: Total Length of Casing Inserted (m)	Well Construction: Total Length of Screen Casing Inserted (m)	Construction Material: Solid Casing	Construction Material: Screen Casing
						17 1/2" (25-242 m)	10" (208 m)		Carbon Steel	
						12 1/4" (242-607 m)	6" (96 m)	6" (299 m)		
W-1	2019	386.6	7380788	3421631	Rotary	27" (0-30.22 m)	20"		Carbon Steel	Stainless Steel
						18" (30.22-204.95 m)	10" (99 m)	10" (98 m)		
						12 1/4" (204.95-386.6 m)	6" (41 m)	6" (144 m)		
WR-07	2019	338.6	7378442	3420554	Rotary	27" (0-29 m)	20"		Carbon Steel	Stainless Steel
						17" (29-220 m)	10" (154 m)	10" (84 m)		
						13 1/2" (220-338.6 m)	6" (17 m)	6" (145 m)		
W-9	2020	511	7378500	3422500	Rotary	27" (0-34 m)	20"		Carbon Steel	Stainless Steel
						18 1/2" (34-233 m)	10" (78 m)	10" (147 m)		
						13 1/2" (233-511 m)	6" (44 m)	6" (229 m)		
W-18	2021	530	7396871	3427605	Rotary	27" (0-36 m)	20"		Carbon Steel	Stainless Steel
						17" (36-205 m)	10" (108.5 m)	10" (89 m)		
						13 1/2" (205-530 m)	6" (33.5 m)	6" (294 m)		
W10-04	2020	434.1	7377243	3421092	Rotary	27" (0-30 m)	20"		Carbon Steel	Stainless Steel
						18 1/2" (30-224.68 m)	10" (71.5 m)	10" (126 m)		
						13 1/2" (224.68-434.1 m)	6" (45.5 m)	6" (168 m)		
W-8	2020	308	7376655	3419086	Rotary	27" (0-34 m)	20"		Carbon Steel	Stainless Steel
						17" (34-136 m)	10" (89.5 m)	10" (45 m)		
						13 1/2" (136-308 m)	6" (10.5 m)	6" (149 m)		
W-16	2020	715	7394024	3227420	Rotary	27" (0-31.2 m)	20"		Carbon Steel	Stainless Steel
						17" (31.2-240 m)	10" (158.5 m)	10" (78 m)		
						13 1/2" (240-715 m)	6" (69.5 m)	6" (392 m)		
WR-03	2021	366	7376056	3420007	Rotary	27" (0-40.5 m)	20"		Carbon Steel	Stainless Steel
						17" (40.5-211 m)	10" (55.5 m)	10" (134 m)		
						13 1/2" (211-366 m)	6" (16.5 m)	6" (140 m)		
W-7	2020	565	7375500	3421500	Rotary	27" (0-28 m)	20"		Carbon Steel	Stainless Steel
						17 1/2" (28-220.7 m)	10" (68.5 m)	10" (147 m)		

Table 7.12
Production Well Drilling and Construction Details

Pumping Well	Year	Total Depth (m)	Coordinates X	Coordinates Y	Drilling Method	Drilling Diameter (Inches)	Well Construction: Total Length of Casing Inserted (m)	Well Construction: Total Length of Screen Casing Inserted (m)	Construction Material: Solid Casing	Construction Material: Screen Casing
						13 1/2" (220.7-561.81 m)	6" (48.5 m)	6" (295 m)		
W-12	2020	530	7383998	3426498	Rotary	27" (0-30 m)	20"		Carbon Steel	Stainless Steel
						17" (30-214.8 m)	10" (108.5 m)	10" (102 m)		
						13" (214.8-499 m)	6" (39.5 m)	6" (272 m)		
						10 5/8" (499-530 m)				
W-5	2021	675	7394545	3426260	Rotary	27" (0-30 m)	20"		Carbon Steel	Stainless Steel
						17" (30-211 m)	10" (143.5 m)	10" (54 m)		
						13 1/2" (211-675 m)	6" (65.5 m)	6" (398 m)		
W-19	2021	571.2	7397593	3428178	Rotary	27" (0-41 m)	20"		Carbon Steel	Stainless Steel
						18" (41-223.4 m)	10" (88.5 m)	10" (127 m)		
						13 1/2" (223.4-571.2 m)	6" (33.5 m)	6" (314 m)		
W-13	2021	578	7397557	3427303	Rotary	27" (0-33 m)	20"		Carbon Steel	Stainless Steel
						17 1/2" (33-218 m)	10" (132 m)	10" (78 m)		
						12 1/4" (218-578 m)	6" (72 m)	6" (286 m)		
W-10	2021	493	7375500	3421500	Rotary	27" (0-23 m)	20"		Carbon Steel	Stainless Steel
						17 1/2" (23-218 m)	10" (159.5 m)	10" (59 m)		
						12 1/4" (218-490 m)	6" (111.5 m)	6" (158 m)		
W-4	2021	696	7399263	3428517	Rotary	27" (0-12 m)	20"		Carbon Steel	Stainless Steel
						17 1/2" (12-210 m)	10" (43.5 m)	10" (160 m)		
						12 1/4" (210-696 m)	6" (302.5 m)	6" (166 m)		
W-42	2021	416	7382929	3422340	Rotary	27" (0-32 m)	20"		Carbon Steel	Stainless Steel
						17" (12-245 m)	10" (154 m)	10" (84 m)		
						13 1/2" (245-416 m)	6" (17 m)	6" (145 m)		
W-31	2023	650	7382440	3425495	Rotary	26" (0-26.1 m)	20"		Carbon Steel	Stainless Steel
						19" (26.1-237.5 m)	12" (128 m)	12" (102 m)		
						15" (237.5-645.4 m)	8" (63 m)	8" (342 m)		
						12 1/4" (645.4-650 m)				

Figure 7.55 Pumping Wells Location



Note: *orange area = 2019 Mineral Resource area, black dot = production well, black line = mineral property.*
Source: *Exar (2024)*

7.16.5. Exploration Diamond Drilling (DDH) Borehole and Production Well Drilling Program 2022-2024

The objective of this drilling program was to increase knowledge of the southern sector of Cauchari, outside of the previously certified resource area in the basin. In this new sector, three HQ diameter diamond drill holes were advanced, to a maximum depth of 600 m. Relevant information was obtained in terms of lithology, drilling cores, brine sampling and the continuity of deep production levels. The drilling program is summarized in Table 7.13.

To complement this exploration program in order to determine the hydraulic parameters of the area, 6 wells were drilled with the construction characteristics of production wells. These wells reached a depth of 700 m, are cased in 12" for the first 250 m and then in 8" at the bottom. In these wells, pumping tests are currently being carried out to determine the flow rates and chemical composition.

Based on these exploration campaigns, progress was made in understanding the southern sector of the Cauchari basin. Further work will be required to define a new resource in the 15,000-ha area known as "Cauchari Sur." Well details are presented on Table 7.13 and lithological profiles are presented in Figure 7.56 through Figure 7.63. Borehole locations are presented in Figure 7.64.

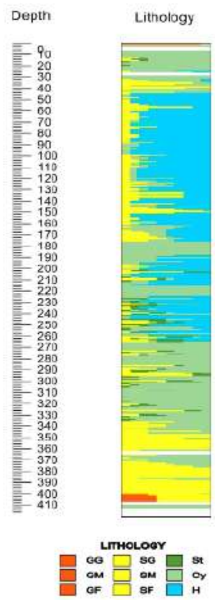
7.16.6. Conclusion

The Qualified Person, David Burga, determined that the drilling work was done to industry standards and that there were no factors that could materially impact the accuracy and reliability of the results. The drilling work was appropriate to be used in the Mineral Resource Estimate and Mineral Reserve Estimate. The recommendation is made to update the Mineral Resource Estimate and Mineral Reserve Estimate.

Table 7.13
Borehole Drilling Summary for the DDH and Production Well Drilling Program Conducted in 2022 and 2024

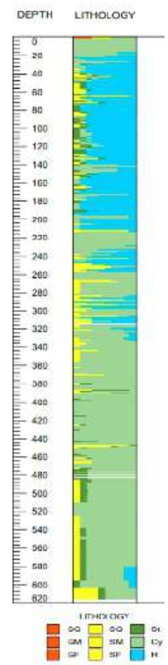
Borehole ID	Piezometer Name	Screen Diameter	Type	Plataform	Contractor	Total Depth (m)	Screen Top (mbtw)	Screen Base (mbtw)	Coordinates	
									X	Y
DD19D-05		2"	DDH	DD19D-05	Conosur	415	41,07	410,97	3420723	7371919
DD19D-06	DD19D-06 BIS	2"	DDH	DD19D-06	Conosur	88	12	84	3422112	7368852
DD19D-07		8", 12"	Rotary	DD19D-07	Wichi Toledo	493,7	90	421	3420882	7367309
DD19D-08		8", 12"	Rotary	DD19D-08	Wichi Toledo	624	96	608	3421788	7365110
DD19D-11		8", 12"	Rotary	DD19D-11	Wichi Toledo	706,8	72,11	700,23	3422049	7360087
DD19D-13		8", 12"	Rotary	DD19D-13	Wichi Toledo	465	70	537	3420167	7358999
DD19D-15		8", 12"	Rotary	DD19D-15	Wichi Toledo	652,83	66	607	3419956	7356406
DD19D-26 BIS	DD19D-26	8", 12"	Rotary	DD19D-26	Wichi Toledo	533	80	524	3419508	7363138

Figure 7.56 DD19D-05 Lithological Profile



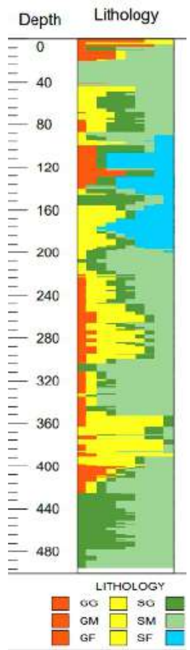
Source: *Exar*

Figure 7.57 DD19D-06 Lithological Profile



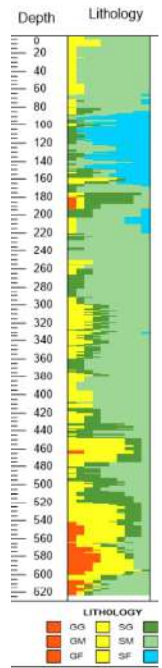
Source: *Exar*

Figure 7.58 DD19D-07 Lithological Profile



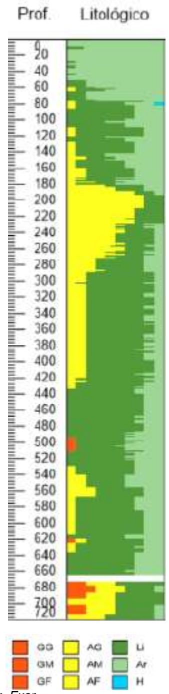
Source: *Exar*

Figure 7.59 DD19D-08 Lithological Profile



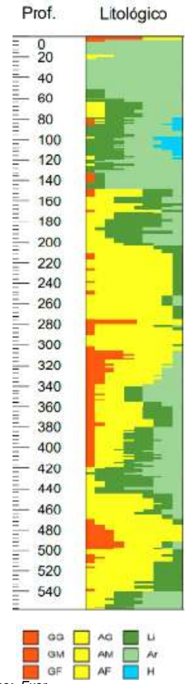
Source: *Exar*

Figure 7.60 DD19D-11 Lithological Profile



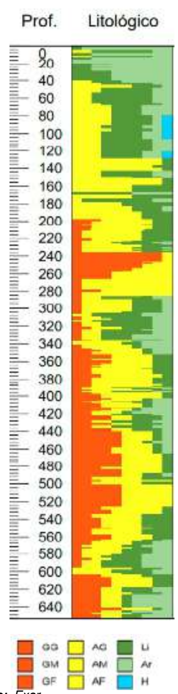
Source: *Exar*

Figure 7.61 DD19D-13 Lithological Profile



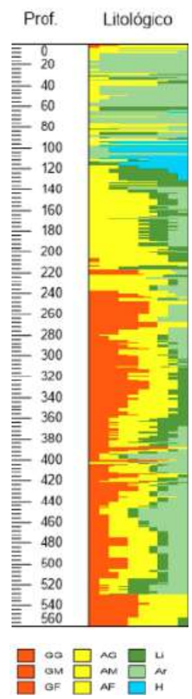
Source: *Exar*

Figure 7.62 DD19D-15 Lithological Profile



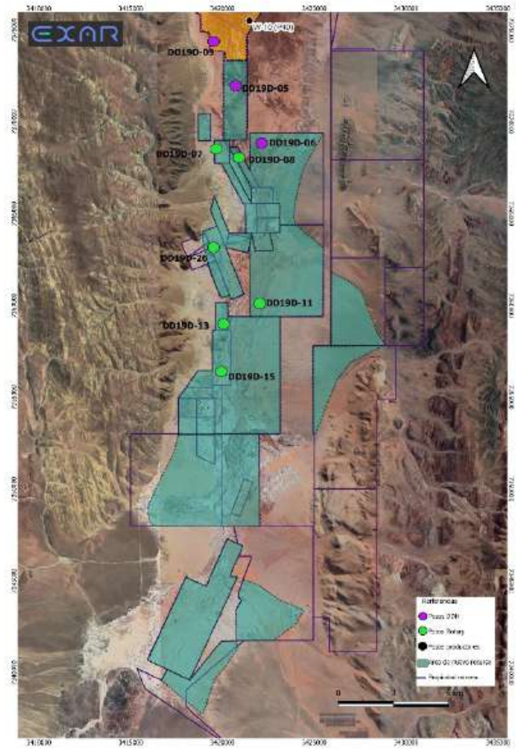
Source: Exar

Figure 7.63 DD19D-26 BIS Lithological Profile



Source: Exar

Figure 7.64 2022-2024 Drill Hole Locations



Source: *Exar (2024)*

8. SAMPLE PREPARATION, ANALYSES AND SECURITY

8.1. SAMPLING METHOD AND APPROACH

Exar established the following procedures for sample preparation, analyses and security at the Project from 2010 to 2012. These procedures are discussed in the 2017 Feasibility Study, authored by Burga et al. Drilling, brine sampling and pumping tests for the 2017-2019 campaigns were supervised by Exar personnel.

Drilling was subject to daily scrutiny and coordination by Exar geologists. On the drill site, the full drill core boxes are collected daily and brought to the core storage warehouse where the core is laid out, measured, logged for geotechnical and geological data, and photographed.

Core boxes are placed on core racks and covered with a black PVC sheet to protect the integrity of the core and stored outside. RBRC values were not measured during the 2017 to 2018 drilling program, however, 33 drill samples were tested for RBRC during the 2019 drilling campaign and results were in line with other RBRC sampling. The core was well logged to include the lithological data required for the Mineral Resource Estimate.

8.2. ROTARY DRILLING SAMPLING METHODS

Rotary drilling was conducted by Hidrotec and Wichi Toledo for the purpose of installing pumping wells for testing purposes. Exar personnel recorded the time it took to advance 1 m and sampled the cuttings by placing them in a rock chip tray (Figure 8.1) and brought back to the field office for logging. Samples were not taken during rotary drilling for chemical analysis.

Figure 8.1 Rock Chip Tray with Dry and Wet Samples

Source: *King, Kelley, Abbey, (2012).*

8.3. DIAMOND DRILLING BOREHOLE SOLIDS SAMPLING METHODS

Diamond drilling was performed by Major Drilling and Ideal Drilling. During diamond drilling, PQ or HQ diameter cores were collected through a triple tube sampler. The cores were taken directly from the triple tube and placed in wooden or metal core boxes for geologic logging, sample collection, and storage. During the 2009-2011 drilling, undisturbed geologic samples were collected by driving a two-inch diameter, five inch long PVC sleeve sampler into the core at three metre intervals (Figure 8.2 and Figure 8.3). The DD boreholes were used to help select the pumping well locations.

During the 2009-2011 drilling campaigns, a total of 1,244 undisturbed samples were collected from the cores of DDH-1 through DDH18. Undisturbed samples were shipped to D.B. Stephens & Associates Laboratory in the USA for analysis of geotechnical parameters, including: RBRC (total of 865 samples), particle size (total of 58 samples), and dry bulk density (total of 36 samples). Geotechnical analytical methods are described in Section 8.8.

Figure 8.2 Collecting an Undisturbed Sample

Source: *King, Kelley, Abbey, (2012).*

Figure 8.3 Collecting an Undisturbed Sample from Core

Source: *Exar*

8.4. DIAMOND DRILLING BOREHOLE BRINE SAMPLING METHODS

Samples were further analyzed in the field laboratory for confirmation of field parameters. After analysis of field laboratory parameters, brine samples were split into three clean 250 ml, clean, plastic sample bottles. The three bottles were tagged with pre-printed tag numbers. Two bottles were used per sample, one for density and one for geochemistry, which was shipped to ASA in Jujuy or sent to the onsite Exar laboratory. One sample was maintained in the Exar field office, as a backup.

8.5. SAMPLING PREPARATION, ANALYSIS AND SECURITY

There is an established and firm chain of custody procedure for Project sampling, storage, and shipping. Samples were taken daily from the drill sites and stored at the on-site facility. All brine samples were stored inside a locked office, and all drill cores were stored inside the core storage area on site. Brine samples were taken by Exar staff to the on-site laboratory or transported to Jujuy in a company truck. Solid samples were periodically driven in Project vehicles to Jujuy, approximately three hours from the site. In Jujuy, solid samples were delivered to a courier (DHL) for immediate shipment to the appropriate analytical laboratory.

Brine samples were analyzed by Alex Stewart Argentina S.A. (ASA), an independent certified laboratory, and the internal Exar laboratory. ASA is an ISO 9001 and ISO 14001 certified laboratory with facilities in Jujuy and Mendoza, Argentina and headquarters in England. The internal Exar laboratory handles samples from the pilot processing plant, the processing plant and hydrogeology and is not a certified laboratory.

Analytical methods for all brine samples are described in Section 8.6.1. Quality Assurance/Quality Control (QA/QC) for brine samples collected is discussed in Section 9.0.

D.B. Stephens and Associates Laboratory in Albuquerque, New Mexico, USA was used for the geotechnical property analyses of the undisturbed core samples from the DD Borehole Program in the 2009-2011 drilling campaigns. D.B. Stephens and Associates is certified by the U.S. Army Corps of Engineers and is a contract laboratory for the U.S. Geological Survey.

8.5.1. Brine Samples from the Piezometers

Piezometers were installed for sampling prior to pump testing. These samples were collected at 20 m intervals using bailers. Bailers would be manually lowered to the desired depth, pulled up one metre quickly to fill the bailer then lowered slowly to obtain a sample at the desired depth. Brine from the bailer would be used to rinse out a plastic bucket and then the remainder of the brine would be emptied into the bucket. Brine from the bucket would be used to rinse out three 250 ml bottles before being filled with a sample and marked with the borehole and depth. Back at the field office, samples would be logged into a field book and assigned a unique sample code and any identifying information about the borehole would be removed from the bottle using rubbing alcohol. Data from the logbook is then entered into the sampling database.

Samples were not filtered after collection because the pumping wells produced brine with negligible suspended solids.

8.5.2. Brine Samples from the Pumping Test Program

In 2017-2019 each well had a pump test to help define the pumping rate and lithium concentration. 2018 pumping production wells helped define the lithium concentration and flow rate in each location where the production wells are being drilled. The first test is well development which lasts for 7 days to clean the well, generally starting with 20 hz, then ramping up to clear the silt and sediment. Prior to taking samples the well is developed to clean all the fine sediments in the area immediately adjacent to the screen. The development lasts from 3 to 7 days. The well is considered developed when the percentage of solids during pumping is less than 0.1 ml measured in an Imhoff cone (Figure 8.4). Measurements are taken with the frequency shown in Table 8.1. The parameters measured include dynamic water level, flow (m^3/h), and turbidity. After the test is done, recovery is measured using a water level tape with readings being taken with the same frequency shown in Table 8.1 until 95% recovery is achieved. During and after the pumping tests, technicians measure the drawdown and recovery of nearby wells.

Table 8.1
Summary Pumping Test Measurement Frequency

Time	Frequency of Sampling
0-5 minutes	Every 30 seconds
5-10 minutes	Every minute
10-30 minutes	Every 2 minutes
30-60 minutes	Every 5 minutes
1 – 2 hours	Every 10 minutes
2 – 3 hours	Every 20 minutes
3 – 4 hours	Every 30 minutes
4 hours – end	Hourly

Figure 8.4 Measuring Sediment in an Imhoff Cone

Source: *Exar.*

Once the water level has recovered to 95%, a short sampling pump test (2-4 hours) is conducted. This test is to find the maximum pumping rate without draining the well. The well is allowed to recover afterwards.

An 8-12 hour, pumping rate test follows, which is broken up into 4 parts at 25% of the maximum pumping rate, 50% of the maximum pumping rate, 75% of the maximum pumping rate and 100% of the maximum pumping rate. This test is to see which rate the well stabilizes at. The well is allowed to recover afterwards.

The final pump test is a constant rate pump test that is conducted for a minimum of 7 days. Water measurements are taken with the same frequency listed on Table 8.1. Brine sampling is done at 10 min, 30 min, 60 min, 2 h, and then every 4 hours to the end of the test. Brine from a valve on the side of the hose coming out of the well would be used to rinse out a plastic bucket and then refilled. Brine from the bucket is used to rinse out three 250 ml bottles before being filled with a sample and marked with the borehole and date. Back at the field office, samples would be logged into a field book and assigned a unique sample code and any identifying information about the borehole is removed from the bottle using rubbing alcohol. Data from the logbook is then entered into the sampling database.

8.6. BRINE ANALYSIS

8.6.1. Analytical Methods

ASA in Jujuy and the on-site Exar laboratory were the primary laboratories for analysis of brine samples. In order to provide a quick response, ASA used Inductively Coupled Plasma ("ICP") as the analytical technique for the primary constituents of interest, including sodium, potassium, lithium, calcium, magnesium, and boron. Samples were diluted by 100:1 before analysis. Density was measured via pycnometer and sulphates were measured using the gravimetric method. The argentometric method was used for assaying chloride and volumetric analysis (acid/base titration) was used for carbonates (alkalinity as $CaCO_3$).

In the internal Exar laboratory, a 20 g sample is taken from the 250 ml bottle. The sample is entered into the laboratory database. Sulphates were measured using the gravimetric method and volumetric analysis (acid/base titration) was used for calcium, magnesium and chloride. Brine samples were diluted before being passed through the AA spectrometer which analyzes Li, Na, and K.

A larger laboratory was built on site to handle the increased number of samples to be tested along the production circuit. Once exploration was complete and production commenced, The Company used the internal laboratory exclusively. This resulted in quicker analysis times which allowed for better monitoring of project activities. Samples are taken at the following points:

- Production Wells – 1 sample per week;
- Evaporation Ponds – 1 sample per pond per week;
- Liming Plant – 2 samples per day;
- Post Concentration Ponds – 1 composite per week for the first pond with the remaining ponds sampled daily;
- Solvent Extraction – 2 samples per day taken at various points;
- Purification Plant – 2 samples per day;
- KCl Circuit – 2 samples per day; and
- Carbonation – 1 sample taken every 2 tons.

The control room in geology also constantly monitors various points along the process circuit (i.e. – vapor distribution and freshwater pressure) and can inform the appropriate group if specifications are not being met.

The laboratory can process 100-150 samples per day. A Laboratory Information Management System was installed in 2020.

8.6.2. Sample Security

There is an established and firm chain of custody procedure for Project sampling, storage and shipping. Samples were taken daily from the drill sites and stored at the core storage facility on site. Brine samples are taken by Exar personnel to the on-site analytical laboratory or by truck to the Alex Stewart facility in Jujuy.

8.7. SAMPLE PREPARATION ANALYSIS AND SECURITY CONCLUSIONS AND RECOMMENDATIONS

The field sampling, preparation, security, and analysis of drill core and brines from the piezometers and pumping tests and production wells are adequate and are being executed to industry standards. Security procedures are adequate for the sampling program. The recommendation is made that sample books with dedicated tickets be used for future sampling. It is also recommended that a separate building be dedicated to the storage of the duplicate sample bottles and that a selection of samples of low, medium, and high-grade lithium be submitted to Alex Stewart for analysis.

The Company was ISO 9001 certified in 2023, but this certification expired in 2024. The recommendation is made for the Exar internal lab to seek ISO 17025 certification for analytical laboratories.

8.8. GEOTECHNICAL ANALYSIS

8.8.1. Overview

D.B. Stephens and Associates Laboratory carried out selected geotechnical analyses on undisturbed samples from the geologic cores (DDH-1 through DDH-18), from the 2009-2011 drilling campaigns as summarized in Table 8.2. RBRC results were used in the Resource Estimate (King, 2010b) to estimate the volume of recoverable brine present in various geological materials. 33 RBRC samples were taken from DD19D_PE09 from the 2019 drilling campaigns.

TABLE 8.2
SUMMARY OF GEOTECHNICAL PROPERTY ANALYSES

Analysis	Procedure
Dry bulk density	ASTM D6836
Moisture content	ASTM D2216, ASTM D6836
Total porosity	ASTM D6836
Specific gravity (fine grained)	ASTM D854
Specific gravity (coarse grained)	ASTM C127
Particle size analyses	ASTM D422
Relative brine release capacity	Developed by D.B. Stephens (see Section 8.9.2)

8.9. ANALYTICAL METHODS

Results of dry bulk density, moisture content, and total porosity are geotechnical parameters and are not used in the Mineral Resource and Reserve Estimates. The results of those tests are not discussed here.

8.9.1. Specific Gravity

Specific gravity testing was conducted for four formation samples (012714, 012715, 012716, and 012743). Density results for these samples ranged from 2.47 g/cm^3 to 2.75 g/cm^3. It was subsequently determined that these values could be skewed due to the high salt content. Consequently, no attempt was made to apply these measured values to the remaining samples, and an assumed particle density of 2.65 g/cm^3 was used for all other samples.

8.9.2. Relative Brine Release Capacity (RBRC)

The RBRC method was developed by D.B. Stephens and Associates Laboratory, in response to some of the unique technical challenges in determining porosity for brine-saturated samples (Stormont, et al., 2010). The method predicts the volume of solution that can be readily extracted from an unstressed geologic sample.

According to the RBRC method, undisturbed samples are saturated in the laboratory using a site- specific brine solution. The bottom of the sample is then attached to a vacuum pump using tubing and permeable end caps and are subjected to a suction of 0.2 to 0.3 bars for 18 to 24 hours. The top of the sample is fitted with a perforated latex membrane that limits atmospheric air contact with the sample, to avoid evaporation and precipitation of salts. Depending on the pore structure of the material, there may be sufficient drainage so that a continuous air phase is established through the sample. The vacuum system permits testing multiple samples simultaneously in parallel. After extraction, the samples are oven dried at 110°C.

The volumetric moisture (brine) content of the sample is calculated based on the density of the brine, the sample mas`s at saturation, and the sample mass at “vacuum dry”. The difference between the volumetric moisture (brine) content of the saturated sample and the volumetric moisture (brine) content of the ‘vacuum dry’ sample is the specific yield or “relative brine release capacity”.

RBRC test samples are taken in the field during drilling. Mr. Burga was not present on site at the time that RBRC sampling was being conducted and could not obtain a sample for verification purposes. Once the samples dry and the salts in the brine precipitate, the characteristics of the sample change and cannot be relied upon. D.B. Stephens and Associates Laboratory is an independent laboratory, and results were obtained directly from the laboratory for verification purposes. No errors were noted.

8.9.3. Particle Size Analysis

Particle size analyses were carried out on 58 undisturbed samples after the drainable porosity testing was completed. Uniformity and curvature coefficients (Cu and Cc) were calculated for each sample and samples were classified according to the USDA soil classification system.

8.9.4. Exar Porosity Test Lab

In addition to the on-site analytical laboratory, the Project site also has a porosity test lab. This lab tests total porosity (as opposed to drainable porosity) which helps to distinguish between types of halites and clays and silts. Samples dried in an oven at 70 degrees Celsius, weighed, measured, and then put through a gas pycnometer. Volume, porosity, and density are obtained. Samples are photographed and given a bar code, and the equipment is calibrated at the end of each day.

The lab also conducts grain size analysis on the gravel pack used by the drillers for well construction.

It should be noted that results from the Exar Porosity Test Lab have not been used for Mineral Reserve Estimate Purposes (porosity values are not considered in the Mineral Resource Estimate).

The Exar Porosity Test Lab was no longer operational in 2024.

9. DATA VERIFICATION

9.1. OVERVIEW

The Data Verification for data obtained prior to the 2017-2019 drilling campaigns is elaborated in the 2017 Feasibility study (Burga et al., 2017).

Since the Mineral Resource Estimate and Mineral Reserve Estimate were not being updated for this Technical Report, verification samples were not collected during the 2024 site visit.

9.2. SITE VISITS

Mr. D. Burga visited the site and the Exar office on January 24 and 25, 2017, February 18-21, 2019, and June 10-12, 2019. Project features inspected and reviewed during these visits, which are relevant to data verification, included the following:

- Several drill hole locations were visited, and several active pumps were observed;
- 27 brine samples were obtained from 13 wells
- 5 duplicate samples were taken from the sample storage tent;
- 4 standard samples were collected for analysis;
- Review of Exar sampling procedures;
- Inspection of the 2017-2019 Project database;
- Inspection of digital laboratory certificates for the Exar brine dataset, and the Project database;
- The sample storage facility and security systems were observed and are considered appropriate; and
- Tours of the Exar Analytical Lab and the Exar Grain Size Analysis were conducted.

Mr. D. Burga conducted interviews with Exar employees who were present during the drilling and pump testing of the new wells.

Digital copies of the lab certificates were obtained directly from Alex Stewart and compared to the Exar database.

Mr. D. Burga visited the site and the Exar office between November 19 and 25, 2024. Project features inspected and reviewed during these visits, which are relevant to data verification, included the following:

- One production well (P26) was observed;
- Tour of Production Well Control Room;
- Review of Exar sampling procedures;
- Inspection of the 2019-2024 Project database;
- Inspection of digital laboratory certificates for the Exar brine dataset, and the Project database;
- The sample storage facility and security systems were observed and are considered appropriate; and
- Tour of the Exar Analytical Lab was conducted.

Digital copies of the lab certificates were obtained directly from Exar laboratory and compared to the database.

9.3. FEBRUARY 2019 SITE VISIT AND DUE DILIGENCE SAMPLING

Mr. D. Burga collected 23 brine samples during his site visit from 10 wells during the site visit. Each sample consisted of three 250 ml plastic bottles. 4 samples were taken from pumping well sites (PB-06, W18-05, W11-06, and PB-03). For the pumping well samples, a valve was opened on the main pipe coming out of the well, a plastic pail was rinsed with brine, filled again and then the brine was used to rinse out each sample bottle before being filled with the sample. 19 samples were taken from various depths in six different observation piezometers (DL-014, ML-014, DL-005, W-05, DL-09, and ML-09). A bailer was lowered to the desired depth, pulled up a metre and lowered again to obtain a sample at that depth then pulled back to the surface. A small amount of brine was used to rinse out a plastic pail and then dumped out and the remainder of the brine from the bailer was emptied into the pail. Each bottle was marked with the well and depth and brought back to field office where each sample was given a sample code, entered into a logbook and identifying well information was removed from the sample bottles with rubbing alcohol.

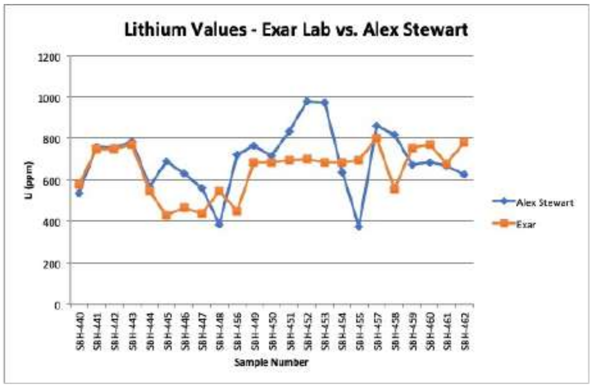
The samples were taken by Mr. Burga directly to Alex Stewart Laboratories in Jujuy for chemical analysis. The samples were analyzed for lithium using and ICP with an OES finish.

Results of the site visit due diligence samples are listed in Table 9.1 and presented graphically in Figure 9.1.

TABLE 9.1
RESULTS OF DUE DILIGENCE SAMPLING – FEBRUARY 2019

ACSI Sample No.	Well No.	Depth (m)	Li (mg/L) Alex Stewart	Li (mg/L) Exar
SBH-440	PB-06A	-	537	580
SBH-441	W18-05	-	760	750
SBH-442	W11-06	-	753	750
SBH-443	PB-03A	-	784	772
SBH-444	DL-014	100	565	548
SBH-445	DL-014	200	689	430
SBH-446	DL-014	300	631	464
SBH-447	DL-014	370	564	440
SBH-448	ML-014	100	387	548
SBH-449	ML-014	115	721	449
SBH-450	DL-005	100	763	686
SBH-451	DL-005	200	717	685
SBH-452	DL-005	300	833	696
SBH-453	DL-005	320	979	699
SBH-454	W-05	100	973	686
SBH-455	W-05	200	639	685
SBH-456	W-05	300	375	696
SBH-457	ML-09	100	859	801
SBH-458	ML-09	200	817	559
SBH-459	DL-09	100	676	757
SBH-460	DL-09	200	685	769
SBH-461	DL-09	300	669	681
SBH-462	DL-09	400	626	780

Figure 9.1 Due Diligence Sample Results for Lithium: February 2019



The results for the due diligence sampling were similar in tenor between ASA and the internal Exar laboratories, with the samples from ASA being higher than the Exar labs in 16 of 23 samples. During the on-site interviews one of the hydrogeologists indicated that sample SBH456 was taken at the bottom of an observation well that had drillers mud in it that would have settled at the bottom, because of its density, thus diluting the sample. This is a possible explanation for the difference, the Exar sample had 696 mg/L Li and the ASA sample taken by ACSI had 375 mg/L.

9.4. JUNE 2019 SITE VISIT AND DUE DILIGENCE SAMPLING

Mr. D. Burga collected 4 brine samples from 4 wells during his site visit. 5 samples were duplicate samples taken from the sample storage tent and 4 samples were taken of the standards used by the Exar laboratory. Each sample consisted of two 250 ml plastic bottles. 4 samples were taken from pumping well sites (W11-06, WR-10, W18-23, and W-04A). For the pumping well samples, a valve was opened on the main pipe coming out of the well, a plastic pail was rinsed with brine, filled again and then the brine was used to rinse out each sample bottle before being filled with brine.

The duplicate samples and standard samples were selected from the sample storage tent. It should be noted that the samples are stored on shelves and the area is not temperature controlled in any way. Older duplicate bottles, which have been exposed to colder temperatures for more time, showed evidence of sulphate precipitation. These samples would not be suitable for duplicate analysis.

The standard samples were created at the internal Exar laboratory as elaborated in Section 9.7.

All bottles were brought back to field office where each sample was given a sample code, entered into a logbook and identifying well information was removed from the sample bottles with rubbing alcohol. In the case of the duplicates, the old stickers were removed from the bottles and replaced with a new sample number.

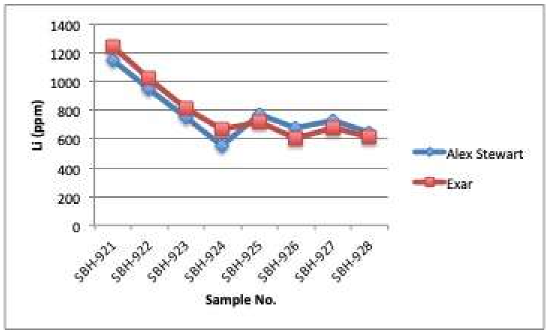
The samples were taken by Mr. Burga directly to Alex Stewart Laboratories in Jujuy for chemical analysis. The samples were analyzed for lithium using and ICP with an OES finish.

Results of the site visit due diligence samples are listed in Table 9.2 and presented graphically in Figure 9.2.

TABLE 9.2
RESULTS OF DUE DILIGENCE SAMPLING – JUNE 2019

ACSI Sample No.	Well No.	Depth (m)	Li (mg/L) Alex Stewart	Li (mg/L) Exar
SBH-922	-	-	119	126.84
SBH-923	-	-	118	126.84
SBH-924	-	-	116	116.38
SBH-926	-	-	1151	1238.00
SBH-927	-	-	948	1027.00
SBH-928	-	-	752	815.00
SBH-929	-	-	553	671.00
SBH-930	W11-06	-	770	716.61
SBH-931	WR-10	-	680	604.18
SBH-932	W18-23	-	727	682.85
SBH-933	W-04A	-	647	615.06

Figure 9.2 Due Diligence Sample Results for Lithium: June 2019



9.5. QUALITY ASSURANCE/QUALITY CONTROL PROGRAM

Exar implemented and monitored a thorough quality assurance and quality control program (QA/QC or QC) for the brine sampling undertaken at the Project over the 2017-2018 period. QA/QC protocol included the insertion of QC samples into every batch of samples. QC samples included one standard, one blank and one field duplicate. Check assaying is also conducted on the samples at a frequency of approximately 5%.

A total of 4,356 samples, including QC samples, were submitted during Exar's brine sampling program at the Project (2017 through the end of 2018), as shown in Table 9.3. A total of 164 check samples were also submitted to an external laboratory for check assaying.

TABLE 9.3
QA/QC SAMPLING

Samples	No. of Samples	Percentage (%)
Blanks	63	1.5%
Standards	618	14.2%
Duplicates	285	6.5%
Normal	3,390	77.8%
Total	**4,356**	**100%**
Check Samples	164	2.51%

9.6. PERFORMANCE OF BLANK SAMPLES

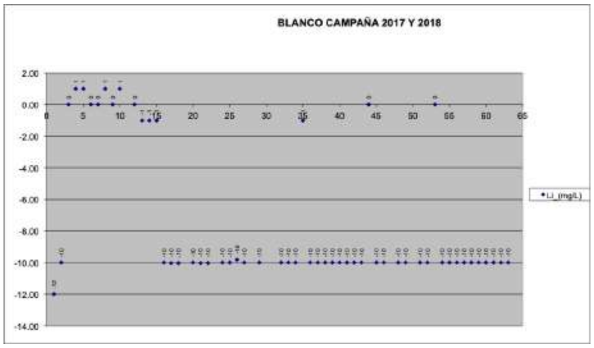
Blank samples were inserted to monitor possible contamination during both preparation and analysis of the samples in the laboratory. The blank material used was initially distilled water and then switched to tap water which is sourced from a freshwater well that contains trace amounts of lithium.

Blank samples should be inserted at an average rate of approximately 1 in 120 samples, with a total of 63 blank samples submitted accounting for 1.5% of the samples submitted. Three of the samples were submitted to ASA with the remainder of the samples submitted to the internal Exar laboratory.

At the time of the site visit there was not a set of Standard Operating Procedures that set tolerance limits for QA/QC samples. It is recommended that the tolerance limit used for the blank samples be 2 times the minimum detection limit (mdl) for the internal Exar AA samples and 10 times the lower detection limit for ASA AA samples (the Exar lab uses AA with a mdl 10 mg/L and ASA uses AA with a mdl 1 mg/L). It should be noted that at times the Exar laboratory used 10, 1, 0 and -10 mg/l as the lower limit depending on dilution used. ASA used -1 mg/L denoting dilution at the sample preparation stage.

The results of the blank sampling are shown graphically in Figure 9.3. There were no failures for the blank samples.

Figure 9.3 Performance of Lithium Blank Samples



9.7. CERTIFIED REFERENCE MATERIALS

Certified Reference Materials ("CRM") are used to monitor the accuracy of a laboratory. Exar did not use CRM for their QA/QC sampling program. Standards ("Patrons") were prepared at the uncertified on-site laboratory by Exar staff and were submitted at an average frequency of 1 in 7 samples. These Patrons were prepared by taking high-grade lithium brines and diluting them to prepare high, medium, and low-grade samples. These Patrons were prepared in 50 L batches and when they were used up a subsequent batch was prepared. The first round of Patron samples were analyzed solely at the Exar laboratory. The second and third rounds of Patron samples were analyzed at both the Exar and ASA laboratories. At the time of this report, the third round of Patron samples was being used. A total of 545 standards were used during the 2017-2019 drilling campaigns. The standards/Patrons' results are summarized in Table 9.4.

TABLE 9.4
RESULTS OF DUE DILIGENCE SAMPLING

Round 1 – Created March 2017			
Name	**Target Value (mg/L)**	**Lab Exar Value (mg/L)**	**Avg of All Samples (mg/L)**
Patron A	1,500	1,345	1,382
Patron B	1,100	1,144	1,163
Patron C	850	876	894
Standard A	550	579	615
Round 2 – Created April 2018			
Name	**Target Value (mg/L)**	**Lab Exar Value (mg/L)**	**ASA Value (mg/L)**
Patron AA	1,200	1,151	1,121
Patron BB	1,000	923	933
Patron CC	750	751	740
Patron DD	540	523	542
Round 3 – Created October 2018			
Name	**Target Value (mg/L)**	**Lab Exar Value (mg/L)**	**ASA Value (mg/L)**
Patron 1	540	528	-
Patron 2	770	804	-
Patron 3	1,000	1,152	-
Patron 4	1,200	1,296	-

For the purposes of the QA/QC review, all of the Exar samples for each Patron were averaged to find a mean value and standard deviation. Patrons were submitted randomly in the sample stream and were plotted as a different series to check bias with regards to the Exar results. The results for each Patron are shown graphically in Figure 9.4 through to Figure 9.11.

Figure 9.4 Performance of Patron A

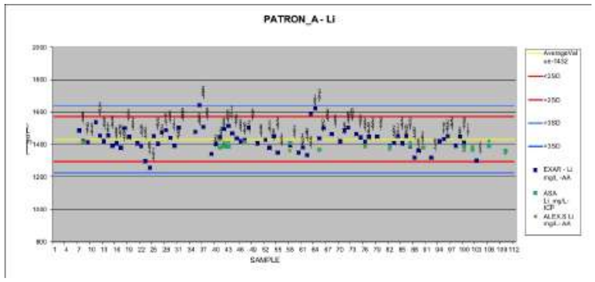


Figure 9.5 Performance of Patron B

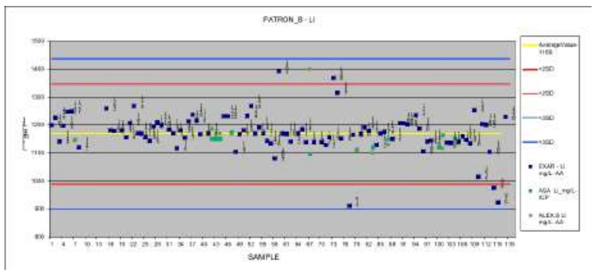


Figure 9.6 Performance of Patron C

Figure 9.7 Performance of Standard A

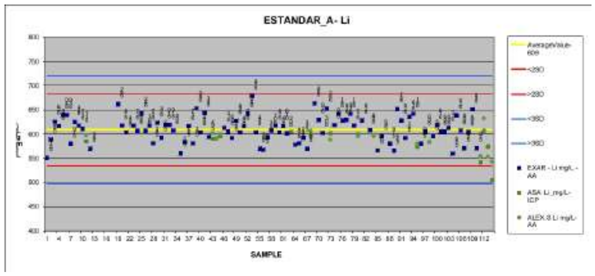


Figure 9.8 Performance of Patron AA

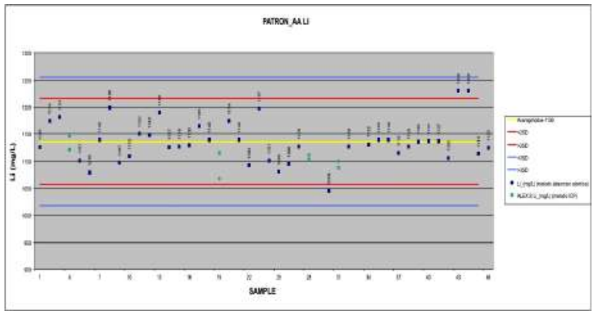


Figure 9.9 Performance of Patron BB

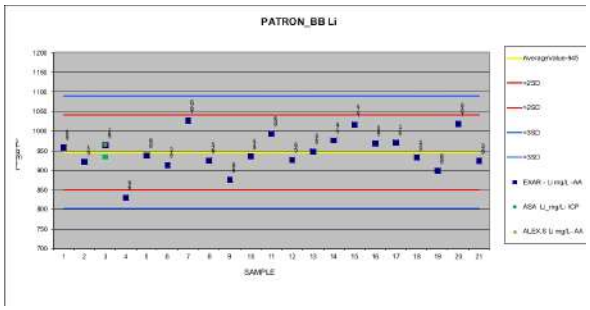


Figure 9.10 Performance of Patron CC

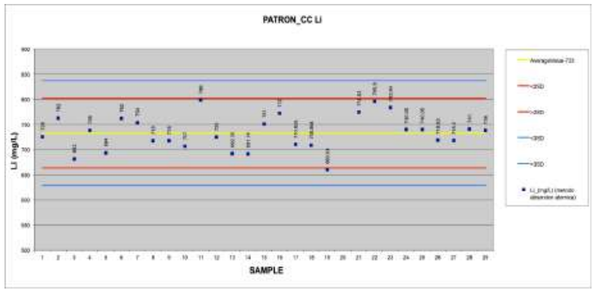
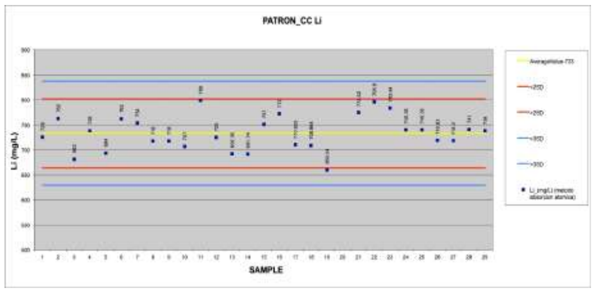


Figure 9.11 Performance of Standard AA



Although there were no Standard Operating Procedures in place, a failure should be considered a result that is greater than +/- 3 standard deviations. None of the results for the standards were outside of this range indicating consistent results from the Exar laboratory. As seen in Figure 9.4, Figure 9.5, Figure 9.6, and Figure 12.8, the analytical results for lithium from Alex Stewart, for both AA and ICP, were slightly below the average.

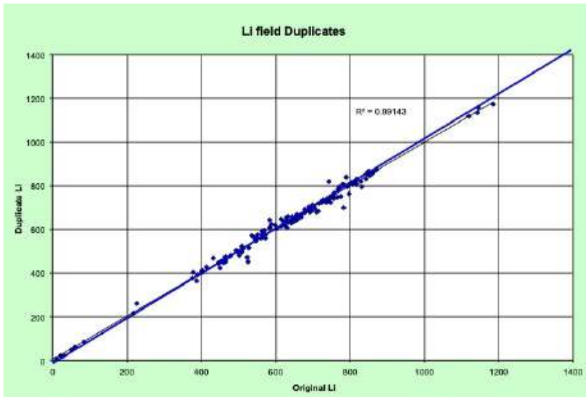
9.8. DUPLICATES

As part of their regular QA/QC program, Exar routinely used duplicate samples to monitor potential mixing up of samples and data precision. Duplicate samples were collected in the field by Exar personnel and preparation involved filling an additional three bottles of brine at the same depth. The original and duplicate samples were tagged with consecutive sample numbers and sent to the laboratory as separate samples. Duplicate samples were collected at a rate of approximately 1 in 20 samples.

A total of 285 duplicate samples were taken representing 6.5% of total samples.

The results of duplicate sampling are shown graphically in Figure 9.12. Data precision was strong with a correlation coefficient value of 0.99143.

Figure 9.12 Duplicate Samples – Exar Laboratory



9.9. CHECK ASSAYS EXAR VERSUS ALEX STEWART

Exar routinely conducted check analyses at ASA to evaluate the accuracy of the Exar laboratory.

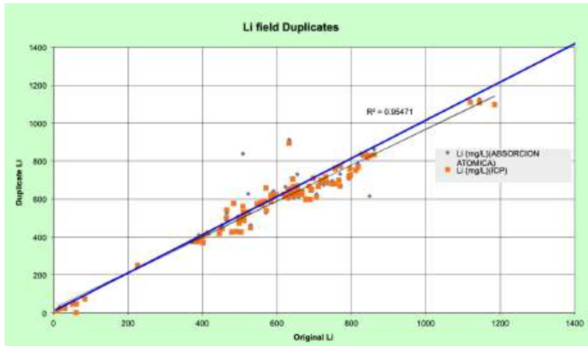
Duplicate samples were collected and sent to a second laboratory to verify the original assays and monitor any possible deviation due to sample handling and laboratory procedures. Exar uses the ASA laboratory in Jujuy, Argentina, for check analyses.

A total of 105 check samples were sent to a third-party laboratory for check analysis, equating to approximately 2.5% of the total samples taken during the sampling program.

Correlation coefficient is high (0.95471) for Lithium, showing strong overall agreement between the original Exar analysis and the ASA check analysis.

The results of the check sampling program are shown by way of scatter diagrams in Figure 9.13.

Figure 9.13 Check Assays – Exar Laboratory Versus ASA Laboratories



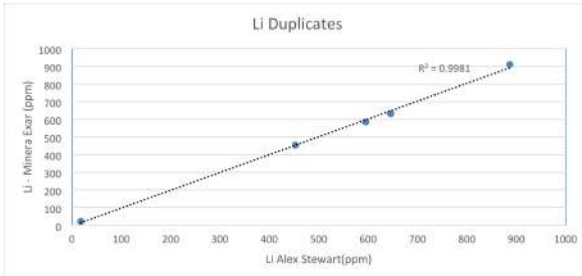
The Company sent duplicates of production well samples to Alex Stewart to check the accuracy of analysis conducted at the Exar Laboratory located on site. This work was done until the end of 2023 and then production well samples were analyzed exclusively at the Exar Laboratory.

An example of check assays from November 2023 are presented in Table 9.5 and presented on Figure 9.14.

TABLE 9.5
CHECK ASSAY SAMPLING

Well	Li - Exar Lab (ppm)	Li – Alex Stewart (ppm)
PB-4	585	595
WR-28	454	453
W09-06	911	887
W-14	632	646
CW-60	22	18

Figure 9.14 Check Assays – Exar Laboratory Versus ASA Laboratories – November 2023



9.10. CONCLUSIONS AND RECOMMENDATIONS

Mr. David Burga has personally met, and had technical discussions with, most of the technical experts working on the Project on behalf of LAR. These individuals are competent professionals, with experience within their respective disciplines. Their interpretations demonstrate a conservative approach in assigning constraints on the estimate, which increases the technical strength of the results.

The field sampling of brines from the pumping tests is being done to industry standards. The quality control data based upon the insertion of standards, field blanks and field duplicates indicate that the analytical data is accurate, and the samples being analyzed are representative of the brine within the aquifer.

It is the Qualified Person’s opinion that the data is adequate for the purpose used in this report.

The following recommendations are made with regards to QA/QC procedures:

- Proper certified lithium standards, with values comparable to the grades found on site, should continue to be used for the exploration brine sampling.
- Exploration samples should continue to be sent Alex Stewart.
- Verification sampling should be conducted prior to updating the Mineral Resource Estimate and Mineral Reserve Estimate in 2025.
- The Exar internal laboratory should seek ISO 17025 certification for analytical laboratories.

10. MINERAL PROCESSING AND METALLURGICAL TESTING

In the 2012 Feasibility Study, LAR developed a process model for converting brine to lithium carbonate based on evaporation and metallurgical testing. The proposed process followed industry standards:

- Pumping brine from the aquifers;
- Concentrating the brine through evaporation ponds; and
- Taking the brine concentrate through a hydrometallurgical facility to produce high-grade lithium carbonate.

The 2012 process model employed proprietary, state-of-the-art physiochemical estimation methods, and process simulation techniques for electrolyte phase equilibrium. From the execution of the Shareholders Agreement between LAR and SQM in 2016 until October 2018, SQM advanced the process engineering work, employing their proprietary technology and operational experience. In 2018, SQM left the joint venture and the Project, and LAC and Ganfeng Lithium reviewed the process and design of the plant for 40,000 tpa output with an engineering consulting firm. The revised process work was implemented in the plant design, and it is reflected in this study. The basis of the process methods had been tested and supported by laboratory evaporation and metallurgical test work.

Multiple additional tests were conducted in different qualified laboratories and in pilot facilities located at the Project site to develop a brine processing methodology. Testing objectives included:

- Determine the evaporation path as the brine gets more concentrated and determine the type of salts which are formed during the process.
- Determine the amount of CaO required to accomplish Mg, SO_4 and B reduction in the evaporation process.
- A trade off between yield and the maximum allowable and attainable lithium concentration throughout the evaporation train.
- Complete the testing and design of the Boron solvent extraction facility with a performance guarantee supplied by the equipment vendor.

- Determine the reactant consumption and conditions for brine purification.
- Investigate ion exchange equipment, resins and operating conditions for impurity removal.
- Specify the KCl removal system in terms of design and operating conditions.
- Determine the carbonation conditions for lithium carbonate to produce high purity product.

The following outlines the testing work completed during the previous 2012 Feasibility Study and current updated progress that is the basis for this revised Technical Report.

10.1. POND TESTS – UNIVERSIDAD DE ANTOFAGASTA, CHILE

In late 2010 and early 2011, Universidad de Antofagasta (Chile) conducted evaporation testing on raw, CaO-treated and $CaCl_2$-treated brines. $CaCl_2$ was used in addition to CaO to determine the most cost-effective removal of sulphate ions. A temperature-regulated and air flow-regulated evaporation chamber was used (Figure 10.1). The brine is contained in the tubs in the base of the chamber, while heat lamps (shown top left) are used to simulate solar radiation. Dry, cool air is circulated through the chamber using an electric fan to simulate the environment expected at the site. Digital thermometers are shown in the pan. Samples of the brine and salt were taken to determine the change in salt precipitated from the brine during natural evaporation. These samples were analyzed for composition.

The site is located at more than 4,000 m above sea level. To simulate the effect of lower air pressure, a series of dry air, negative pressure evaporation tests were carried out in parallel with the evaporation pans. The negative pressure test apparatus is shown in Figure 10.2. These tests were done to simulate the effect of brine evaporation at elevation under natural conditions.

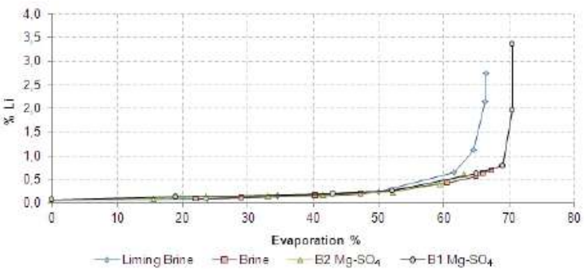
Figure 10.1 Evaporation Pans and Lamps

Test results demonstrated that it is possible and cost effective to obtain a concentrated brine through an evaporation process by treating the brine with CaO liming process alone to control Mg levels while reducing SO_4 and boron levels. The cost of $CaCl_2$ per tonne of sulphate removed was significantly higher, and the reduction of other ions by precipitating double salts was not more cost effective than removal later in the process.

Figure 10.2 Dry Air Evaporation Tests

Figure 10.3 shows the change of Li ion concentration in the brine as water is evaporated in an example test. The y-axis is the weight percent lithium, while the x-axis represents the percentage of the initial brine mass evaporated. In brines treated with either CaO or $CaCl_2$, concentrations close to 4% Li were achieved with minimal lithium loss.

Figure 10.3 Li Concentration Changes in the Brine During the Evaporation Process



Results suggested treatment with CaO alone (i.e. liming) is ideal. CaO has a lower cost than $CaCl_2$, and the increase in brine pH removes a portion of the Mg at the same time. Limed brine precipitated Sylvinite with KCl (potash) concentrations up to 20%. This suggests that fertilizer-grade potash could be produced by floatation at Cauchari (although potash production is not contemplated at this time). The precipitation of KCl and NaCl from solution purifies the brine naturally during evaporation and reduces the cost of operation and equipment in the processing plant after evaporation in the ponds.

Testing of the CaO-treated brine resulted in a 60% reduction in sulphate ions. This reduction in sulphate ion is sufficient to produce concentrated lithium brines by natural solar evaporation and $CaCl_2$ treatment is not necessary.

10.2. TESTS – EXAR, CAUCHARI SALAR

10.2.1. Salar de Cauchari Evaporation Pan and Pilot Pond Testing

To validate the bench scale tests obtained at Universidad de Antofagasta, Chile, and obtain brine evaporation rate data at the site, pilot ponds and Class A evaporation pans were installed at the site. These ponds and pans are still under operation to allow correlation of the Class A pan, brine pan and pilot pond test data and determine the scale-up factor of the full-scale ponds.

The first seven months of evaporation pan testing at the Salar de Cauchari pilot facility:

- Validated the composition of Cauchari brine exposed to the Project site seasonal environmental conditions;

- Obtained concentrated brine for additional pilot and bench scale testing; and
- Obtained precipitated salts to determine the entrainment of brine in the salt during the different salt regimes precipitated during concentration.

A total of 6 pilot ponds, pre-concentration, liming, settling, and concentration ponds, totalling 11,180 m^2 were constructed as well as the liming equipment for treating the brine. Pre-concentration, liming, settling, and concentration ponds were represented. Over 20,000 liters of 1% Li brine was generated over a 7-month period. These ponds continue to operate and provide material for pilot testing at the site and with equipment vendors. The pilot ponds can be seen in Figure 10.4.

These ponds were installed with liners that consist of a geotextile underlay overlain by a polyethylene waterproofing liner to minimize the leakage from the ponds. Samples of the brine and salt are taken regularly and analyzed for composition and brine entrainment in the salt. This validates the process model used for the ponding operation and allows for the estimation of the shape factor for the full-scale ponds.

10.2.1.1Pond Pilot Testing

- Validated the continuous operation of evaporation ponds;
- Provided data for all seasonal environmental effects (wind, temperature, rain, etc.);
- Provided concentrated brine for the purification pilot plant;
- Developed the operating philosophy of the ponds and lime system; and
- Trained the staff (engineers and operators) who work in the commercial operation.

Salar testing results were consistent with prior laboratory and mathematical model results. The test data has been used to update the mathematical process model and ensure accurate design information. Exar's Project site evaporation and analytical results were independently validated by testing at ASA (Mendoza, Argentina).

The pond process performance improved when liming was performed after pre-evaporation and 10% or more excess lime was used. It was verified that the use of $CaCl_2$ was not necessary because the Ca from the CaO reduced sulphate ions sufficiently to avoid downstream $LiKSO_4$ precipitation at a lower operating cost than $CaCl_2$ addition.

Figure 10.4 Pilot Ponds

10.2.2. 2017 Evaporation Tests

In 2017, Exar completed a 35-month evaporation test program with the intention to define the relation of brine evaporation to water evaporation. This data was obtained from the brine pan and Class A water pan data observed between June 2013 and April 2016.

Figure 10.5 presents the monthly evaporation rate of the brine during the year and Figure 10.6 presents the monthly evaporation rate of the water. Table 10.1 displays the monthly evaporation ratio of brine to water. The minimum brine evaporation rate occurs in June at 3.77 mm/day for the bottom quartile of observed test data. The minimum median evaporation rate for brine observed is 5.00 mm/day in June while November has the highest median evaporation rate of 9.8 mm/day. Comparing this to the original evaporation used to engineer the ponds of 2.54 mm/day annual average evaporation for brine in the full-scale ponds results in an increase in pond productivity per evaporative area. When applying a conservative pond shape factor of about 0.65 to the 8.2 mm/day median brine evaporation observed, the effective pond productivity for 1,200 Ha of ponds roughly doubles versus the originally estimated evaporation used in the 2017 Feasibility Study (Burga, et al 2017). Mass balances on the full-scale operating pond segments confirm this shape factor.

Figure 10.5 Brine Evaporation

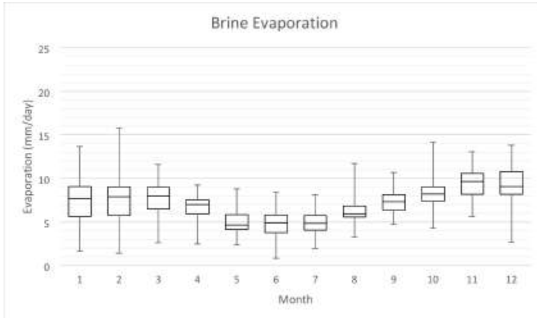


Figure 10.6 Water Evaporation

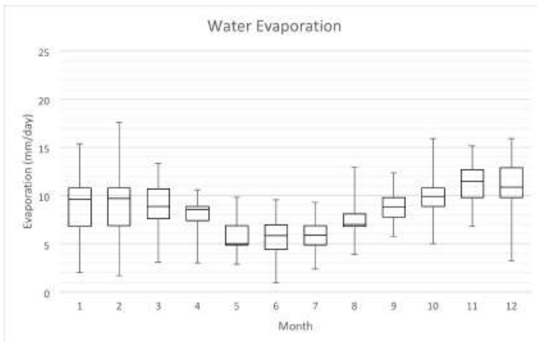


TABLE 10.1
MONTHLY EVAPORATION RATIO

Monthly Evaporation ratio												
	2017											
Month	1	2	3	4	5	6	7	8	9	10	11	12
Evaporation ratio brine/w	84%	82%	85%	84%	86%	84%	83%	84%	82%	83%	83%	83%

As a result of this test evaluation, the factor for water to brine design was changed from the assumed value of 0.7 to an average of 0.84.

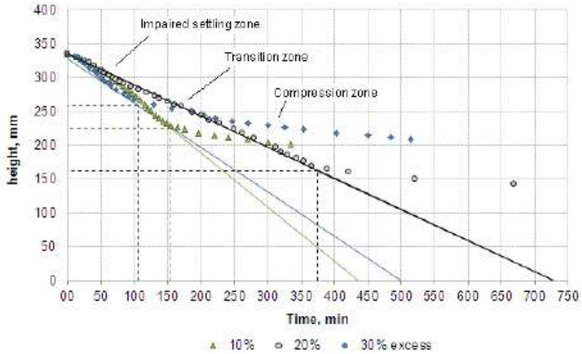
Detailed simulations were then carried out using brine chemistry observed in the test ponds and pans, and with the observed rainfall and evaporation data to determine the annual productivity of the ponds. Currently, the operations team at Exar is working on detailed operating strategy to ensure a robust and safe operation based on ongoing mass balance calculations on the ponds and responses to actual weather / brine conditions.

10.2.3. Liming Tests – Exar, Cauchari Salar

Lime ratio, sedimentation, and flocculent performance testing with locally sourced CaO were performed at Exar's Laboratory. Testing was completed in order to determine the required excess CaO (the liming operation) and residence time at an intermediate location in the ponds to reduce Mg, Ca, SO_4 and boron in the brine entering the Purification and Carbonation Plant.

Figure 10.7 shows the sedimentation rate data from example tests. The time is shown on the x-axis, while the y-axis shows the depth of solids during natural settling. Three tests are shown here with a 10% (green triangle), 20% (green circle) and 30% (blue diamond) excess of CaO added to the brine. The excess is estimated based on the mass of magnesium in the initial brine. The solid lines plotted on the diagram is the initial settling rate which is used to design settling equipment.

Figure 10.7 Sedimentation Rate of Limed Pulps with Different Amounts of Excess Lime



The lime ratio required to precipitate of 99.6% of Mg ions and 60% of SO_4 ions was utilized for cost estimation. Testing is presently underway at vendors to design the thickener and filters for downstream processing.

10.3. SOLVENT EXTRACTION TESTS – SGS MINERALS AND IIT, UNIVERSIDAD DE CONCEPCIÓN

Solvent extraction (SX) bench tests were performed at SGS Minerals in Lakefield, Canada, and Instituto de Investigaciones Tecnológicas (Technology Investigations Institute) of the Universidad de Concepción (ITT).

This testing determined:

- The most effective organic reagents for the extraction of boron from the brine;
- The pH effect on the extraction of boron;
- Extraction isotherms for extraction and re- extraction required in the project;
- The extraction and re-extraction kinetics in the system;
- The phase separation rate at two temperatures previously defined; and
- The required number of extraction and re-extraction stages.

Typical brine feed to SX is shown in Table 10.2.

TABLE 10.2
COMPOSITION OF THE BRINE USED FOR TESTING SX

Li (g/L)	B (mg/L)	Ca (mg/L)	K (g/L)	Na (g/L)	Mg (mg/L)	SO_4 (g/L)	pH
10.5	5,565	266	32.3	65.4	< 0.02	26.0	11

Several organic extract formulations were tested targeting boron removal over 97%.

Tests at both institutions showed that the extraction process should be performed at pH ≤ 4, and re-extraction of the extractant should occur at basic pH. The process uses HCl to adjust the brine pH for extraction, and a solution of NaOH for re-extraction of the boron from the organic mixture.

Figure 10.8 and Figure 10.9 show the isotherms in a McCabe-Thiele diagram. These diagrams have been used to determine the number of extraction and re-extraction steps. In Figure 10.8, the x-axis is the boron concentration in the aqueous phase, while the y-axis is the concentration of boron in the organic phase during extraction. In Figure 10.9, the x-axis is the boron concentration in the organic phase, while the y-axis is the boron concentration in the aqueous phase during re-extraction. The bold, straight line is the operating line for the proposed equipment, while the thin, stair-steps are the individual operating stages. Perfect extraction efficiency was not assumed to design the equipment to develop a realistic sizing.

Figure 10.8 Extraction Isotherm at 20ºC Using Mixed Extractants

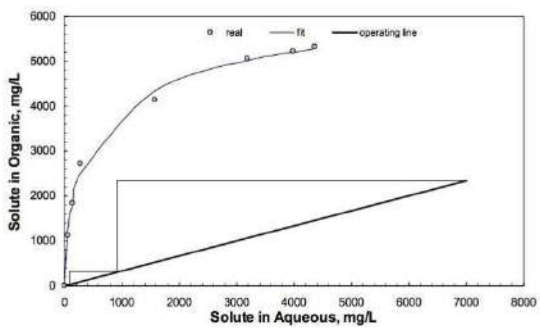
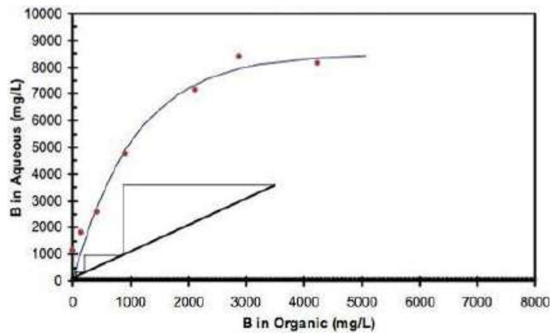


Figure 10.9 Re-extraction Isotherm at 20ºC Using Mixed Extractants



10.4. CARBONATION TESTS – SGS MINERALS (CANADA)

Carbonation tests were conducted by SGS Minerals on boron-contaminated brine.

The following tests were conducted:

- Removal of remaining Mg using NaOH solution;
- Removal of remaining Ca using a solution of Na_2CO_3; and
- Carbonation reaction of Li using Na_2CO_3 solution to precipitate Li_2CO_3.

Differing reagent dosage, residence time, and temperatures were investigated. NaOH was found to be effective to remove the remaining Mg, and careful control of the Na_2CO_3 solution was required to remove the Ca without loss of Li. The test results of these carbonation tests were used to set the temperature, residence time and dosage of reagent ranges for the pilot plant tests.

10.5. PILOT PURIFICATION TESTING – SGS MINERALS

SGS Minerals piloted removal of contaminants and lithium carbonate production. The pilot program used 10,000 liters of concentrated brine obtained from the Salar de Cauchari pilot pond system. The results were used for plant design in this study. The pilot plant flowsheet includes solvent extraction for B removal, regeneration of solvent, removal of the Ca and Mg impurities, and lithium carbonate precipitation and washing.

The main objectives of the pilot plant were to:

- Test the continuous process developed from bench testing; and

- Validate and obtain parameters and design criteria for the development of the industrial plant engineering.

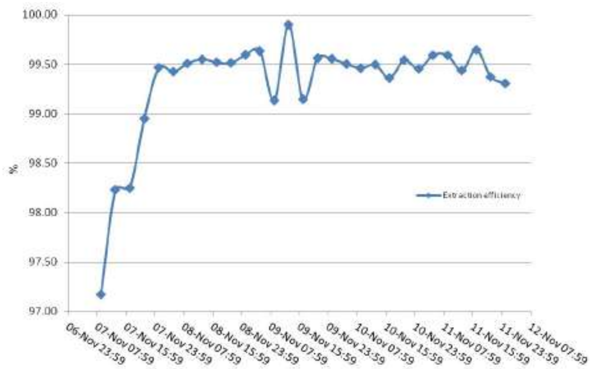
Figure 10.10 shows the equipment for the pilot plant where the first tests were performed. The solvent extraction banks are on the left of the photograph, and the other reactors and filters are shown in the center and right of the image.

Figure 10.10 Pilot Plant (SX-Purification-Carbonation-Filtration-Washing Pulp)

This plant was subsequently installed in the Salar de Cauchari for further testing and training of the operators at site. The pilot plant provides data for brines of varying compositions from seasonal effects and final lithium concentration. The results of the pilot plant test work have been incorporated to the engineering for the final facility to ensure a robust, reliable operation capable of producing the demanded product quality at the committed rate.

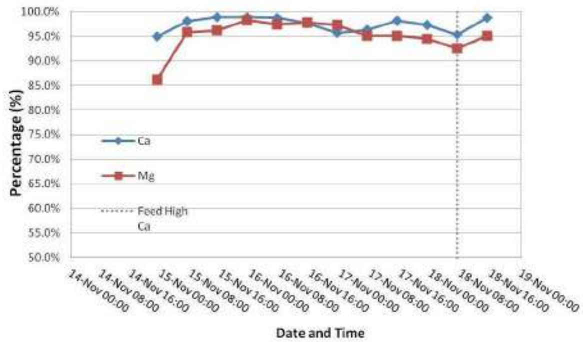
The SX pilot plant achieved an extraction efficiency of over 99.5% as shown in Figure 10.11. The x-axis in Figure 10.11 shows the date and time of the run, while the y-axis shows the percent of the boron mass in the feed that was removed during the test. The solvent extraction process was operated for 5 days during this test with no loss of boron removal efficiency.

Figure 10.11 SX Process Boron Extraction Efficiency



Mg and Ca polishing testing succeeded in obtaining over 95% removal efficiency, as shown in Figure 10.12. The x-axis is the date and time, while the y-axis shows the removal efficiency as a percentage of the mass of Ca or Mg in the feed brine. The Ca and Mg precipitation maintains the 95% removal efficiency over 4 days of operation in this test.

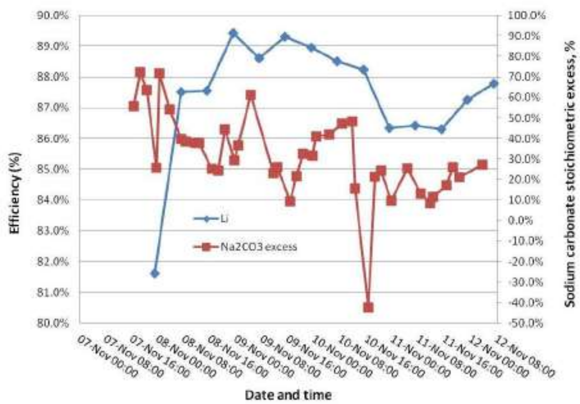
Figure 10.12   Ca and Mg Precipitation Efficiency



10.5.1. Lithium Carbonate Precipitation

Figure 10.13 demonstrates that over 86% recovery of lithium carbonate at acceptable excess-soda ash ratios was obtained. In Figure 10.13, the x-axis is the date and time of the test, while the left y-axis shows the percent of lithium mass precipitated during the tests, and the right y-axis shows the excess sodium carbonate being fed to the reactor. During this testing, excess soda ash varied from -40% to 70%. The optimum excess of soda ash is between 5 and 20% based on the lithium in the feed.

Figure 10.13 Li Precipitation Efficiency



Washing of lithium carbonate filter cake with soft water resulted in sufficient product purity for the intended markets and use.

Control of lithium carbonate crystal habit and particle size via precipitation reaction parameters was effective in minimizing impurities. The lithium carbonate was then dried and packaged. A sample of dried lithium carbonate was shipped to the United States for micronization testing.

10.6. RECENT TESTING WORK PERFORMED IN THE PILOT PLANT

The pilot plant works constantly to provide process support and monitor efficiency improvement and resource optimization in the lithium carbonate production process.

In the liming plant, important work has been carried out monitoring the consumption of lime reagent for optimizing reagent consumption in the liming plant.

The reactions that take place precipitate magnesium hydroxide, gypsum, and calcium borates. The unbalanced reactions produce the following products:

$$(Mg)^{+2} + Ca(OH)_{2,(s)} \rightarrow Mg(OH)_{2,(s)} + Ca^{+2}$$

$$Ca^{+2} + SO_4^{-2} \rightarrow CaSO_{4,(s)}$$

$2Ca^{+2} + 3B_2O_4 \rightarrow Ca_2B_6O_{11}\cdot 5H_2O_{(s)}$

Through tests carried out in the pilot plant by the process team to determine the equilibrium curve of magnesium hydroxide, calcium sulphate, and calcium borates, the optimal lime consumption was identified. This study enabled a 50% reduction in the consumption required by design. This improvement not only reduced OPEX but also enhanced downstream performance in the purification process.

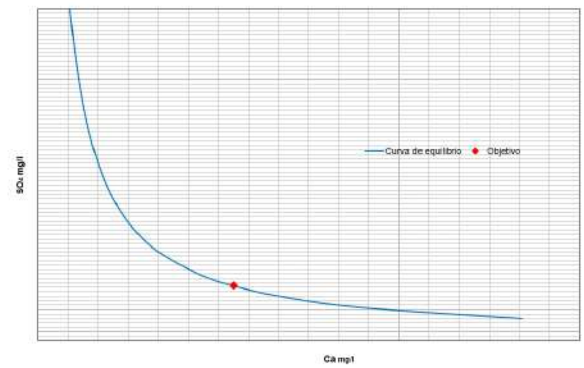
- Optimization of reagent consumption in the purification stages.

Additionally, other studies conducted in the pilot plant also allowed for the optimization of reagent consumption in the purification stages.

In purification, through preliminary tests carried out in the pilot plant, the lime consumption was reduced from a molar ratio of 300% relative to the incoming magnesium to 250%, representing a 16.7% decrease in consumption.

An empirical equilibrium curve was also established (Figure 10.14), which serves as the basis for calculating the addition of calcium chloride to achieve the desired sulphate removal in primary purification.

Figure 10.14 Sulphate-Calcium Equilibrium Curve



Additionally, a simulation was developed that, by considering the prices of various reagents, determines the optimal economic route for sulphate removal during the purification process (Table 10.3 and Figure 10.15). This tool establishes a target concentration at the output of primary purification, thereby identifying the most efficient scenario in terms of the consumption of calcium chloride, barium chloride, and sodium carbonate.

TABLE 10.3
REAGENT OPTIMIZATION IN PRIMARY PURIFICATION

$[SO_4]_{OBJETIVO\ PRODUCTO\ FINAL}$	400	mg/kg
$[Li]_{OBJETIVO\ PRODUCTO\ ENTRADA\ CARBO}$	25000	mg/L

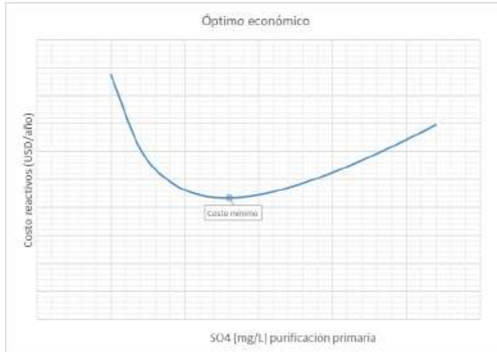
PURIFICACIÓN PRIMARIA		
Parámetro	Valor	Unidad
Salmuera	90	m^3/h
$[Li]_{ENTRADA\ PUR-1}$	12581	mg/L
$[SO_4]_{ENTRADA\ PUR-1}$	19825	mg/L
$[Ca]_{ENTRADA\ PUR-1}$	265	mg/L
$[Mg]_{ENTRADA\ PUR-1}$	570	mg/L
% $Ca(OH)_2$	20%	%
Densidad Lechada de cal	1131	kg/m^3
R.Molar	2,50	-
% $CaCl_2$	37%	%
Densidad solución $CaCl_2$	1585	kg/m^3
Lechada de cal	1,75	m^3/h
Solución de $CaCl_2$	3,82	m^3/h
R.Molar	0,95	-
$[Li]_{SALIDA\ PUR-1}$	11894	mg/L
$[SO_4]_{SALIDA\ PUR-1}$	2567	mg/L
$[Ca]_{SALIDA\ PUR-1}$	3137	mg/L
$[Mg]_{SALIDA\ PUR-1}$	<1	mg/L

OPTIMIZACIÓN DE CONSUMO DE REACTIVOS EN PURIFICACIÓN Y CALIDAD EN EL PRODUCTO FINAL

PURIFICACIÓN SECUNDARIA		
Parámetro	Valor	Unidad
Salmuera	94	m^3/h
% Na_2CO_3	25,1%	%
Densidad soda ash	1280	kg/m^3
$BaCl_2.2H_2O$	0,37	t/h
R.Molar	0,61	-
Solución soda ash	2,85	m^3/h
R.Molar	1,20	-
$[Li]_{SALIDA\ PUR-2}$	11612	mg/L
$[SO_4]_{SALIDA\ PUR-2}$	1008	mg/L
$[Ca]_{SALIDA\ PUR-2}$	<10	mg/L
$[Ba]_{SALIDA\ PUR-2}$	2,1	mg/L
COSTO MENSUAL	1.975.426	USD/mes
COSTO ANUAL	23.705.115	USD/año

OPTIMO ECONOMICO

Figure 10.15 Example of Economic Optimization Curve



With the support of the pilot plant, a new operating temperature was established in purification. Lowering it from 70°C to 55°C reduced lithium loss in the precipitated solids during secondary purification.

10.7. RECENT WORK PERFORMED IN EXTERNAL LABORATORIES

Chromatographic analysis in external laboratories to monitor the concentration of organic solvents in the SX process streams has been carried out in:

- Refined brine.
- Stripping streams.

10.8. CONTINUING WORK PLAN FOR SUPPORTING THE PLANT OPERATIONS

The following work and activities are being carried out at the pilot plant to support the operation:

Homologation Tests for Inputs Used in Lithium Carbonate Production:

- Evaluation of synthetic sodium carbonate.
- Tests with different flocculants.
- Testing and evaluation of new inputs.

Evaluation of Suppliers for Various Production Inputs:

- Procedure for evaluating new suppliers.
- Tests required for evaluation.

Work Required According to Plant Needs for Process Optimization, Operational Problem Resolution, or Development of Alternatives:

- Solvent extraction tests at different brine pH values to reduce HCl consumption.
- Studying of the use of process water and mother liquors in the liming process.
- Evaluation of salt washing processes for improved lithium recovery.
- Tests for reagent dosing in primary and secondary purification processes to reduce reagent OPEX.
- Pilot Plant IX tests to adjust production and regeneration cycles.
- Tests to reduce HCl and NaOH consumption in IX regeneration processes.
- Evaluation of the relationship between lithium concentration and sodium / potassium rejection to assist with improving the operation of the KCl process step.
- Implement a process support program for ensuring that product quality is achieved more consistently.
- Continue Solid / liquid separation tests in PUR1 and PUR2 for optimising filter cloths, flocculant make up and filter cake washing.

11. MINERAL RESOURCE ESTIMATES

11.1. OVERVIEW

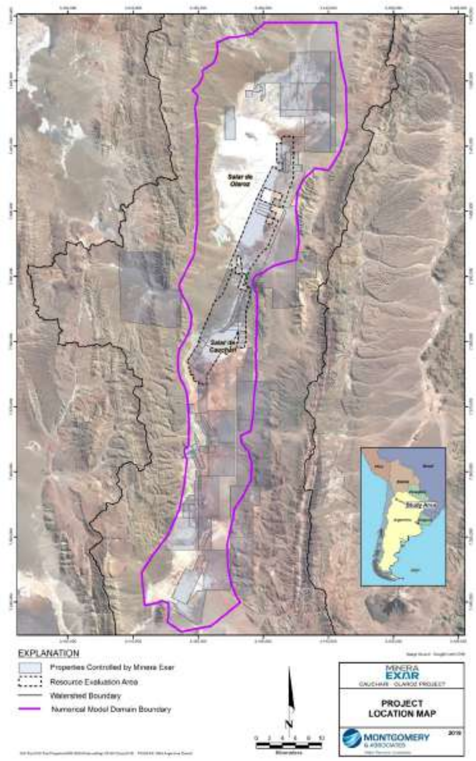
Exar, operating as a subsidiary of a joint venture between LAR, GFL, and JEMSE, commissioned Montgomery to update the lithium brine Mineral Resource Estimate for the Cauchari-Olaroz lithium brine project, Jujuy Province, Argentina in 2019. The following Mineral Resource Estimate has an effective date of May 7, 2019, and represents a Measured, Indicated and Inferred Mineral Resource for lithium. The Project area consists of parts of Salar de Olaroz ("SdO") basin in the north and Salar de Cauchari ("SdC") basin in the south. Figure 11.1 shows the Project area highlighting properties controlled by Exar, the extents of the 2019 Measured, Indicated, and Inferred Mineral Resource Estimate ("Resource Evaluation Area"), the watershed boundary of the basin, and the expanded numerical model boundary domain (Section 12.0).

No report compliant with the S-K regulations has previously been filed. LAR has previously filed the following NI 43-101 technical reports (as LAC) on the Project providing prior Mineral Resource Estimates for lithium.

- King, M., 2010a. Amended Inferred Resource Estimation of Lithium and Potassium at the Cauchari and Olaroz Salars, Jujuy Province, Argentina. Report prepared for Lithium Americas Corp. Effective Date: February 15, 2010.

- King, M., 2010b. Measured, Indicated and Inferred Resource Estimation of Lithium and Potassium at the Cauchari and Olaroz Salars, Jujuy Province, Argentina. Report prepared for Lithium Americas Corp. Effective Date: December 6, 2010.
- King, M., Kelley, R., and Abbey, D., 2012. Feasibility Study Reserve Estimation and Lithium Carbonate and Potash Production at the Cauchari-Olaroz Salars, Jujuy Province, Argentina. Report prepared for Lithium Americas Corp. Effective Date: July 11, 2012.
- Burga, E., Burga, D., Rosko, M., King, M., Abbey, D., Sanford, T., Smee, B., and Leblanc, R., 2017. Updated Feasibility Study Reserve Estimation and Lithium Carbonate Production at the Cauchari-Olaroz Salars, Jujuy Province, Argentina. Report prepared for Lithium Americas Corp. Effective Date: March 29, 2017. Filing Date: January 15, 2018.
- Burga, D., Burga, E., Genck, W., and Weber, D., 2019. Updated Mineral Resource Estimate for Cauchari-Olaroz Project, Jujuy Province, Argentina. Report prepared for Lithium Americas Corp. Effective Date: March 1, 2019. Filing Date: March 31, 2019.
- Burga, E., Burga, D., Genck, W., Weber, D., Sandford, A., Dworzanowski, M. 2020. Updated Feasibility Study and Mineral Reserve Estimation to Support 40,000 tpa at the Cauchari-Olaroz Salars, Jujuy Province, Argentina, NI 43-101 Report, Prepared for Lithium Americas. Effective Date: September 30th, 2020. Filing Date: October 19, 2020.

Figure 11.1 Location Map for 2019 Mineral Resource Estimate



Source: *Burga et al. (2020)*

For purposes of this section, the prior Resource Estimate provided in King and others (2012) with an effective date of July 11, 2012 and subsequently included in Burga et al. (2017) are referred to as LAC (2012) and LAC (2017), respectively. The prior Mineral Resource Estimate was updated in Burga et. al (2019) with an effective date of February 13, 2019 and is referred to as LAC (2019); that update incorporated: 1) samples and interpretations used from the prior LAC (2012) Mineral Resource Estimate for lithium, and 2) an expanded Project database compiled from results of 2017 through 2018 exploration drilling and sampling campaigns and additional depth-specific sampling in early 2019 as part of data verification.

In developing the Mineral Reserve Estimate, documented in Section 12.0, and after statement of the most recent Mineral Resource Estimate (LAC, 2019), the hydrostratigraphic (HSU) model developed in Leapfrog Geo and used for the Mineral Resource Estimate in LAC (2019) was simplified according to conceptual depositional environments or stratigraphic sequence units (Section 11.3.5). This update of the HSU model allowed for a departure from the complex 24-layer lithologic scheme used in the prior HSU model, and for deepening of the bedrock basement in the model based on recent results from both deep core drilling and sampling at Platform 1 (Section 11.2.2), and published results of neighboring property areas (Advantage Lithium, 2018 and 2019).

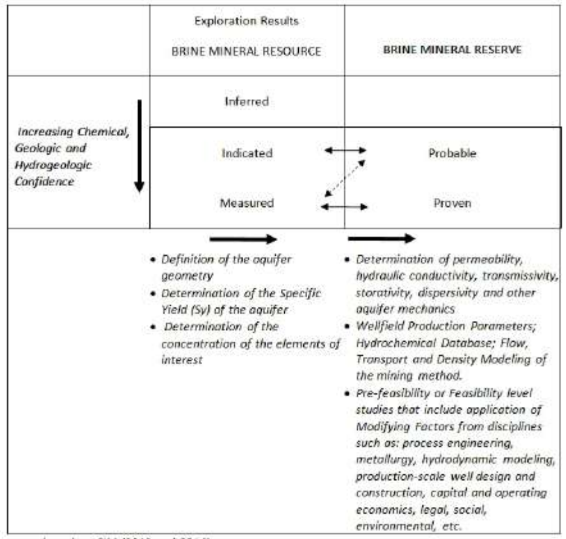
The results of drilling and sampling at Platform 1 conducted after statement of the recent Mineral Resource Estimate (LAC, 2019) has allowed for partial conversion of the Inferred Mineral Resource aquifer volume in the 2019 HSU model to Measured and Indicated Mineral Resource aquifer volumes of the deeper HSUs. This conversion of aquifer volume to more confident Mineral Resource Estimate classification surrounding Platform 1 provides the support for simulated wells in the Mineral Reserve Estimate numerical model to be completed in the deeper and more permeable Lower Sand and Basal Sand HSUs in the southeast part of the model domain. This resulted in the latest Mineral Resource Estimate for the Project with an effective date of May 7, 2019 (Section 11.4).

11.1.1. Statement for Brine Mineral Prospects and Related Terms

Lithium occurs as a dissolved mineral species in subsurface brine of the Project area. The brine is contained within an aquifer comprised of alluvial, lacustrine, and evaporite deposits that have accumulated in the SdC and SdO structural basin. Mineral Resource estimation for brine mineral deposits is based on knowledge of the geometry of the brine aquifer, the variation in specific yield (the yield of drainable fluid obtained under gravity flow conditions from the interconnected pore volume and referred to as drainable porosity), and concentration or grade of dissolved mineral species such as lithium in the brine aquifer.

Following CIM standards and guidelines for technical reporting, classification standards for a Mineral Resource are applied as indicators of confidence level classifications: Measured, Indicated, and Inferred. According to these standards, “Measured” is the most confident classification and Inferred is the least confident (CIM, 2012 and 2014). To estimate the Mineral Reserve, in addition to economic, process, and other potentially modifying aspects, further information is necessary for permeability (hydraulic conductivity), transmissivity, storativity, diffusivity and the overall groundwater flow regime to predict how the resource will change over the life of mine plan (CIM, 2012 and 2014). The evaluation framework used by Montgomery for brine Mineral Resource and Mineral Reserve estimation, based on CIM standards and best practice guidelines, is shown in Figure 11.2.

Figure 11.2 Methodology for Evaluating Brine Mineral Resources and Mineral Reserves[a]



a — based on CIM (2012 and 2014)

As a liquid mineral deposit, a Mineral Resource Estimate for lithium occurring as a dissolved mineral species in a brine aquifer is determined by quantifying the brine volume and associated mass able to drain by gravity effects. The Mineral Resource Estimate is computed as the product of the estimated resource area and resource thickness or aquifer volume, lithium concentration dissolved in the brine (grade), and specific yield of the resource. The brine Mineral Resource Estimate, sometimes referred to as the static or *in situ* model of the brine aquifer, can be advanced to a Mineral Reserve Estimate by projecting the producing capacity of the proposed operating facilities and site-wide lithium grade to be extracted from the aquifer volume comprising the Mineral Resource Estimate. The brine Mineral Reserve Estimate, sometimes referred to as the dynamic model of the brine aquifer, involves flow, transport and density numerical modeling for simulating an extraction wellfield using production-scale wells as the mining method of the Project.

Mineral Resource classifications used in this study conform to the S-K regulations:

Mineral Resource: *is a concentration or occurrence of material of economic interest in or on the Earth's crust in such form, grade or quality, and quantity that there are reasonable prospects for economic extraction. A Mineral Resource is a reasonable estimate of mineralization, taking into account relevant factors such as cut-off grade, likely mining dimensions, location or continuity, that, with the assumed and justifiable technical and economic conditions, is likely to, in whole or in part, become economically extractable. It is not merely an inventory of all mineralization drilled or sampled.*

Measured Mineral Resource: *is that part of a Mineral Resource for which quantity and grade or quality are estimated on the basis of conclusive geological evidence and sampling. The level of geological certainty associated with a Measured Mineral Resource is sufficient to allow a qualified person to apply modifying factors, as defined in this section, in sufficient detail to support detailed mine planning and final evaluation of the economic viability of the deposit. Because a Measured Mineral Resource has a higher level of confidence than the level of confidence of either an Indicated Mineral Resource or an Inferred Mineral Resource, a Measured Mineral Resource may be converted to a Proven Mineral Reserve or to a Probable Mineral Reserve.*

Indicated Mineral Resource: *is that part of a Mineral Resource for which quantity and grade or quality are estimated on the basis of adequate geological evidence and sampling. The level of geological certainty associated with an Indicated Mineral Resource is sufficient to allow a qualified person to apply modifying factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit. Because an Indicated Mineral Resource has a lower level of confidence than the level of confidence of a Measured Mineral Resource, an Indicated Mineral Resource may only be converted to a Probable Mineral Reserve.*

Inferred Mineral Resource: *is that part of a Mineral Resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. The level of geological uncertainty associated with an Inferred Mineral Resource is too high to apply relevant technical and economic factors likely to influence the prospects of economic extraction in a manner useful for evaluation of economic viability. Because an Inferred Mineral Resource has the lowest level of geological confidence of all Mineral Resources, which prevents the application of the modifying factors in a manner useful for evaluation of economic viability, an Inferred Mineral Resource may not be considered when assessing the economic viability of a mining project, and may not be converted to a Mineral Reserve.*

11.2. DEFINITION OF RESOURCE-BEARING FORMATIONS

11.2.1. Geology

Based on reporting in LAC (2012 and 2017), there are two dominant structural features in the region of SdO and SdC: north-south trending faults and northwest-southeast trending lineaments. The high-angle north-south trending faults form narrow and deep basins, which are accumulation sites for numerous salars in the region, including Olaroz and Cauchari. Basement rock in this area is composed of Lower Ordovician turbidites (shale and sandstone) that are intruded by Late Ordovician granitic rocks. Bedrock is exposed to the east, west and south of SdO and SdC, and generally along the eastern boundary of the Puna Region of Argentina. These rocks are overlain by Neogene sedimentary and volcanic rocks, including basaltic to rhyolitic lava flows and dacitic to rhyolitic caldera-forming ignimbrites.

The salars are in-filled with flat-lying clastic sedimentary and evaporite deposits, including the following five informal lithological units that have been identified in drill cores:

- Red silts with minor clay and sand;
- Banded halite beds with clay, silt and minor sand;
- Fine sands with minor silt and salt beds;
- Massive halite and banded halite beds with minor sand; and
- Medium and fine sands.

Alluvial deposits intrude into these salar deposits to varying degrees, depending on location. The alluvium surfaces slope into the salar from outside the basin perimeter. Raised bedrock exposures occur outside the salar basin. The most extensive intrusion of alluvium into the basin is the Archibarca alluvial fan system, which partially separates SdO and SdC on the western boundary. In addition to this significant alluvial fan deposit, much of the perimeter zone of both salars exhibits encroachments of alluvial material associated with alluvial fan systems (Figure 11.1).

11.2.2. Drilling and Sampling

Exploration drilling and sampling programs conducted between 2009 and 2011 evaluated the lithium development potential of the Project area and supported the prior 2012 Mineral Resource Estimate (LAC 2012 and 2017). A map showing exploration wells and boreholes used to evaluate the prior Mineral Resource Estimate and the 2019 Mineral Resource Estimate is shown in Figure 11.3.

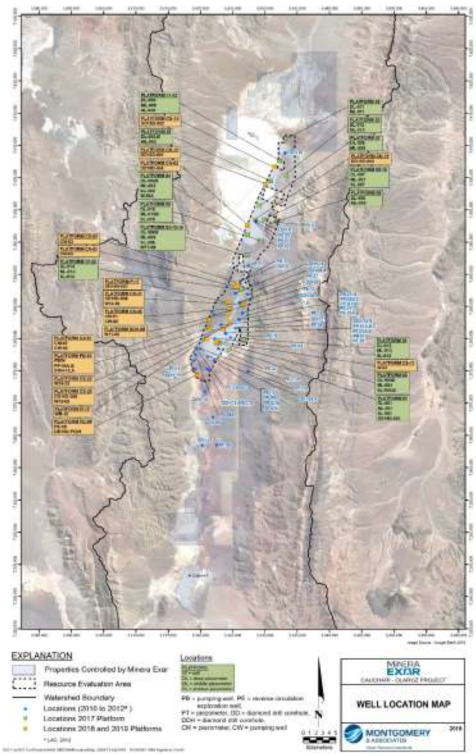
For the 2017, 2018 and 2019 exploration programs, Exar provided the following additional drilling and sampling information of the Project area for analysis of the 2019 Mineral Resource Estimate:

- **Reverse Circulation (RC) Borehole Program:** Reverse circulation drilling was conducted to develop vertical profiles providing geological and hydrogeological information. The program included installation of 27 boreholes: 19 boreholes completed as shallow wells, and eight boreholes completed as deep wells. The program included description of rotary drill cuttings samples, pumping tests, and collection of 90 depth-specific brine samples collected using bailer methods at 15 well locations.
- **Diamond Drilling (DD and DDH) Borehole Program:** This program was conducted to collect continuous cores for lithologic description, geotechnical testing (total porosity, grain size and density) and brine sampling. The program included 19 boreholes often with multiple screened-interval completions and collection of 195 depth-specific brine samples using bailer methods. In 2019, 58 additional samples were sent for RBRC testing at Daniel B. Stephens & Associates, Inc. (samples from DD19D-001 AND DD19D-PE09). Drilling and

analysis of samples at Platform 1 (DD19D-001) was completed on May 7, 2019 and forms the basis of the effective date for the 2019 Mineral Resource Estimate.

- **Additional Depth Specific Brine Sampling Program:** Samples totaling 71 depth-specific bailer samples were collected in 2017 and 2018 at 14 RC and DDH locations drilled between 2009 and 2011. With the 2017 and 2018 depth specific samples, six additional depth-specific bailer samples were collected and incorporated into the data set in February 2019 as confirmatory samples.

Figure 11.3 Well Location Map



Source: *Burga et al. (2020)*

11.3. MINERAL RESOURCE ESTIMATE METHODOLOGY

11.3.1. Background and History

11.3.1.1. Mineral Resource Estimate (LAC, 2012)

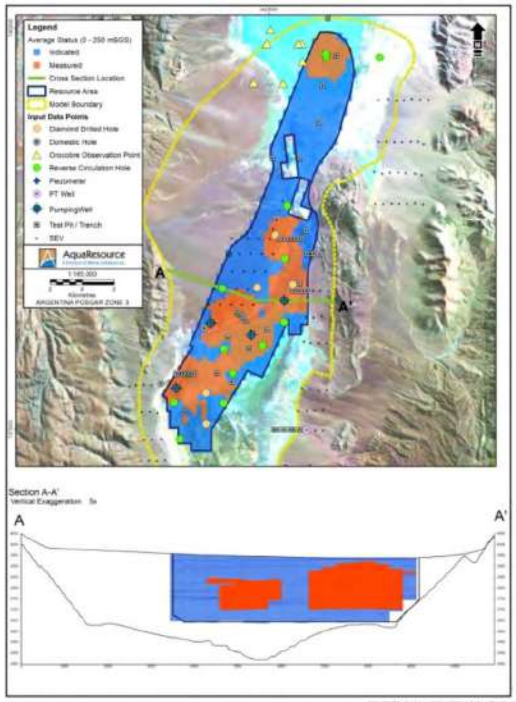
The development of the prior Mineral Resource Estimate reported in LAC (2012; effective date of July 11, 2012) used Leapfrog Hydro modeling software; volume and mass calculations for the Resource Evaluation Area were developed using GIS software. The Resource Evaluation Area was defined as Measured or Indicated based on the continuity demonstrated by exploration drilling and sampling data. The regions of the prior 2012 Measured and Indicated Mineral Resource Estimate are shown on Figure 11.4 for slice depth of 150 m and include a section through SdC.

The methodology for defining the Measured and Indicated classification was as follows:

- **Indicated Mineral Resource:** The lateral extent of the Indicated Mineral Resource is defined by whichever of the following is less laterally extensive: (1) the Exar claim boundary, (2) the location of the lithium iso-surface for the cut-off grade, or (3) a 1.5 km buffer around the exploration data points. The base of the zone is defined by the shallowest of the following: (1) the deepest chemistry sample in an exploration well in a 5 km search radius, or (2) the interpreted surface of the basement rock underlying the salar sediments.
- **Measured Mineral Resource:** The Measured Mineral Resource is defined if there is: (1) at least one measurement of grade within 30 m vertically and 1,250 m horizontally, and (2) adequate knowledge of grade continuity, as defined by the presence of at least four independent locations of grade measurement at any depth within a 1,500 m search radius.

The 2012 Mineral Resource Estimate was calculated relative to a lithium concentration cut-off grade of 354 mg/L. This value was identified as a process engineering constraint for the 2012 Mineral Reserve Estimate.

Figure 11.4 Plan and Section Views of the 2012 Measured and Indicated Mineral Resource Estimate



Plan view shows a horizontal slice at depth of 150 m

Source: *King, Kelley, Abbey (2012)*

11.3.1.2Mineral Resource Estimate (LAC, 2019)

The development of a Mineral Resource Estimate reported in LAC (2019; effective date of February 13, 2019) was conducted as a collaborative effort between Montgomery and the Exar project team starting in September 2018. Verification of 2017 and 2018 core logging and description methods were conducted on-site at the Project on September 8 and 9, 2018 by Montgomery Qualified Persons: Michael Rosko and Daniel Weber. The on-site field visit to the Project area was led by Exar representative M. Casini and associated field hydrogeologists from Exar. Results of 2017 and 2018 exploration drilling and sampling were provided to Montgomery in digital format in the software platform Strater (v.5, Golden Software) and Microsoft Excel spreadsheets. These data were subsequently compiled in a database using Microsoft Access to update the hydrostratigraphic framework.

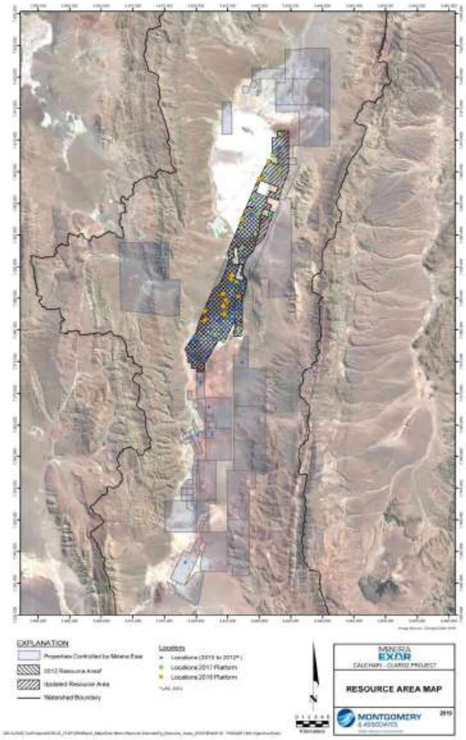
The 2019 Mineral Resource Estimate incorporated: (1) samples and analytics used from the previous 2012 Mineral Resource Estimate, and (2) an expanded Project database compiled from results of 2017 and 2018 exploration drilling and sampling campaigns, and recent depth specific brine sampling in early 2019 for data verification. Sample verification and sample QA/QC was conducted by an independent Qualified Person in coordination with the Exar team. To obtain the 2019 Mineral Resource Estimate, the previous models and expanded database were analyzed and processed by Montgomery using Leapfrog Geo 4.4 and Leapfrog EDGE geologic modeling and resource estimation software (Seequent, 2018).

A map showing the Resource Evaluation Area of Mineral Resource classes is shown in Figure 11.5 for the prior Mineral Resource Estimate and for the 2019 Mineral Resource Estimate. For the 2019 Mineral Resource Estimate, the Resource Evaluation Area extended north to include: 1) Exar Property areas with 2017 and 2018 exploration results, and 2) areas meeting the criteria of resource classes for Mineral Resource estimation. Figure 11.6 shows a section view of the 2019 Mineral Resource Estimate and a map view at a slice elevation of 3,800 masl (approximate depth of 150 m within SdC). Compared with a similar representation for the 2012 Mineral Resource Estimate (Figure 11.4), the 2019 Mineral Resource Estimate extends deeper in the brine mineral deposit as well as to the north property claim area.

Except for cut-off grade, the methodology and resource classification scheme for evaluating the 2019 Mineral Resource Estimate followed the prior 2012 Mineral Resource Estimate criteria for Measured and Indicated. The prior 2012 processing constraint of cut-off grade of 354 mg/L was not imposed as a strict control by Exar for the update in 2019. However, for comparison purposes the cut-off grade was set at 300 mg/L concentration of lithium, largely to include results from drilling platform 06.

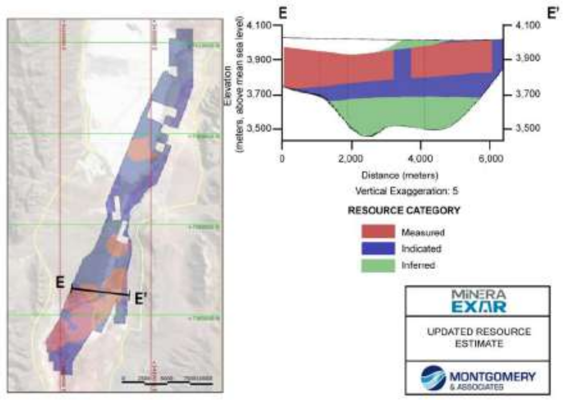
Comparing the 2012 Mineral Resource Estimate to the 2019 Mineral Resource Estimate (LAC 2012 and LAC 2019, respectively), the percent change showed a decrease of less than 1% for total average lithium concentration of Measured + Indicated (585 mg/L vs. 581 mg/L); the percent change was an increase of 53% for total LCE Measured + Indicated (11,752,000 tonnes LCE vs. 17,977,200 tonnes LCE). The large increase in overall mass can be attributed to the expansion and deepening of the Resource Evaluation Area based on exploration results obtained in 2017 and 2018. The small decline in total average concentration can be attributed to the 2019 Mineral Resource Estimate affected by the 2017 and 2018 range of samples collected in SdO and Archibarca areas of the Project. When spatially averaged with the lithium concentration of SdC samples, which essentially dominated the prior 2012 Mineral Resource Estimate, the 2019 Mineral Resource Estimate had a relatively small percentage decrease in the overall concentration of lithium.

Figure 11.5 Location Map Showing Mineral Resource Evaluation Areas – 2012 Mineral Resource Estimate and 2019 Mineral Resource Estimate



Source: *Burga et al. (2020)*

Figure 11.6 Representative Plan and Section Views of the 2019 Measured, Indicated, and Inferred Mineral Resource Estimate



Source: *Burga et al. (2020)*

11.3.2. Hydrostratigraphic Framework

A generalized hydrostratigraphic framework of the hydrostratigraphic model developed for the 2012 Mineral Resource Estimate is presented in Figure 11.7. The framework was comprised of five primary units distributed across 24 layers representing a multi-layered, brine aquifer system. The primary units were based on the lithologic interpretation of core and rotary drill-cutting samples from boreholes, geophysical surveys, results of hydraulic testing at the site, as well as consideration of the interpreted in-filling history of the salar basin.

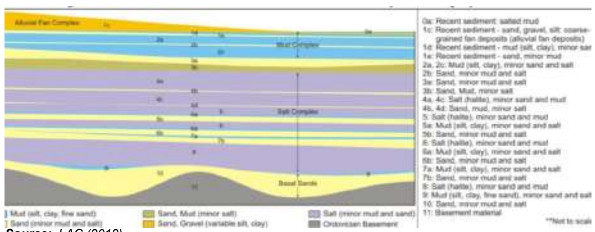
Interpretation of the 24 layers included the following descriptive comments (LAC 2012):

- Laterally, not all units exist at all locations, as they may pinch out laterally between sections and boreholes.

- Characterization was extended to the margins of the salar basin at a minimum thickness of 0.1 m to facilitate numerical modeling of groundwater flow regimes across natural flow boundaries.

- Hydraulic properties were assigned to zones of inferred sedimentary homogeneity in each hydrostratigraphic unit, as interpreted from pumping tests.
- The recent coarse-grained alluvial fan deposits and finer-grained mud, salted mud, and lesser sand and salt (halite) tend to be the units that occur at the surface, and in the near surface zone.
- A mud complex consisting of silt and clay with sandy lenses and discontinuous sand beds is persistent in the subsurface under recent salar sediments.
- The mud complex is separated from an underlying salt complex by a discontinuous unit of sand with minor mud and salt content.
- Alternating units of salt (halite) and sand/mud characterize the salt complex.
- A laterally discontinuous mud body is interpreted to overlie a basal sand deposit.
- The basal sand is interpreted to be persistent across most of the model.
- Geophysical data help to define a series of faults that control the basin-filling history, and in turn control the position of the salt hardpan surfaces.
- The broad graben basin is interpreted to have an asymmetric shape; the eastern border fault is interpreted to have a greater component of dip-slip than the western fault. Consequently, the basin is deeper in the center and the east.

Figure 11.7 Generalized Framework for Hydrostratigraphic Model Used for the 2012 Mineral Resource Estimate



Source: *LAC (2012)*

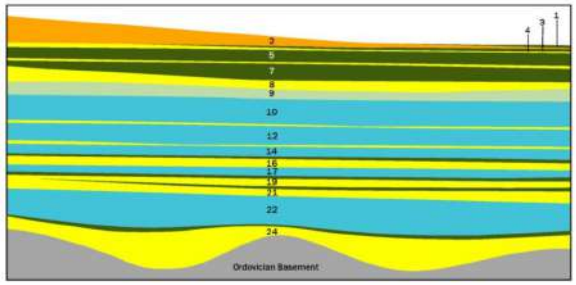
As part of data processing for the 2019 Mineral Resource Estimate (LAC, 2019), Montgomery used the 24-layer model represented in the 2012 FEFLOW model to integrate and update the hydrostratigraphic nomenclature according to additional lithologic data collected during the 2017 and 2018 exploration drilling and sampling campaigns. The 2019 Mineral Resource Estimate used six hydrostratigraphic units distributed across 24 layers representing a multi-layered, brine aquifer system. Table 11.1 shows the comparison of hydrostratigraphic interpretation and nomenclature used in the prior 2012 Mineral Resource Estimate versus the 2019 Mineral Resource Estimate. Figure 11.8 shows the 2019 hydrostratigraphic nomenclature and adjusted color scheme to correlate with colors in Exar lithologic logs.

Table 11.1
Summary of Hydrostratigraphic Units Assigned in 2012 and 2019 Mineral Resource Estimates

2012 Lithostratigraphic Unit[a]	2012 Stratigraphic Group[a]	2012 Resource Estimate Hydrostratigraphic Unit[a]	2019 Resource Estimate Hydrostratigraphic Unit[b]
Recent sediments	Alluvial Fan Complex	Sand	Alluvial Fan Sand and Gravel (with minor silt and clay)
Recent Sediments Unit 1: Red silts with minor clay and sand Unit 2: Banded halite beds with clay, silt, and minor sand	Mud Complex	Mud (Clay and Silt Mix)	Clay and Silt (with minor sand and halite)
Unit 3: Fine sands with minor silt and salt beds	Sand layer between mud and salt complex	Sand	Sand (with minor clay/silt and halite)
Unit 3: Fine sands with minor silt and salt beds	Sand/mud layer between mud and salt complex	Sand Mix	Sand and Clay/Silt (with minor halite)
Unit 4: Massive halite and banded halite beds with minor sand	Salt Complex	Halite	Halite (with minor clay/silt and sand)
Unit 5: Medium and fine sands	Basal Sands	Sand	Basal Sand (with minor silt and weathered bedrock)

(a) LAC (2012)
(b) LAC (2017)

Figure 11.8 Generalized Framework for the Hydrostratigraphic Model Used for the 2019 Mineral Resource Estimate



Hydrostratigraphic Layers	
1. Clay and Silt (with minor sand and halite)	13. Sand (with minor clay/silt and halite)
2. Alluvial Fan Sand and Gravel (with minor silt and clay)	14. Halite (with minor clay/silt and sand)
3. Clay and Silt (with minor sand and halite)	15. Clay and Silt (with minor sand and halite)
4. Sand (with minor clay/silt and halite)	16. Sand (with minor clay/silt and halite)
5. Clay and Silt (with minor sand and halite)	17. Halite (with minor clay/silt and sand)
6. Sand (with minor clay/silt and halite)	18. Clay and Silt (with minor sand and halite)
7. Clay and Silt (with minor sand and halite)	19. Sand (with minor clay/silt and halite)
8. Sand (with minor clay/silt and halite)	20. Clay and Silt (with minor sand and halite)
9. Sand and Clay/Silt (with minor halite)	21. Sand (with minor clay/silt and halite)
10. Halite (with minor clay/silt and sand)	22. Halite (with minor clay/silt and sand)
11. Sand (with minor clay/silt and halite)	23. Clay and Silt (with minor sand and halite)
12. Halite (with minor clay/silt and sand)	24. Basal Sand (with minor silt and weathered bedrock)

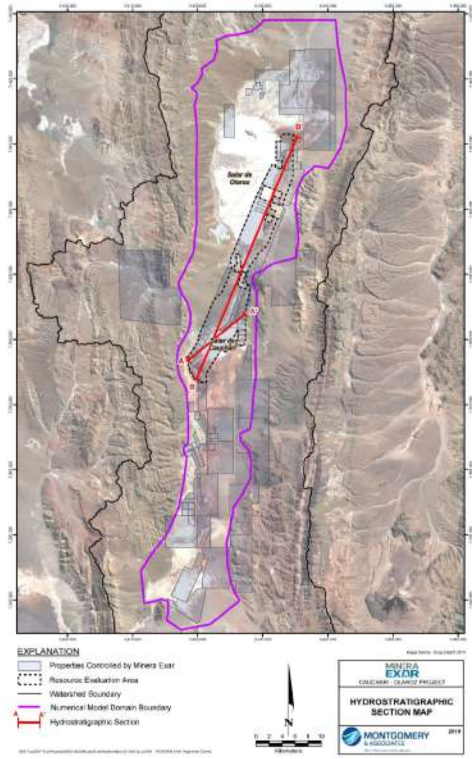
11.3.3. Hydrostratigraphic Unit Model

The 2012 hydrostratigraphic unit (HSU) model representing the prior Resource Evaluation Area of the Project involved a complex layering scheme. In order to assess the reliance of this framework for the 2019 Mineral Resource Estimate method (LAC, 2019), the 2012 hydrostratigraphic model was analyzed in Leapfrog Geo using the 2012 FEFLOW layers used for modeling the 2012 Mineral Reserve Estimate. To illustrate the results, sections A-A' and B-B', located on Figure 11.9, are provided from the hydrostratigraphic models representing the prior and 2019 hydrostratigraphic model analysis, Figure 11.10 and Figure 11.11 respectively. Results show the reported 2012 hydrostratigraphic model Section A-A' shown on Figure 11.10 compares well to the same section location of the 2012 model using the FEFLOW layers as processed in Leapfrog Geo and shown on Figure 11.11.

After similar verification methods of the 2012 hydrostratigraphic model, its 3D extents were expanded using the 2019 database of drilling and sampling results from the 2017 and 2018 exploration campaigns provided by Exar to Montgomery. Additionally, publicly available results were used as off-property control points of the Resource Evaluation Area in SdO and SdC (Orocobre Limited, 2011 and Advantage Lithium, 2018). The 2017 and 2018 exploration campaigns included several wells in SdO to expand the model in the north and wells drilled to greater depths in both SdC and SdO to better characterize the deep salar sediments. The 2019 hydrostratigraphic model boundary is delineated in SdC using the prior model boundary and in SdO by either the mapped salar sediments or the Exar Property boundary, whichever has the greatest lateral extent. Several of the wells extended deeper than the previous 2012 basement contact resulting in the basement contact to be deepened along the eastern part of the basin. The section shown on Figure 11.12 representing the 2019 hydrostratigraphic model, also evaluated to Section A-A' for comparison to the 2012 model (Figure 11.10), illustrates the deepened basement contact on the east side of the basin.

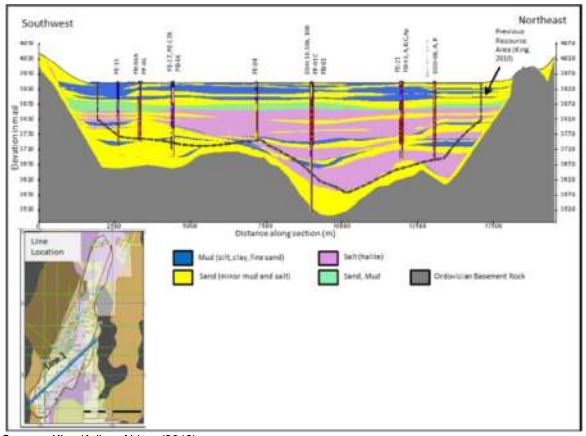
The complexity of the hydrostratigraphic layers and differences between SdC and SdO basins are shown on the SW-NE Section B-B' in Figure 11.13, which bisects the basin and extends further NE beyond the prior 2012 model domain Figure 11.9). Hydrostratigraphic units in SdC to the southwest are generally more varied and coarse-grained compared to SdO in the northeast which shows more halite with minor clay/silt and sand lenses. Although the 24-layer hydrostratigraphic framework was used to expand the model further NE into SdO, the section shows the complexity of translating this layering strategy outside of the original modeled area which relied on prior exploration in SdC.

Figure 11.9 Location Map of Representative Hydrostratigraphic Sections



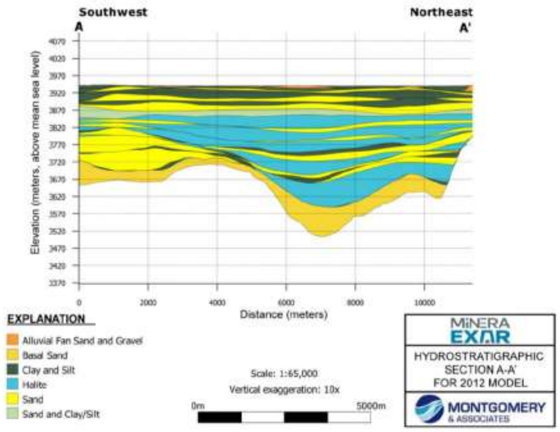
Source: *Burga et al. (2020)*

Figure 11.10 Section A-A' of the Hydrostratigraphic Model Used for the 2012 Mineral Resource Estimate



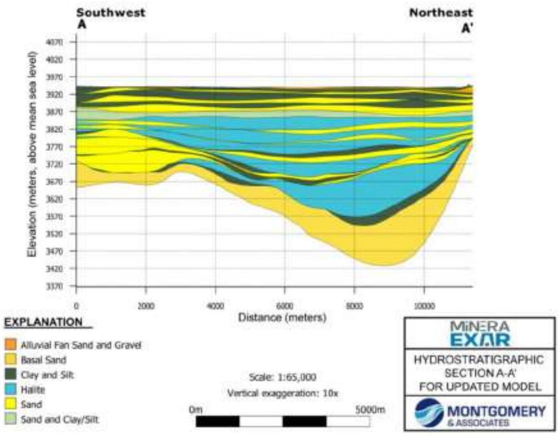
Source: *King Kelley, Abbey (2012)*

Figure 11.11 Section A-A' of the Hydrostratigraphic Model Used for the 2012 Mineral Resource Estimate Processed in Leapfrog Geo



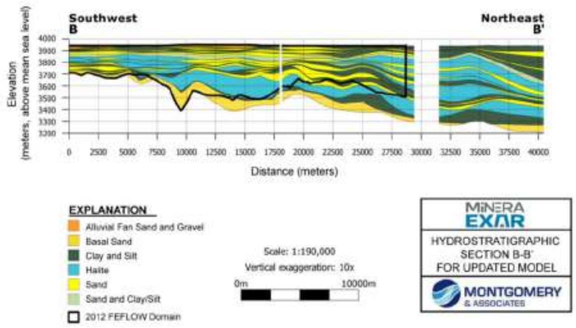
Source: *Burga et al. (2020)*

Figure 11.12 Section A-A' of the 2019 Hydrostratigraphic Model Used for the 2019 Mineral Resource Estimate (LAC, 2019)



Source: *Burga et al. (2020)*

Figure 11.13 Section B-B' of the Hydrostratigraphic Model Used for the 2019 Mineral Resource Estimate (LAC, 2019)



Source: *Burga et al. (2020)*

11.3.4. Specific Yield

Specific yield ("Sy") or drainable porosity is the total volume of pore space in saturated media that drains, under the influence of gravity, expressed as a percentage of sample volume. In standard terms of aquifer mechanics, Sy is defined as the volume of water released from a unit volume of unconfined aquifer per unit decline in the water table. Sy has been estimated with laboratory RBRC methods as reported in the 2012 Mineral Resource Estimate (LAC, 2012). Results were used to estimate representative Sy values for each of the six primary unit types in the hydrostratigraphic model.

In the 2012 FEFLOW model (LAC, 2012), the upper two model layers included variation in Sy to represent mapped surface geology and numerical parameter estimation results from steady-state calibration of the 2012 FEFLOW model. Deeper model layers generally had more uniform Sy based on the lithology of the primary unit. The finer-grained, primary units at depth (Halite, Clay and Silt) were modeled with a uniform Sy estimate based on the dominant lithology, while the Sy of the Sand unit varied with approximate correlation to depth and potential effects of lithostatic loading. The representative values of Sy for each layer remained unchanged from the 2012

FEFLOW model and were distributed similarly in the Leapfrog model for the Mineral Resource Estimate (LAC, 2019). Table 11.2 provides parameter values for Sy.

TABLE 11.2
SUMMARY OF HYDROSTRATIGRAPHIC UNITS AND ASSIGNED SPECIFIC YIELD ESTIMATES FOR THE 2019 MINERAL RESOURCE ESTIMATE (LAC, 2019)

Primary Unit	Minor Units	Specific Yield Estimate for Primary Unit (percent)
Alluvial Fan Sand and Gravel	Silt and Clay Lenses	24.9
Clay and Silt	Sand and Halite Lenses	5.6
Sand[a]	Clay/Silt, and Halite Lenses	24.9 / 16.0 / 12.1
Sand and Clay/Silt	Minor Halite Lenses	16.0
Halite	Clay/Silt and Sand Lenses	5.9
Basal Sand	Silt and Weathered Bedrock	13.7

(a) Sand unit modeled similarly to the LAC 2012 model where Sy generally decreases with depth: hydrostratigraphic model layers 4, 8, 11, and 16 were assigned values of specific yield of 24.9 percent; layer 13 was assigned 16.0 percent; layers 6, 19, and 21 were assigned 12.1 percent.

11.3.5. 2019 HSU Model

During the process of updating the Mineral Reserve Estimate model in 2019 (Section 12.0), the HSU model developed in Leapfrog Geo and used for the 2019 Mineral Resource Estimate (LAC, 2019) described in Section 11.3.3 was modified according to conceptual depositional environments or stratigraphic sequence units. This re-evaluation of the HSU model was required to support the formulation Mineral Reserve Estimate numerical model by allowing for simplifying the complex 24-layer lithologic scheme used in the previous model, deepening of the bedrock basement in the model based on deep core drilling at Platform 1 (Figure 11.3), and incorporating published results of neighboring property areas (Advantage Lithium, 2018 and 2019). The re-evaluation of the HSU model, along with incorporation of Platform 1 drilling and sampling results, also allowed for the 2019 Mineral Resource Estimate as presented in Section 11.4.

The resulting HSUs are essentially equivalent to and composed of the previously declared HSUs, however the HSU naming conventions and descriptions for the numerical model of the Mineral Reserve Estimate have been modified as identified in Table 11.3 into seven HSUs with representative primary and secondary lithologic units. The regrouping of units in the 2019 HSU model conformed to review and analysis of lithologic log descriptions grouped by the Unified Soil Classification System (USCS) according to sand, gravel, halite, silt, clay, and other descriptions noted in logs and core photographs to sum the percent distributions for the grouped HSU units. For each logged interval, the primary and secondary lithologic units were identified by percent distribution and the interval thickness was calculated in order to weight the lithology. This was then summed by HSU to provide an overall lithologic distribution to appropriately weight and adjust Specific Yield estimates based on laboratory results for RBRC and published literature estimates. The largest effect of the analysis was redistributing the previously defined single Halite HSU by splitting it into representative HSUs with either primary or secondary units of Halite and quantifying the lithologic distribution of other units mixed with the Halite.

Table 11.3
Summary of Hydrostatigraphic Units in the 2019 HSU Model

Hydrostratigraphic Unit	Primary Units	Minor Units
Alluvial Fan Sand and Gravel	Sand and Gravel	Silt/Clay
Interbedded Sand and Clay/Silt	Sand and Clay/Silt	Halite
Clay/Silt with Sand	Clay/Silt with Sand	Halite
Halite with Sand	Halite with Sand	Clay/silt lenses
Interbedded Sand and Halite	Sand and Halite	Silt/Clay
Lower Sand	Sand	Silt and Halite
Basal Sand	Sand	Silt and Weathered Bedrock

Adjustments to Specific Yield estimates for the HSUs were constrained to be equivalent to the overall average Specific Yield estimate of the previous updated Mineral Resource Estimate (Burga, et al., 2019); initial lithium concentrations also remained unchanged as described in Section 11.3.6. The net effect of regrouping the HSUs was minor on the 2019 Measured and Indicated Mineral Resource Estimate (Burga, et al., 2019): on average, modifications to the HSU model showed an approximate 1 percent increase in the total Measured plus Indicated Mineral Resource Estimate for lithium concentrations, lithium mass, brine volume, and LCE mass compared to reported values in the 2019 Mineral Resource Estimate. This net effect is largely attributed to the change in bedrock surface geometry at the boundary of the Resource Evaluation Area due to updated exploration results rather than regrouping the HSU groups.

A larger change in the Inferred Mineral Resource Estimate, by an increase of approximately 25 percent, resulted from modification of the HSU model. Again, this increase is largely attributed to the deepening of the bedrock basement incorporating results derived from exploration at Platform 1, as well as incorporating recent publically available exploration reporting by Advantage Lithium (2018 and 2019). The results of drilling and sampling at Platform 1 allowed for increasing confidence and partial conversion of the Inferred Mineral Resource aquifer volume in the updated HSU model to Indicated Mineral Resource aquifer volume of the deeper HSUs and the 2019 Mineral Resource Estimate (Section 11.4). This conversion of aquifer volume to more confident Mineral Resource Estimate classification surrounding the Platform 1 location also provided the support for simulated wells in the Mineral Reserve Estimate numerical model to be completed in the deeper and more permeable Lower Sand and Basal Sand HSUs in the southeast part of the model domain (Section 12.0).

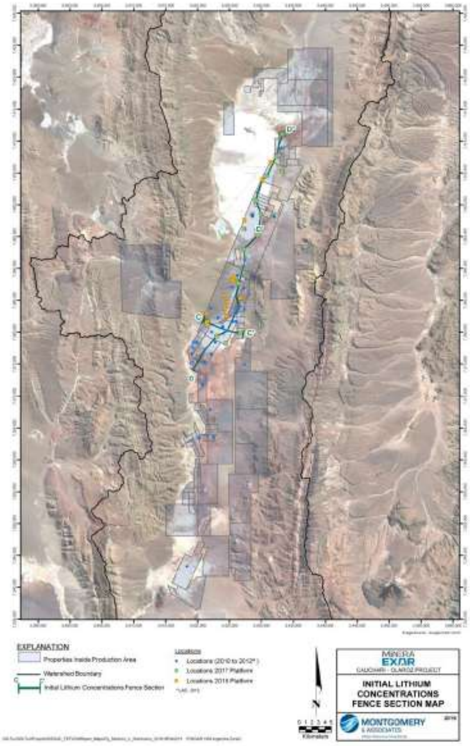
11.3.6. Lithium Concentrations

The lithium concentrations from the depth-specific bailer samples obtained in 2017 and 2018 boreholes were spatially analyzed and compared to the distribution of lithium in the resampled resource grid from the 2012 FEFLOW model and the 2012 Mineral Resource Estimate (LAC, 2012). Measured concentrations in the 2017 and 2018 samples often differed from values predicted by the prior 2012 resource grid. Therefore, the 2019 Mineral Resource Estimate required a re-interpolation of lithium concentrations to resolve the additional sampling results; incorporating the lithium concentrations in the 2019 Mineral Resource Estimate model followed and expanded upon methods used in the 2012 Mineral Resource Estimate model. In summary, the 2019 lithium concentrations database included the following:

- Concentration measurements from original samples used in LAC (2012) and recent sampling locations with bailer samples were assigned a discrete depth (if represented as a depth interval).
- Data analysis was conducted to evaluate the quality and representativeness of the data. Sample verification and the sample QA/QC was conducted by Exar and independent Qualified Person and provided to Montgomery.
- Publicly available results were used for off-property northern control points in SdO of the Resource Evaluation Area in the prior 2012 Mineral Resource Estimate (Orocobre Limited, 2011); similarly for the 2019 Resource Evaluation Area, publically available results were used for off-property control points in SdC to the east and west of the Resource Evaluation Area (Advantage Lithium, 2018).
- Spatial correlation of lithium concentration data points was assessed with semi-variogram analysis to prepare iso-surfaces using two different methods in Leapfrog EDGE: Radial Basis Function ("RBF") and Ordinary Kriging.

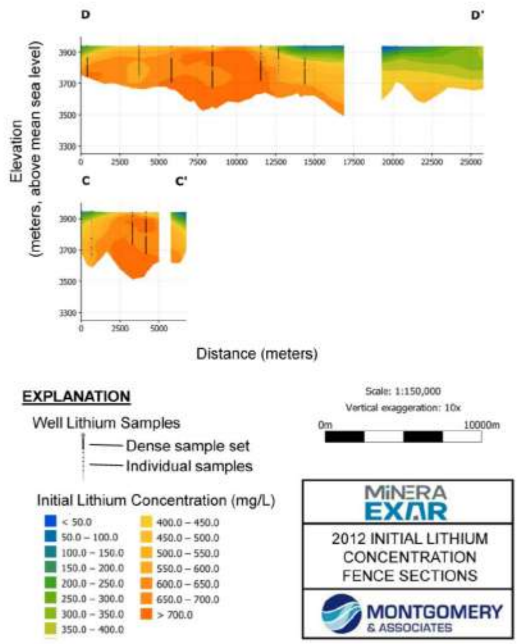
In total, 1,880 lithium concentrations are represented in the 3D geologic model for the 2019 Mineral Resource Estimate. Locations of representative fence sections of the distribution of initial lithium concentrations are shown on Figure 11.14 for the 2019 Mineral Resource Estimate. For comparison purposes, the fence sections for the 2012 and the 2019 initial lithium concentrations are shown on Figure 11.15 and Figure 11.16, respectively.

Figure 11.14 Location Map of Representative Fence Sections for Lithium Concentrations



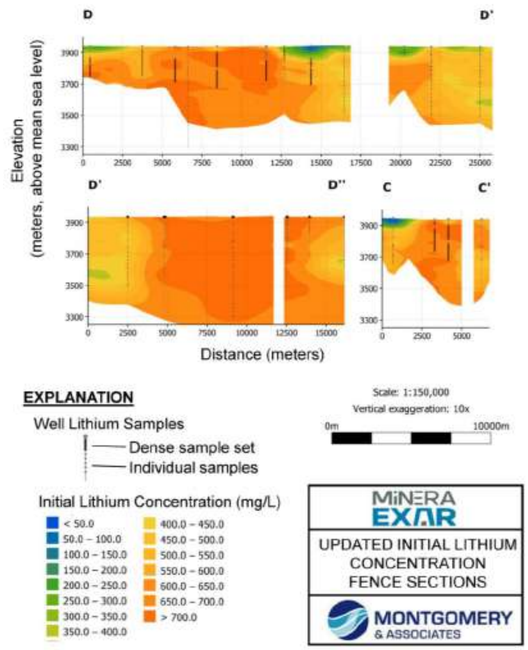
Source: *Burga et al. (2020)*

Figure 11.15 Representative Fence Sections of Initial Lithium Concentrations in the 2012 Mineral Resource Estimate Processed in Leapfrog Geo



Source: *Burga et al. (2020)*

Figure 11.16 Representative Fence Sections of Initial Lithium Concentrations in the 2019 Mineral Resource Estimate Processed in Leapfrog Geo



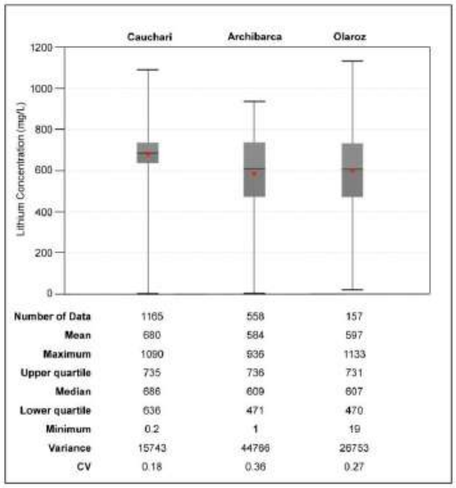
Source: *Burga et al. (2020)*

11.3.7. Exploratory Data Analysis and Domain Analysis

The Exploratory Data Analysis ("EDA") of the lithium concentrations involved the univariate statistics of the samples using histograms, box plots, and probability plots, and spatial correlations based on data posting, trend analysis, hydrostratigraphic units, and relative location in the Project area. Box plots of the lithium concentrations grouped by samples located in SdC, Archibarca, or SdO are shown in Figure 11.17. Although the variance and spatial trend of the distribution of lithium concentrations differs slightly in these three areas, the Resource Evaluation Area was modeled as one domain recognizing the following: 1) the distribution of lithium concentrations are not dependent on the hydrostratigraphic units, 2) the hydrostratigraphic units are continuous through the three areas, and 3) modeling the three areas as sub-domains, even with soft boundaries, produces disconnects in the lithium concentration contours which affect gridding required for numerical modeling of the Mineral Reserve Estimate. The perimeter of the Resource Evaluation Area was modeled as a soft boundary to incorporate outside control points.

As part of the EDA for the 2019 Mineral Resource Estimate, the box plots showing mean and median concentrations are informative as they show the influence of 2017 and 2018 samples collected in SdO and Archibarca relative to the SdC samples, which dominated the sample database used for the prior 2012 Mineral Resource Estimate. Additionally, the SdC sample population shows a smaller range of the upper and lower quartile, indicating less dilution effects of shallow samples collected in the SdO area and the freshwater influx of the basin margin in the Archibarca area.

Figure 11.17 Box Plots of Lithium Concentrations – SdC, Archibarca, and SdO Areas



11.3.8. Mineral Resource Block Model Variography, Methods, and Validation

Variogram models were developed in three orthogonal directions based on experimental variograms. No outlier restrictions were applied, as measured sample concentrations do not show anomalously high values. Analysis of the lithium distributions did not show a dependency on hydrostratigraphic units. Therefore, the model domain was distinguished by the Resource Evaluation Area with a soft boundary accounting for samples outside of the Resource Evaluation Area. Categories were applied within the model domain to subdivide the Mineral Resource classification (Measured, Indicated, and Inferred) and the hydrostratigraphic sequences in order to apply variations in Sy.

The Mineral Resource block model within the Resource Evaluation Area, composed of 6,896,092 blocks, was defined with a block size of x = 100 metres, y = 100 metres, and z = 1 metre. The block size was chosen to apply the specific yield to the units within the hydrostratigraphic model imposed by incorporating the parameterization in the 2012 FEFLOW model.

The spatial correlations for the lithium concentrations were reviewed in Leapfrog EDGE using experimental variograms with the parameters shown in Table 11.4. The spatial variability was modeled using three experimental directions adjusted to a 3D ellipsoidal model using one spherical structure and three experimental variogram directions. The experimental semi-variograms of lithium and theoretical model is shown in Figure 11.18.

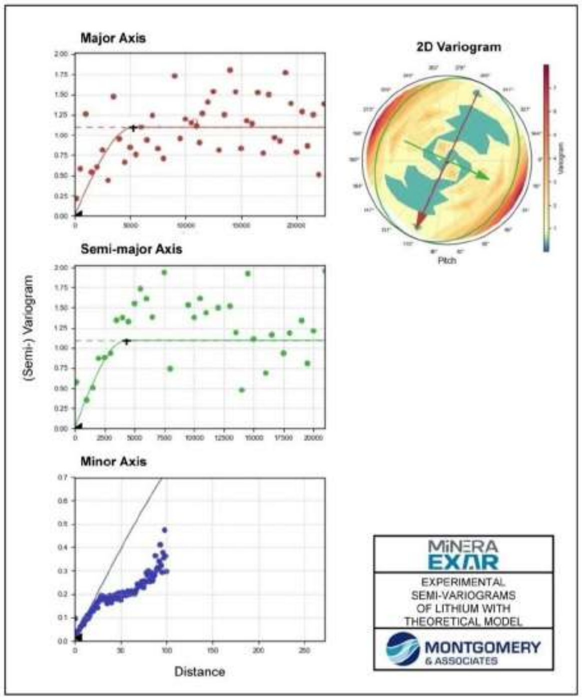
TABLE 11.4
EXPERIMENTAL VARIOGRAM PARAMETERS

Axis	Variogram Parameters			Tolerance	
	Lag (metres)	Maximum Number of Lags	Azimuth (degrees)	Dip (degrees)	Angular (degrees)
Major	500	50	114.45	0	20
Semi-major	500	50	24.45	0	75
Minor	5	100	0	90	5

The interpolation methodology for estimating the lithium resource was Radial Basis Function ("RBF") to produce iso-surfaces which were then evaluated to the resource block model. Figure 11.19 shows the initial lithium concentrations on plan maps for elevations of 3,900, 3,800, and 3,700 metres.

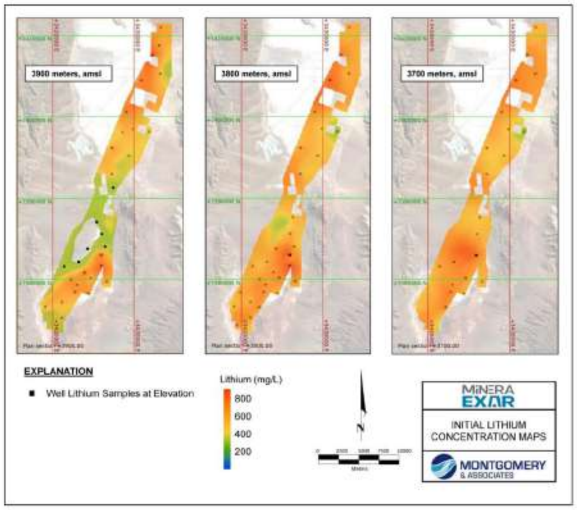
The RBF interpolation method was verified with ordinary kriging. The model was validated using a series of checks including comparison of univariate statistics, verification with ordinary kriging, evaluation of the model to the original sample points to verify values, and swath plots to detect any spatial bias. Swath Plots in the X, Y, and Z directions are shown on Figure 11.20 and provide a general perspective on the modeled concentrations compared to the samples. The model was interrogated where the swath plots showed the modeled concentrations differed from the sample concentrations. Upon examination and verification, differences were often attributed to 1) the swath fully intersecting the Resource Evaluation Area in the specified direction, 2) variability of the number and distribution of sample data available in each swath, and 3) the resource model incorporating soft boundary control points outside the Resource Evaluation Area.

Figure 11.18 Experimental Semi-Variograms of Lithium with Theoretical Model



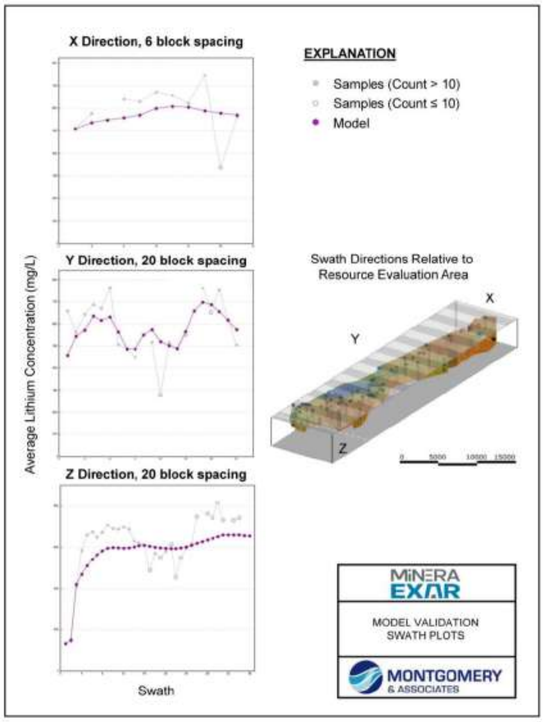
Source: *Burga et al. (2020)*

Figure 11.19 Representative Elevation Maps of Initial Lithium Concentrations for 2019 Mineral Resource Estimate



Source: *Burga et al. (2020)*

Figure 11.20 Model Validation Swath Plots in the X, Y, and Z Directions

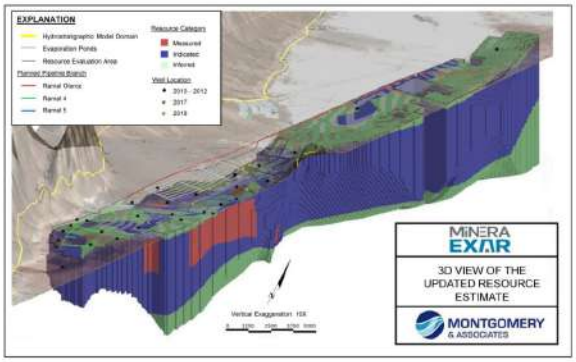


Source: *Burga et al. (2020)*

11.4. 2019 MINERAL RESOURCE STATEMENT

A map showing the Resource Evaluation Area of resource classifications is shown on Figure 11.5 for the prior (2012) Mineral Resource Estimate and for the 2019 Mineral Resource Estimate (King, Kelley, Abbey, 2012 and Burga et al., 2019). For the Mineral Resource Estimate, the Resource Evaluation Area remains the same as Burga et al. (2019), extending north to include: 1) Exar Property areas with 2017, 2018 and 2019 exploration results, and 2) areas meeting the criteria of resource classes for Mineral Resource estimation. Figure 11.21 shows a schematic 3D view of the Resource Evaluation Area for the Mineral Resource classifications: Measured, Indicated, and Inferred.

Figure 11.21 3D Schematic View of the 2019 Mineral Resource Estimate – Measured, Indicated, and Inferred



Source: *Burga et al. (2020)*

The methodology and resource classification scheme for evaluating the Mineral Resource Estimate followed the prior 2012 Mineral Resource Estimate (King, Kelley, Abbey, 2012) and the 2019 Mineral Resource Estimate in Burga et al. (2019) (Section 11.3.1.2).

The Mineral Resource Estimate at the Measured, Indicated, and Inferred Mineral Resource classification for lithium is based on the total amount of lithium in brine that is theoretically drainable from the bulk aquifer volume. The volumes where lithium concentration is determined to be less than the cut-off grade of 300 mg/L are not included in the resource calculations. In some areas, there are volumes of brine included in the Mineral Resource Estimate even where they extend beyond data points from wells. These zones (usually at depth below known data points or extending laterally from known data points) are included in the 2019 Mineral Resource Estimate based on the substantial amount of geophysical information obtained that justifies extrapolating the resource to its logical boundary conditions (such as lateral property or geological boundaries, lithological characteristics, or hydrogeologic bedrock constraints). The 2019 Mineral Resource Estimate does not include brine aquifer volumes at depths greater than the projected bedrock contacts. The S-K regulations were followed for the Mineral Resource Estimate.

With further exploration and characterization, deep aquifer volumes at the Inferred Mineral Resource classification may convert to a higher confidence classification; other aquifer volumes within property boundaries to the north and south remain open.

The 2019 Measured, Indicated, and Inferred Mineral Resource Estimate for lithium is summarized in Table 11.5. The 2019 Mineral Resource Estimate for lithium has an effective date of May 7, 2019, based on Platform 1 results, the most recent drilling and sampling information included for interpreting and updating the Mineral Resource Estimate. As is accepted in standard practice for lithium brine Mineral Resource Estimates Table 11.6 provides lithium as Li_2CO_3 or LCE, at the Inferred, Indicated, and Measured confidence level classes.

TABLE 11.5
SUMMARY OF 2019 MINERAL RESOURCE ESTIMATE FOR LITHIUM EXCLUSIVE OF MINERAL RESERVES

Classification	Aquifer Volume (m^3)	Drainable Brine Volume (m^3)	Average Lithium Concentration (mg/L)	Lithium (tonnes)	Lithium - LAR's 44.8% Portion (tonnes)
Measured Resource	1.07E+10	9.73E+08	587	571,150	255,875
Indicated Resource	4.66E+10	4.20E+09	589	2,475,630	1,109,082
Measured + Indicated	**5.73E+10**	**5.18E+09**	**589**	**3,046,780**	**1,364,957**
Inferred	1.33E+10	1.50E+09	592	887,300	397,510

Notes:

1. *S-K §229.1300 definitions were followed for Mineral Resources and Mineral Reserves.*
2. *The Qualified Person for these Mineral Resources and Mineral Reserves estimates for Cauchari Olaroz, Mr. Daniel S. Weber, P.G., RM-SME, reviewed and confirmed that there have been changes to data since the effective date of the estimates, however such change are not material and the Mineral Resources and Mineral Reserves and the underlying material assumptions remain current as of December 31. 2024*
3. *The Mineral Resource estimate is reported in-situ and exclusive of Mineral Reserves, where the lithium mass is representative of what remains in the reservoir after the LOM. To calculate Resources exclusive of Mineral Reserves, a direct correlation was assumed between Proven Reserves and Measured Resources, and similarly, between Probable Reserves and Indicated Resources. Proven Mineral Reserves (from the point of reference of brine pumped from the wellfield to the evaporation ponds) were subtracted.*
4. *The Mineral Resource Estimate is not a Mineral Reserve Estimate and does not have demonstrated economic viability. There is no certainty that all or any part of the Mineral Resources will be converted to Mineral Reserves. Inferred Resources have great uncertainty as to their existence and whether they can be mined legally or economically.*
5. *Calculated brine volumes only include Measured, Indicated, and Inferred Mineral Resource volumes above a lithium concentration cut-off grade of 300 mg/L.*

6. Comparisons of values may not add due to rounding of numbers and the differences caused by use of averaging methods.
7. Processing efficiency is assumed to be 53.7%.
8. The pricing, based on the estimates and the time frame for the economic viability, is described in Section 16.3 - Price Forecast

Using Platform 1 results and the 2019 HSU model, conversion of the aquifer volumes from Inferred to Measured and Indicated, while still maintaining the 3D initial lithium concentration grid (Sections 11.3.5 and 11.3.6), results in the total Measured plus Indicated Mineral Resource Estimate for lithium concentration increasing by approximately 2% in comparison to results of the previous Mineral Resource Estimate (Burga et al., 2019). Similarly, for LCE mass, this conversion of aquifer volume to more confident Mineral Resource Estimate classification surrounding the Platform 1 resulted in an increase of Measured plus Indicated of approximately 10 percent in comparison to results of the previous Mineral Resource Estimate (Burga et al., 2019).

TABLE 11.6
SUMMARY OF 2019 MINERAL RESOURCE ESTIMATE
FOR LITHIUM REPRESENTED AS LCE, EXCLUSIVE OF MINERAL RESERVES

Classification	LCE (tonnes)	LCE – LAR's 44.8% Portion (tonnes)
Measured Resource	3,040,109	1,361,969
Indicated Resource	13,177,246	5,903,406
Measured + Indicated	**16,217,355**	**7,265,375**
Inferred	4,722,700	2,115,769

Notes:
1. *S-K §229.1300 definitions were followed for Mineral Resources and Mineral Reserves.*
2. *The Qualified Person for these Mineral Resources and Mineral Reserves for Cauchari Olaroz, Mr. Daniel S. Weber, P.G., RM-SME, reviewed and confirmed that there have been changes to and data since the effective date of the estimates, however such changes are not material and the Mineral Resources and Mineral Reserves and the underlying material assumptions remain current as of December 31. 2024*
3. *The Mineral Resource estimate is reported in-situ and exclusive of Mineral Reserves, where the lithium mass is representative of what remains in the reservoir after the LOM. To calculate Mineral Resources exclusive of Mineral Reserves, a direct correlation was assumed between Proven Reserves and Measured Resources, and similarly, between Probable Reserves and Indicated Resources. Proven Mineral Reserves (from the point of reference of brine pumped from the wellfield to the evaporation ponds) were subtracted. The average grade for Measured and Indicated Resources exclusive of Mineral Reserves was back-calculated based on the remaining brine volume and lithium mass.*
4. *Lithium carbonate equivalent ("LCE") is calculated using mass of LCE = 5.322785 multiplied by the mass of Lithium reported in Table 11.5.*
5. *The Mineral Resource Estimate is not a Mineral Reserve Estimate and does not have demonstrated economic viability. There is no certainty that all or any part of the Mineral Resources will be converted to Mineral Reserves. Inferred Resources have great uncertainty as to their existence and whether they can be mined legally or economically.*
6. *Calculated brine volumes only include Measured, Indicated, and Inferred Mineral Resource volumes above a lithium concentration cut-off grade of 300 mg/L.*
7. *Comparisons of values may not add due to rounding of numbers and the differences caused by use of averaging methods.*

8. *Processing efficiency is assumed to be 53.7%.*
9. *The pricing, based on the estimates and the time frame for the economic viability, is described in Section 16.3 - Price Forecast*

11.5. RELATIVE ACCURACY OF THE MINERAL RESOURCE ESTIMATE

The relative accuracy of the Mineral Resource Estimate for lithium is largely a function of the confidence demonstrated in sampling methods, laboratory results, analytical methods, and the overall development and understanding of the conceptual hydrogeologic system. Montgomery has confidence in the Mineral Resource Estimate based on previous data collected and interpreted by LAC (2012), as well as analysis of 2017, 2018 and 2019 exploration data and methods provided by Exar, with brine concentration and lithologies of the hydrostratigraphic model domain.

With respect to conceptualization and parameterization of the hydrogeologic system for the 2019 Mineral Resource Estimate, the factors that could affect Mineral Resource estimation include:

- Estimates of drainable porosity or Sy values. The estimates of Sy are extrapolated from the 2012 resource grid to similar lithologies in the expanded and updated resource grid. Estimates of Sy in the expanded resource grid have some uncertainty due to the lack of representative testing results of samples.

To address the uncertainties and improve the Mineral Resource Estimate, recommendations include the following:

- Drainable porosity or S_y estimates relied upon the prior 2012 model estimates because the 2017 and 2018 exploration results lacked S_y estimates. In order to address the uncertainty of S_y estimates for the different stratigraphic groups, ongoing exploration work should include analysis of S_y by use of laboratory methods such as RBRC or similar techniques for core samples, and field methods using calibrated nuclear magnetic resonance (“NMR”) borehole logging in open boreholes or in wells with PVC casing installed.

According to the authors, there are no other known factors—such as environmental, permitting, legal title, taxation, socio-economic, or political issues—that could materially impact the 2019 Mineral Resource estimate, except as disclosed in this report. For details on relevant environmental and community activities, see Section 17.0.

12. MINERAL RESERVE ESTIMATE

12.1. BACKGROUND

Mineral Reserve classifications used in this section conform to the S-K regulations:

- **Mineral Reserve:** is an estimate of tonnage and grade or quality of Indicated and Measured Mineral Resources that, in the opinion of the qualified person, can be the basis of an economically viable project. More specifically, it is the economically mineable part of a Measured or Indicated Mineral Resource, which includes diluting materials and allowances for losses that may occur when the material is mined or extracted.

- **Modifying Factors:** are the factors that a qualified person must apply to Indicated and Measured Mineral Resources and then evaluate in order to establish the economic viability of Mineral Reserves. A qualified person must apply and evaluate modifying factors to convert Measured and Indicated Mineral Resources to Proven and Probable Mineral Reserves. These factors include, but are not restricted to: Mining; processing; metallurgical; infrastructure; economic; marketing; legal; environmental compliance; plans, negotiations, or agreements with local individuals or groups; and governmental factors. The number, type and specific characteristics of the modifying factors applied will necessarily be a function of and depend upon the mineral, mine, property, or project.

- **Probable Mineral Reserve:** is the economically mineable part of an Indicated and, in some cases, a Measured Mineral Resource.

- **Proven Mineral Reserve:** is the economically mineable part of a Measured Mineral Resource and can only result from conversion of a Measured Mineral Resource.

The mining method to be employed for the Project involves an extraction wellfield using production-scale wells for pumping brine from the aquifer in the Resource Evaluation Area. As such, the Mineral Reserve for the Project is identified based on the extraction wellfield unit and the Measured and Indicated Mineral Resources within the resource model (Section 11.0).

The Mineral Reserve Estimate has been conservatively modeled and stated as a Proven Mineral Reserve for Year 1 through 5 of full-scale extraction wellfield pumping and a Probable Mineral Reserve for Years 6 to 40 of full-scale extraction wellfield pumping. The division between Proven and Probable Mineral Reserves is based on: (1) sufficiently short duration of wellfield extraction to allow a higher degree of predictive confidence, yet long enough to enable significant production, and (2) a duration long enough to enable accumulation of a strong data record to allow subsequent conversion of Probable Mineral Reserves to Proven Mineral Reserves. Provided a detailed data record for monitoring wellfield operations and further updates to model calibration, the authors believe it could be possible to achieve partial conversion of Probable to Proven Mineral Reserves during the first five years of full-scale operation and assessment of build-out of the extraction wellfield.

12.2. OVERVIEW

The 2019 Mineral Reserve Estimate was developed for the Project using MODFLOW-USG, a control volume finite difference code (Panday and others, 2013), coupled with the Groundwater Vistas modeling interface (ESI, 2015). The groundwater modeling was supported by geological, hydrogeological, geochemical, and geophysical data collected through field programs at the site (LAC, 2019). Previous Mineral Reserve Estimate groundwater modeling reported in LAC (2012, 2017, and 2019) was conducted for the Project using FEFLOW finite-element groundwater modeling software (DHI, 2010). The conversion to MODFLOW-USG allowed for distinct advantages to simulate evaporative flux of the salar surface that is more numerically stable for steady-state calibration and to more accurately simulate production well conditions and mass capture using local grid refinement and robust solution methods. The MODFLOW-USG platform is a publically available groundwater flow and transport code which is now considered as the industry standard for a wide variety of groundwater-related applications; it has been verified and validated in public forums and in professional publications by the United States Geological Survey (Panday and others, 2013).

Updating the groundwater model to the MODFLOW-USG platform in 2019 occurred as a sequential step after updating of the hydrostratigraphic model framework in Leapfrog Geo. With this update and expansion of model boundaries, the numerical model incorporates a larger-scale water balance (SQM, 2016) and conceptual model, while still maintaining consistency with methods used in the previous groundwater model (LAC, 2017). During the process of the numerical model update, calibration of the model used additional spatially representative pre-development hydraulic head data, and transient head data and associated aquifer parameters conforming to results of reported historical pumping tests as well as more recent pumping tests conducted by Exar.

Once formulated and calibrated, the numerical model used a simulated production wellfield to project extraction from the brine aquifer and verify the feasibility of producing sufficient brine for processing a minimum target of 40,000 tpa LCE. After verifying the capability of the simulated wellfield to produce sufficient brine for the minimum 40,000 tpa LCE process target, the model was then used to predict a maximum production rate for assessment of a Total Mineral Reserve Estimate for a 40-year production and process period of LCE.

Predictive groundwater model results include projected brine production rates, drawdown in production wells, and lithium concentration during simulated wellfield pumping. A previous Mineral Reserve Estimate study by LAC (2012) concluded that rigorous consideration of variable density within the aquifer did not materially improve model results, therefore variable-density flow and transport was not simulated in these current analyses. The authors believe the procedure used for the modeling is valid and appropriate for development of a Mineral Reserve Estimate, as defined by the S-K regulations. The primary steps used to develop and apply the numerical groundwater model for the purposes of Mineral Reserve Estimation were as follows:

- The hydrostratigraphic units (HSUs) and the HSU model used for the 2019 Mineral Resource Estimate (LAC, 2019) were re-evaluated to incorporate recommendations for simplification of hydrostratigraphy and incorporation of conceptual depositional environments or stratigraphic sequence units (Section 11.3.5). The re-evaluated HSU model formulated for the Mineral Reserve Estimate model is built upon the model developed for the 2019 Mineral Resource Estimate and incorporates more recent information collected by Exar in order to consider: 1) previous parts of deep aquifer system as an Indicated Mineral Resource aquifer volume and therefore appropriate for consideration in the Mineral Reserve Estimate model, and 2) deeper basin extents basin to include the larger numerical model domain and an expanded Mineral Inferred Resource aquifer volume. After producing the modifications to the HSU model, the updated Mineral Reserve Estimate model was designed and constructed to conform to the HSU distributions as well as interpolated lithium concentrations mapped directly from Leapfrog to the cell centroids of the numerical model.

- Appropriate lateral and vertical extents were identified for expansion of the numerical model domain. The objective was to define model boundaries that were sufficiently removed from the Resource Evaluation Area that they would not significantly constrain the production wellfield simulations, while maintaining the model domain at a practical size (Section 12.4). Additionally, lateral inflow estimates from contributing watersheds (SQM, 2016) coincided directly with the newly expanded model domain.

- Hydraulic and grade conditions were assigned along each boundary of the numerical groundwater model based on an evaluation of sub-watershed boundaries and interpreted surficial contacts alluvium and bedrock following the updated HSU model, as well as through the incorporation of a basin-wide water balance model of the entire basin (SQM, 2016; Sections 12.5 and 12.6).

- Hydraulic and transport properties were evaluated and assigned for each hydrostratigraphic unit in the numerical groundwater model (Section 12.7). A 3D lithium concentration field was mapped directly from the updated resource model in the numerical model domain. Input data included measured brine concentrations and values consistent with the 2019 Mineral Resource Estimate (LAC, 2019). In zones with no available data outside of the Resource Evaluation Area, initial lithium concentrations were conservatively set to 50 mg/L.

- Preliminary modeling was previously conducted to determine the potential effect of density dependent flow on the Mineral Reserve Estimate in previous reporting (LAC, 2012). Due to their high computational demand, the exclusion of density effects from the site model would enable more model runs to be conducted for calibration and wellfield simulations. However, variable water density could only be excluded if it would not have a significant effect on the results. Based on the preliminary modeling evaluation, it was concluded that the exclusion of density-dependent flow from the numerical groundwater model would not have a significant effect on the Mineral Reserve Estimate. However, as additional monitoring data are collected in the expanded model domain and if interpretations lead to the reduction of model uncertainty, the current modeling platform will support density-dependent groundwater flow conditions using the density-driven flow (DDF) package.

- The numerical groundwater model was calibrated to current conditions and to representative long-term pumping tests (Section 12.8 and 12.9). A conceptual well design (with initial pumping rates) was input to the model, based on aquifer properties and engineering constraints for brine production efficiency. The wellfield was simulated over the life of mine estimate of 40 years, with well locations and production rates adjusted as required, to maximize overall wellfield extraction rate and optimize production well locations for predictive assessment of an Updated Mineral Reserve Estimate (Section 12.10).

- The long-term simulation of the wellfield by use of the Well Package of MODFLOW was used to generate the Mineral Reserve Estimate for lithium. Extracted concentrations from the wells in Groundwater Vistas represent a composite value that is weighted by the transmissivity of each model layer. The simulated wells are assumed to be 100 percent efficient, and the screen tops and bottoms are represented as exact elevations.

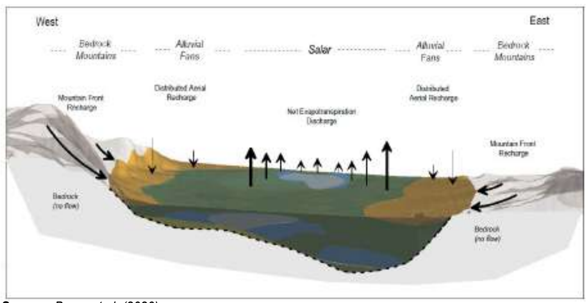
Exar has advised the authors that it is unaware of any environmental, permitting, legal, title, taxation, socio-economic, marketing, or political factors, that may materially affect the Mineral Reserve Estimate contained in this Report.

12.3. CONCEPTUAL MODEL

The conceptual model of recharge and discharge relationships for a closed basin, salar setting is shown on Figure 12.1. The illustration shows the relationship between groundwater recharge from bedrock mountainous areas and distributed aerial precipitation and groundwater discharge through evapotranspiration.

Groundwater inflow occurs at the margins of the basin and moves towards the center of the salar. Inflow is relatively freshwater as it enters the salar and its salinity increases with movement towards the center due to discharge by evapotranspiration. Evapotranspiration is large in the salar perimeter areas, where the water table is closest to the surface, and decreases towards the center as brine concentrations increase and salt crust thickens impeding evaporative flux. The driving force for groundwater movement in the salar is a combination of standard hydraulic gradients caused by recharge in elevated areas and discharge due to evaporation in lower areas, and convection due to density gradients.

Figure 12.1 Conceptual Model and Model Boundary Conditions



Source: *Burga et al. (2020)*

12.4. NUMERICAL MODEL CONSTRUCTION

The model domain encompasses the sedimentary and evaporite deposits comprising the Cauchari-Olaroz Project area. Extent of the model domain, which covers an area of about 1290 square kilometres, is shown on Figure 12.2.

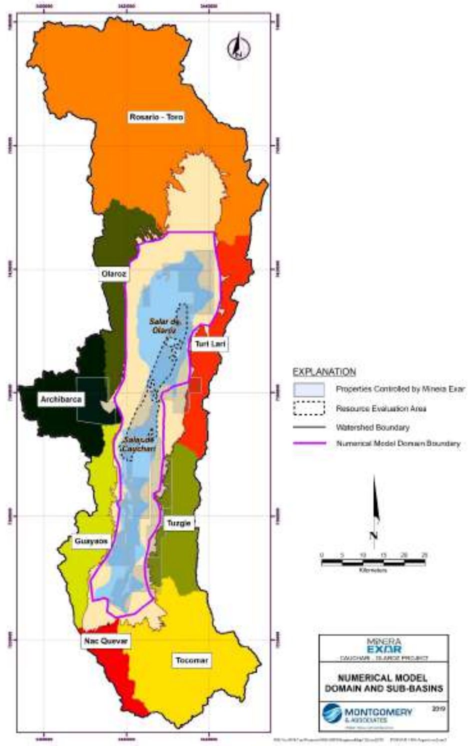
The domain includes the Resource Evaluation Area and was designed to be large enough to minimize influence of applied boundary conditions on production well simulations. The base of the model domain was set at the top of bedrock basin in which the sediments were deposited. The model simulates equilibrium conditions for groundwater movement and lithium concentration distribution in the sedimentary basin aquifer, with fresh groundwater inflow from drainage sub-basins that surround the salars. Groundwater outflow from the basin occurs via evaporation from the moist salar surfaces. Groundwater movement is generally from the margins of the salars, where mountain front recharge enters the model domain as groundwater underflow, toward the center of the salar. Precipitation recharge, limited due to the large evaporative potential, is included in the model and was generally applied to the model surface outside evaporative zones (Figure 12.1).

12.5. NUMERICAL MODEL MESH

The 3D model domain represented on Figure 12.3 is divided into a grid of node-centered, rectangular prisms or cells. Cells with small lateral dimensions (4.69 m) were assigned in areas of interest within the salar, particularly in the vicinity of production well locations and transient calibration targets, while larger elements (531 m) were assigned near the edges of the model domain, farthest from the area of interest. Vertically, the domain was divided into 25 model layers, each of which consists of a variable number of cells (between 3,149 and 54,417 cells) depending on the presence of bedrock at depth. The entire numerical model mesh totals 805,808 nodes.

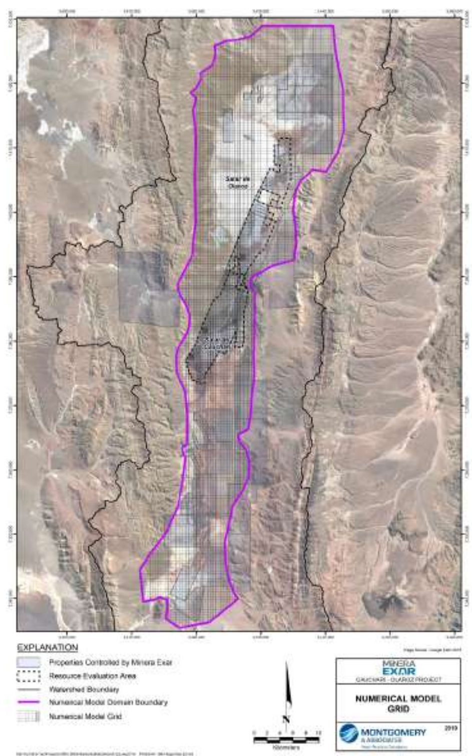
Thicknesses of model layers were designed to more refined near land surface to accommodate the evaporative surface and gradually increase in thickness with depth. Model layers directly incorporate the HSU distribution from the updated Mineral Resource model and account for transitions between HSUs, as well as zonation of aquifer parameters in particular HSUs for model calibration purposes.

Figure 12.2 Numerical Model Domain and Sub-basins Map



Source: *Burga et al. (2020)*

Figure 12.3 Numerical Model Grid



Source: *Burga et al. (2020)*

12.6. NUMERICAL MODEL BOUNDARY CONDITIONS

Boundary conditions that are consistent with the conceptual model were applied in the numerical model. As described in Section 12.1, the aquifer is recharged by a combination of groundwater underflow from upland, mountain front recharge and surface infiltration of precipitation. Under natural conditions, all of the influent groundwater is consumed by evaporation that occurs in the center and along the margins of the salar.

The numerical boundary conditions that were applied to simulate these groundwater flow conditions are summarized as follows:

- Top Boundary – Similar to hydrologic modeling reported by LAC (2012), recharge due to infiltration of precipitation was applied at a temporally constant rate of 10 mm/yr over the model domain that lies outside of the active zones of modeled evaporation (i.e., outside of the salar nucleus and immediate salar margins). The modeled zones of evaporation and recharge are shown on Figure 12.4. Within the active zones of modeled evaporation, in regions where depth to the water table was lower than the extinction depth, evaporation (outward flux) was applied in a linear fashion from the extinction depth to land surface using the evapotranspiration (EVT) package of MODFLOW. Potential evaporation (ETp), the rate of evaporation when the water table is coincident with the ground surface, of 2.2 mm/d, 4.3 mm/d, and 5.7 mm/d was assigned to the salar nucleus and margins respectively. Additionally, evaporative extinction depths varied as a function of interpreted water density and proximity to the salar nucleus; specifically, 0.25 m was assigned in the salar nucleus and 0.5 m to 0.7 m was specified along the salar margin. Actual evaporation was simulated as a function of depth to the water table, ranging from zero where the water table was below the extinction depth to ETp where the water table was at ground surface, and has virtually no effect on potential lithium recovery. During simulation, therefore, net recharge within the salar region of the model domain varies spatially and temporally in response to changes in depth to the water table.

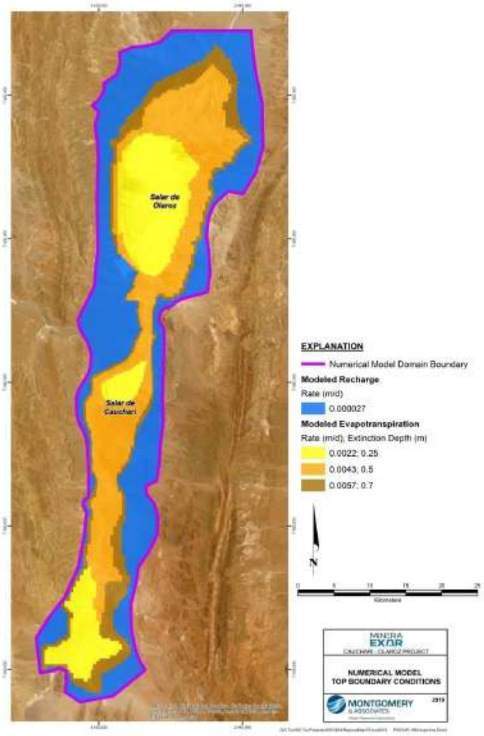
- Lateral Boundary – Except as noted below for select model cells of model layer 1, all cells in model layers along the lateral boundaries of the domain are conservatively assigned no flow boundary conditions, consistent with the bedrock lithology and its comparable low permeability. Therefore, neither fresh groundwater nor brine can enter or exit the model domain in any of these regions.

- Specific locations where boundary conditions were applied along the lateral boundaries of the model are described as mountain front recharge. The quantity of mountain front recharge in sub-basin is shown in Table 12.1 and is consistent with the previous Mineral Reserve Estimate model, following the water balance analysis reported by SQM (2016). Incoming groundwater is conservatively assumed to be fresh, with a lithium concentration of zero.

- Bottom Boundary – The entire bottom slice of the model was assigned as a no flow boundary condition.

Table 12.1 Summary of Mountain Front Recharge	
Sub-basin Identifier	**Recharge (L/s)**
Rosario – Toro	1,193
Turi Lari	144
Tuzgle	108
Tocomar	611
Nac Quevar	59
Guayaos	102
Archibarca	87
Olaroz	173
Total	**2,477**

Figure 12.4 Numerical Model Top Boundary Conditions



Source: *Burga et al. (2020)*

12.7. HYDRAULIC PROPERTIES

Hydraulic and transport properties used in the updated numerical model started with those determined in the prior models reported by LAC (2012 and 2017). Hydraulic properties include hydraulic conductivity in the three cardinal directions (Kx, Ky, and Kz), specific storage (Ss), and specific yield (Sy). These parameters were adjusted for specific zones to aid in subsequent recalibration of the model for the 2019 Mineral Reserve Estimate. The range of assigned hydraulic properties in the model, shown in Table 12.2, conform to the range of values determined from pumping tests provided in Appendix 1, prior model calibrations, and published literature values for corresponding salar sediments and evaporites. Brief summaries of the hydraulic and transport properties are provided below.

- Hydraulic Conductivity – The hydraulic conductivity (K) distribution used in the model was determined by (i) analysis of available pumping test data in the screened HSUs and (ii) calibration of the model in steady-state and transient. Without evidence of horizontal anisotropy from testing results, Kx is considered equal to Ky; for reporting purposes horizontal hydraulic conductivity is termed radial hydraulic conductivity (Kr). Vertical anisotropy was evident from analysis of testing results, and accordingly for model calibration, was applied in the vertical direction with proportional ratios of Kz/Kr for individual HSUs where appropriate. Where anisotropy was incorporated for calibration purposes, the ratios of Kz/Kr consider results from pumping tests and estimates from literature values for similar sedimentary regimes. Sections showing representative Kr distributions as applied in the current model are provided on Figure 12.5.

- Specific Storage – The range of specific storage assigned in the model are based on results from pumping tests in addition to estimates from literature values for similar sedimentary regimes. The lower end of the range is near the compressibility of water, which indicates a rigid, low porosity material with small compressibility of the rock mass. The upper end of the range is indicative of higher porosity and larger compressibility of the rock mass.

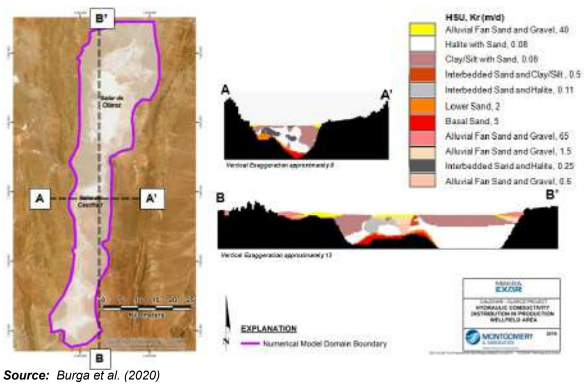
- Specific Yield and Effective Porosity – Assigned values of Specific Yield correspond to the updated HSU model, measured values determined from laboratory analyses of core samples from previous studies, and the overall average Specific Yield is consistent with the 2019 Mineral Resource Estimate. Effective Porosity is assumed to be equivalent to Specific Yield and varies spatially based on the distribution of HSUs.

- Dispersion – For modeling the transport of dissolved lithium concentrations in brine, assigned values of dispersivity correspond to 5 m for longitudinal dispersivity, 0.5 m for transverse dispersivity, and 0.05 m for vertical dispersivity. Molecular diffusion was not included in the 2019 Mineral Reserve model because it is negligible in large-scale regional models.

Table 12.2 **Summary of Assigned Aquifer Parameter Estimates**					
Hydrostratigraphic Unit	**Horizontal Hydraulic Conductivity (Kr) (m/d)**		**Ratio Vertical to Horizontal Hydraulic Conductivity Estimate (Kz/Kr)**	**Specific Storage (1/m)**	**Specific Yield and Effective Porosity (%)**
	Minimum	**Maximum**			
Alluvial Fan Sand and Gravel	0.2*	65	0.33 to 1	1.0E-05 to 5.0E-04	20
Interbedded Sand and Clay/Silt	0.5	0.5	1	1.0E-07	11
Clay/Silt with Sand	0.08	0.08	1	1.0E-06	7
Halite with Sand	0.08	0.08	1	1.0E-07	8
Interbedded Sand and Halite	0.11	0.25	0.1 to 1	1.0E-07 to 5.0E-06	12
Lower Sand	2	2	1	1.0E-06	15
Basal Sand	5	5	1	1.0E-06	16

Note: * *Kr decreases with depth to the minimum value presented.*

Figure 12.5 Representative Hydraulic Conductivity Distribution in Production Wellfield Area



Source: *Burga et al. (2020)*

12.8. PRE-DEVELOPMENT MODEL CONDITIONS

The current or pre-development groundwater system in the basin was assumed to be in equilibrium with groundwater inflows and approximately equivalent to groundwater outflows, without pumping or temporal changes in the hydrologic stresses. Aligned with the conceptual model, simulated groundwater inflow is comprised largely of mountain front recharge inflow from margins of the basin, underflow from neighboring watersheds, and small amounts of areal recharge from precipitation infiltration. Outflow consists of evapotranspiration (primarily evaporation from the salar surface and with minimal transpiration from scant vegetation).

The pre-development model was calibrated to representative groundwater levels measured at 27 groundwater level monitoring locations in the basin representing 2018 conditions (Table 12.3). The steady-state calibration relied on these spatial values as they are generally composite water levels for wells with screened intervals completed to near land surface; additionally, the potentiometric surface represented by the water levels shows groundwater flow directions consistent with the conceptual model of the basin. Groundwater levels from wells with deeper and more isolated completions were also examined for steady-state calibration purposes and corresponding potentiometric maps show similar patterns of groundwater movement. However, these water levels from deeper parts of the brine aquifer require more complicated pressure head corrections to equivalent water level elevations, and lacking supporting water density measurements, were determined insufficient for current modeling calibration purposes.

Aquifer parameters for pre-development model calibration were varied to achieve an acceptable calibration to the representative groundwater levels. After incorporating model zonation methods of aquifer parameters and trial and error adjustment modeling techniques, the simulated groundwater levels are judged to reasonably match the measured data representing 2018 pre-development conditions. A mean error of -2.5 m was reported for the steady-state flow solution by LAC (2017) for the previous Mineral Reserve Estimate model as compared to a mean error of - 2.2 m for the revised model used in this updated modeling analysis. The maximum residual (observed minus simulated groundwater elevation) is within 7 m. Given these statistics, and provided the magnitude of the apparent error for the updated model compared to the previous model, the larger inflows incorporated from the SQM water balance (2016), as well as the exclusion of equivalent water level elevation corrections (described in Section 13.2), it was concluded that the steady-state distribution of heads could be reasonably used as initial conditions in the updated model for predictive model simulations.

TABLE 12.3
STEADY-STATE MODEL RESIDUALS

Well Identifier	Easting (m)	Northing (m)	Observed Groundwater Elevation (masl)	Computed Groundwater Elevation (masl)	Residual (m)	Source
SL-001	3424377	7378282	3936.86	3938.15	-1.29	Exar
SL-002	3427273	7396180	3934.51	3937.41	-2.90	Exar
SL-004B	3423001	7379362	3936.92	3937.17	-0.25	Exar
SL-006	3427230	7392980	3938.33	3936.81	1.52	Exar
SL-007	3429894	7398465	3935.50	3936.04	-0.54	Exar
SL-009	3432230	7407612	3934.26	3937.04	-2.78	Exar

TABLE 12.3
STEADY-STATE MODEL RESIDUALS

Well Identifier	Easting (m)	Northing (m)	Observed Groundwater Elevation (masl)	Computed Groundwater Elevation (masl)	Residual (m)	Source
SL-010	3429367	7395232	3935.72	3936.18	-0.46	Exar
SL-13	3426671	7379792	3939.69	3940.11	-0.42	Exar
SL-014	3426361	7387640	3936.70	3940.63	-3.93	Exar
PE-11	3427395	7391301	3937.14	3938.75	-1.61	Exar
DDH-07	3426159	7388920	3936.23	3940.54	-4.31	Exar
DDH-09	3427293	7386922	3937.21	3940.92	-3.71	Exar
DDH-02	3425984	7385599	3937.95	3940.84	-2.89	Exar
PT-1A	3427326	7383616	3936.96	3940.77	-3.81	Exar
PF-3B	3425969	7382974	3937.58	3939.35	-1.77	Exar
PF-1B	3423901	7380849	3937.28	3937.91	-0.63	Exar
PT-2	3419261	7378454	3938.20	3941.14	-2.94	Exar
DDH-04A	3421093	7377243	3936.80	3939.70	-2.90	Exar
PE-15	3419086	7376655	3937.07	3940.34	-3.27	Exar
DDH-15	3419253	7375340	3937.53	3939.83	-2.30	Exar
DDH-05	3421965	7367860	3937.70	3942.22	-4.52	Exar
PE-08	3422504	7363500	3937.60	3944.20	-6.60	Exar
DDH-17	3418305	7343262	3960.71	3959.42	1.29*	Exar
CAU02D	3424385	7376814	3938.65	3939.85	-1.20	Adv. Lithium, 2018
CAU03D	3421874	7373649	3936.90	3939.72	-2.82	Adv. Lithium, 2018
CAU06R	3423531	7370126	3937.98	3941.91	-3.93	Adv. Lithium, 2018
CAU12D	3421708	7374690	3938.83	3939.84	-1.01	Adv. Lithium, 2018

* *Reported as flowing well; the observed value was assumed to be greater than land surface and calibrated in Groundwater Vistas using a "censoring" target, where a residual of 0 is given if the simulated value is greater than the observed.*

The simulated pre-development water budget for the updated model is provided in Table 12.4. Predicted evaporation from the salar surfaces is 228,567 m^3/d compared to 228,595 m^3/d of applied mountain front recharge and direct recharge. The resulting water balance for the pre-development model shows an acceptable error of approximately 28 m^3/d, or about 0.01 percent.

TABLE 12.4
SUMMARY OF MODEL BOUNDARY FLUXES

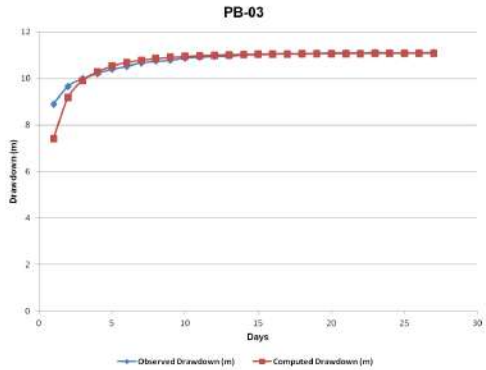
Water Balance Component	Modeled Flux (L/s)
Mountain Front Recharge	2,477
Areal Recharge	168.8
Evaporation	2,645.5
Error	0.3
% Error	0.01%

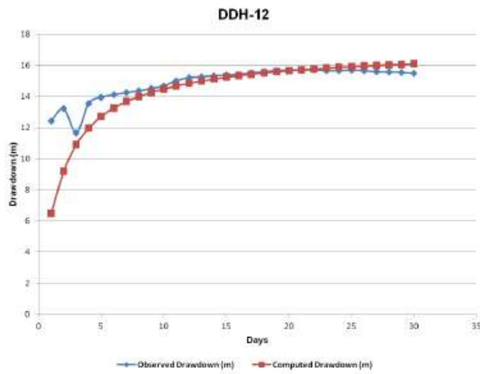
12.9. TRANSIENT MODEL CALIBRATION

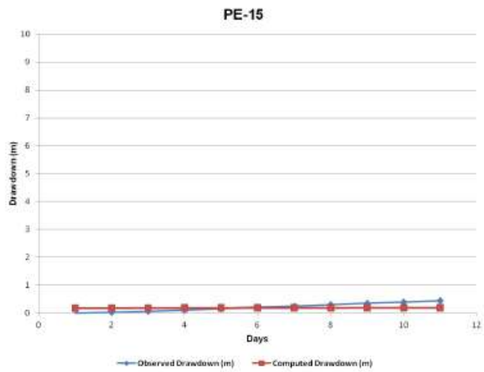
Transient model calibration in the 2019 numerical model for the Mineral Reserve Estimate incorporates calibration of aquifer parameters derived using analytical results from long-term pumping tests conducted in 2011 (LAC, 2012) and pumping tests conducted by Exar in 2018 and 2019 (Appendix 1). As a verification analysis of model calibration, the 2019 model was operated under transient conditions for simulation and comparison to four pumping tests: a 27-day pumping test at well PB-03A, a 30-day pumping test at well PB-04, an 11-day pumping test at well PB-06A, and a 7-day pumping test at well W17-06. Model calibration using these pumping tests focused on observation wells completed in similar HSUs as the pumped well.

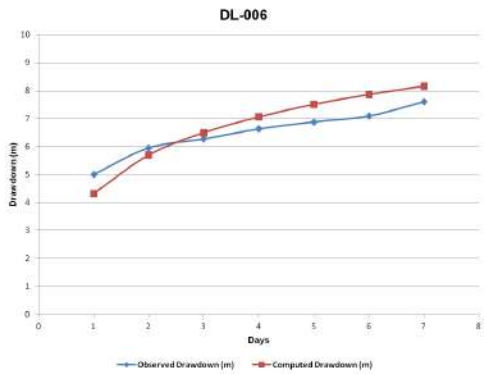
Results of the modeled and observed results for representative pumping tests are presented on Figure 12.6. Model statistics for transient calibration correspond to a scaled RMS of 5.4 percent and mean residual of 0.13 m; the values of these statistical parameters indicate a sufficient transient calibration for simulated versus measured conditions.

Figure 12.6 Measured and Simulated Drawdown Responses for Representative Pumping Tests






PE-15
Drawdown (m)
Days
Observed Drawdown (m)
Computed Drawdown (m)


DL-006
Drawdown (m)
Days
Observed Drawdown (m)
Computed Drawdown (m)

After transient model calibration using results of pumping tests, the 2019 model was further verified by simulating initial concentrations of lithium at six locations representing recently completed production wells for comparison to measured concentrations. The measured and simulated results are shown in Table 12.5 and are judged to be in reasonable agreement for the purposes of operating the model as a predictive tool for the Mineral Reserve Estimate.

TABLE 12.5
INITIAL MEASURED AND SIMULATED LITHIUM CONCENTRATIONS AT EXISTING PRODUCTION WELLS

Well	Pumping Rate (L/s)	Measured Lithium Concentrations (mg/L)	Simulated Lithium Concentrations (mg/L)	Percent Difference
W-04	25.3	683	679	0.6%
W11-06	22.5	750	720	4.1%
W17-06	29.6	582	560	3.9%
W18-05	22.6	766	797	-4.0%
W18-06	15.8	575	567	1.4%
W18-23	26.9	720	698	3.1%

12.10. 2019 MINERAL RESERVE ESTIMATE MODEL RESULTS

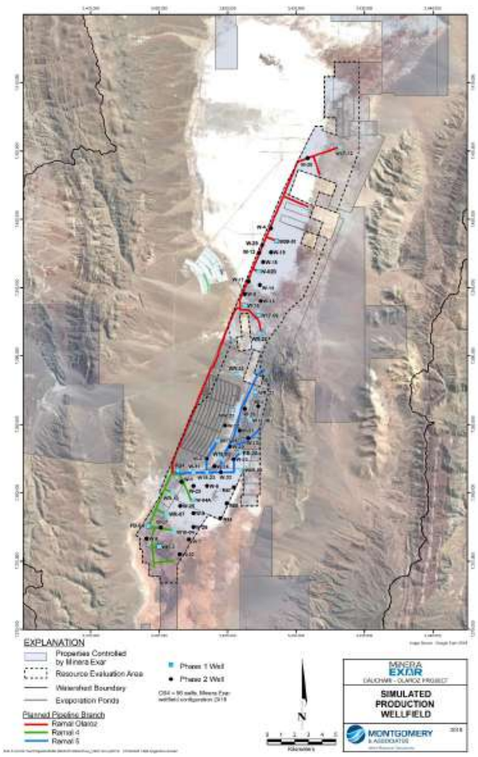
Once completing calibration and verification procedures, the 2019 model was used to predict production of LCE for a 40-year wellfield operational simulation. A series of trial simulations were conducted to verify results of modeling for the prior Mineral Reserve Estimate and to select locations for production pumping wells within the expanded model domain of the Resource Evaluation Area. Pumping rates and durations were applied at each simulated production well during the simulation in order to meet the operational constraints of achieving overall wellfield production rate for a minimum of processed 40,000 tpa LCE and a minimum average lithium concentration of 590 mg/L. The layout of the simulated wellfield is shown on Figure 12.7.

The pumping schedule for the wellfield allowed for a ramping up during the initial year of production simulation period (Year 1) using 23 simulated wells, either completed or planned by Exar. After Year 1, an additional 33 wells were added to the wellfield in order to meet or exceed the 40,000 tonnes LCE process target through Year 40. Annual projections are shown in Table 12.6 for wellfield production rate, lithium concentrations, and mass of lithium and LCE delivered from the wellfield and after applying processing efficiency. Appendix 2 provides per well simulated production rates, lithium concentrations, and drawdown for each well during the 40-year production period. Lithium concentrations and drawdown results represent composite values which are weighted by the amount of simulated extraction from each model layer, in accordance with the transmissivity of the screened HSUs. A map showing estimated drawdown in the upper layer of the model for the simulated wellfield area after 40 years of operation is included in Appendix 2.

Predicted brine production from the simulated wellfield, shown on Figure 12.8, ranges from 462 L/s during Year 1 of operation using Phase 1 wells, to 903 L/s during production Year 2 through 40 using the additional Phase 2 wells. Average concentration of lithium brine delivered from the simulated wellfield is included on Figure 12.8 and ranges from 615 mg/L from Year 1 to 598 mg/L through Year 40 of wellfield operations. The average concentration for the 40-year production period is 607 mg/L.

The numerical model utilizes an adaptive time stepping (ATS) scheme which varies the time step length depending on the rate of convergence; the predicted cumulative mass of lithium produced was extracted from the model results in half-year increments. The results were then multiplied by a conversion factor of 5.322785 to compute equivalent LCE. The overall efficiency of brine processing to produce LCE provided by Exar is projected as 53.7 percent. To account for processing efficiency, the net amount of LCE produced was computed by multiplying the LCE extracted from the wellfield by 53.7 percent. The resulting values from each production well were then summed for each production year to determine the predicted annual LCE production. Figure 12.9 shows yearly production as LCE assuming processing efficiency of 53.7 percent. During the entire 40-year simulated production period the cumulative mass of LCE, after accounting for LCE processing efficiency, is projected to average 48,800 tonnes per year.

Figure 12.7 Simulated Production Wellfield for 2019 Mineral Reserve Estimate



Source: *Burga et al. (2020)*

Table 12.6 Projected Annual Results from 2019 Mineral Reserve Estimate Model					
		Lithium		LCE	
Wellfield Operation Year	Total Wellfield Delivery Rate (L/s)	Average Wellfield Concentration (mg/L)	Total Wellfield Delivery Mass (tonnes)	Total Unprocessed Mass (tonnes)	Total Processed Mass (tonnes)
1	462	615	9,000	47,900	25,600
2	903	617	17,600	93,700	50,200
3	903	617	17,600	93,700	50,200
4	903	616	17,500	93,100	50,100
5	903	615	17,500	93,100	50,100
6	903	615	17,500	93,100	50,000
7	903	614	17,500	93,100	50,000
8	903	614	17,500	93,100	49,900
9	903	613	17,500	93,100	49,900
10	903	612	17,400	92,600	49,800
11	903	612	17,400	92,600	49,800
12	903	611	17,400	92,600	49,700
13	903	611	17,400	92,600	49,700
14	903	610	17,400	92,600	49,700
15	903	610	17,400	92,600	49,600
16	903	609	17,300	92,100	49,600
17	903	609	17,300	92,100	49,500
18	903	608	17,300	92,100	49,500
19	903	607	17,300	92,100	49,400
20	903	607	17,300	92,100	49,400
21	903	606	17,300	92,100	49,400
22	903	606	17,300	92,100	49,300
23	903	606	17,200	91,600	49,300
24	903	605	17,200	91,600	49,200
25	903	605	17,200	91,600	49,200
26	903	604	17,200	91,600	49,200
27	903	604	17,200	91,600	49,100
28	903	603	17,200	91,600	49,100
29	903	603	17,200	91,600	49,100
30	903	603	17,200	91,600	49,000
31	903	602	17,100	91,000	49,000
32	903	602	17,100	91,000	49,000

TABLE 12.6
PROJECTED ANNUAL RESULTS FROM 2019 MINERAL RESERVE ESTIMATE MODEL

Wellfield Operation Year	Total Wellfield Delivery Rate (L/s)	Lithium		LCE	
		Average Wellfield Concentration (mg/L)	Total Wellfield Delivery Mass (tonnes)	Total Unprocessed Mass (tonnes)	Total Processed Mass (tonnes)
33	903	601	17,100	91,000	48,900
34	903	601	17,100	91,000	48,900
35	903	601	17,100	91,000	48,900
36	903	600	17,100	91,000	48,800
37	903	600	17,100	91,000	48,800
38	903	599	17,100	91,000	48,800
39	903	599	17,000	90,500	48,700
40	903	598	17,000	90,500	48,700
40-Year Averages	**892**	**607**	**17,100**	**90,900**	**48,800**

Abbreviations*: mg/L = milligrams per liter; tonnes = tonnes (metric), rounded to the nearest 100 tonnes.*
Notes*:*
1) The mass and concentration of lithium are derived using the 2019 Mineral Reserve Estimate model; wellfield configuration OS4 shown on Figure 12.7.
2) The average concentrations are weighted by the extraction rate at each well.
3) To obtain the recoverable tonnage for Lithium Carbonate Equivalent (LCE), the predicted mass of Lithium is multiplied by a factor based on the atomic weights of each element in LCE to obtain the final compound weight. The factor used is 5.322785 to obtain LCE mass from Lithium mass.
4) The LCE process calculation assumes an efficiency of 53.7 percent.
5) The first production year (year 0 of the model simulation) is presented as Wellfield Operation Year 1.

Figure 12.8 Predicted Average Pumping Rate and Lithium Concentration from Simulated Wellfield

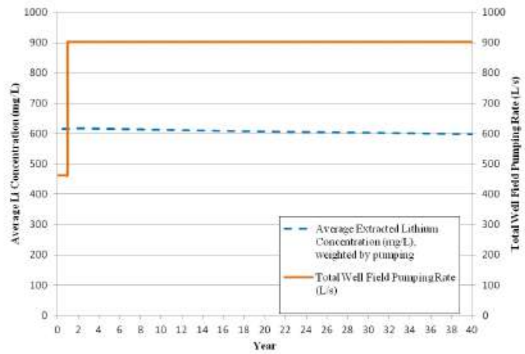
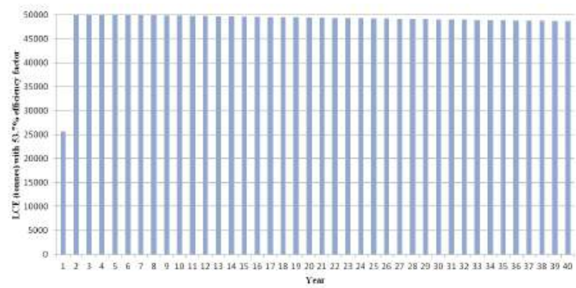


Figure 12.9 Predicted Annual LCE Production from Simulated Wellfield (Assuming 53.7% Process Efficiency)



Note: *The first production year (year 0 of the simulation) is shown as Year 1.*

12.11. STATEMENT FOR LITHIUM MINERAL RESERVE ESTIMATE

The updated numerical groundwater model was used to evaluate the potential to produce LCE for 40 years from a wellfield constructed with 56 simulated production wells within the Resource Evaluation Area of the Project Figure 12.7). Based on predictive simulations using the groundwater model, the results are provided in Table 12.7 as a Mineral Reserve Estimate of the 40-year simulated production period and duration of a life of mine plan. The Mineral Reserve Estimate is inclusive of the reported Mineral Resource Estimate (Table 11.5 and Table 11.6) (Section 11.4).

TABLE 12.7
SUMMARY OF ESTIMATED PROVEN AND PROBABLE MINERAL RESERVES
(WITHOUT PROCESSING EFFICIENCY)

Mineral Reserve Classification	Production Period (Years)	Brine Pumped (m^3)	Average Lithium Concentration (mg/L)	Lithium Metal (tonnes)	LCE (tonnes)	LCE – LAR's 44.8% Portion (tonnes)
Proven	0 through 5	156,875,201	616	96,650	514,450	230,474
Probable	6 to 40	967,767,934	606	586,270	3,120,590	1,398,024
Total	**40**	**1,124,643,135**	**607**	**682,920**	**3,635,040**	**1,628,498**

Notes:

1) The Mineral Reserve Estimate has an effective date of May 7, 2019. The Qualified Person for these Mineral Resources and Mineral Reserves estimates for Cauchari-Olaroz, Mr. Daniel S. Weber, P.G., RM-SME, reviewed and confirmed that the Mineral Reserves estimates, along with the material assumptions related to them, as presented in the Cauchari-Olaroz TRS, remained accurate as of the effective report date of December 31, 2024.

2) LCE is calculated using mass of LCE = 5.322785 multiplied by the mass of Lithium Metal.

3) The conversion to LCE is direct and does not account for estimated processing efficiency.

4) The values in the columns for "Lithium Metal" and "LCE" above are expressed as total contained metals.

5) The Production Period is inclusive of the start of the model simulation (Year 0).

6) The average lithium concentration is weighted by per well simulated extraction rates.

7) Tonnage is rounded to the nearest 10.

8) Comparisons of values may not be equivalent due to rounding of numbers and the differences caused by use of averaging methods.

9) Processing efficiency is assumed to be 53.7%.

10) The pricing, based on the estimates and the time frame for the economic viability, is described in Section 16.3 - Price Forecast

The Proven and Probable Mineral Reserve Estimate for the 40-year production period is summarized in Table 12.7 without factoring estimated processing efficiency. The Measured and Indicated Mineral Resources (Section 11.4) correspond to the total amount of lithium enriched brine estimated to be available within the aquifer while the Proven and Probable Mineral Reserves represent a portion of the Mineral Resource Estimate that can be extracted under the proposed pumping schedule and wellfield configuration. Therefore, the Mineral Reserve Estimate is not "in addition" to the Mineral Resource Estimate, and instead, it simply represents a portion of the total Mineral Resource that is extracted during the life of mine plan.

The authors believe the Mineral Reserve Estimate has been conservatively modeled and represents a Proven Mineral Reserve for Year 1 through 5 of full-scale extraction wellfield pumping and a Probable Mineral Reserve for Years 6 to 40 of full-scale extraction wellfield

pumping. The division between Proven and Probable Mineral Reserves is based on:
1) sufficiently short duration of wellfield extraction to allow a higher degree of predictive confidence, yet long enough to enable significant production, and 2) a duration long enough to enable accumulation of a strong data record to allow subsequent conversion of Probable Mineral Reserves to Proven Mineral Reserves.

Provided a detailed data record for monitoring wellfield operations and further updates to model calibration, the authors believe it could be possible to achieve partial conversion of Probable to Proven Mineral Reserves during the initial five years of full-scale operation and assessment of build-out of the extraction wellfield. The modeling results show that during the 40-year pumping period, brine will be diluted by less dense brine with corresponding lower concentrations of lithium (Figure 12.8). To compensate for the average decline in concentration during full-scale operations, increasing pumping rates at some wells could be achieved in the Resource Evaluation Area where excessive drawdown is minimal, and lithium concentrations remain favorable.

During the evaporation and concentration process of the brine pumped from the wellfield, there will be anticipated losses of lithium. Therefore, the total amounts provided in Table 12.7 do not include anticipated loss of lithium due to process losses, and therefore cannot be used for determination of the economic reserve. Table 12.8 provides results of the Proven and Probable Mineral Reserves from the wellfield when the percent estimated processing efficiency is factored, assuming continuous average brine extraction rates and process efficiency.

TABLE 12.8
SUMMARY OF ESTIMATED PROBABLE AND PROVEN MINERAL RESERVES
(ASSUMING 53.7% PROCESSING EFFICIENCY)

Mineral Reserve Classification	Production Period (Years)	Brine Pumped (m^3)	Average Lithium Concentration (mg/L)	Lithium Metal (tonnes)	LCE (tonnes)	LCE - LAR's 44.8% Portion (tonnes)
Proven	0 through 5	156,875,201	616	51,900	276,250	123,760
Probable	6 to 40	967,767,934	606	314,830	1,675,770	750,745
Total	**40**	**1,124,643,135**	**607**	**366,730**	**1,952,020**	**874,505**

Notes:

1) The Mineral Reserve Estimate has an effective date of May 7, 2019. The Qualified Person for these Mineral Resources and Mineral Reserves estimates for Cauchari-Olaroz, Mr. Daniel S. Weber, P.G., RM-SME, reviewed and confirmed that the Mineral Reserves estimates, along with the material assumptions related to them, as presented in the Cauchari-Olaroz TRS, remained accurate as of the effective report date of December 31, 2024.
2) LCE is calculated using mass of LCE = 5.322785 multiplied by the mass of Lithium Metal.
3) The conversion to LCE accounts for 53.7% estimated processing efficiency.
4) The values in the columns for "Lithium Metal" and "LCE" above are expressed as total contained metals.
5) The Production Period is inclusive of the start of the model simulation (Year 0).
6) The average lithium concentration is weighted by per well simulated extraction rates.
7) Tonnage is rounded to the nearest 10.
8) Comparisons of values may not be equivalent due to rounding of numbers and the differences caused by use of averaging methods.
9) The pricing, based on the estimates and the time frame for the economic viability, is described in Section 16.3 - Price Forecast

After accounting for processing efficiency (53.7%), the predicted results for the 40-year production period are as follows.

- Average production rate of 48,800 tpa LCE for the 40-year pumping period; the minimum of 25,600 tpa LCE occurs at the start-up of operations in Year 1; the maximum rate of 50,200 tpa LCE occurs at full-build in Years 2 and 3, after initial pumping begins for both the Phase 1 and Phase 2 wells. At the end of the pumping period in Year 40, the rate averages 48,700 tpa LCE.

- Average lithium concentration of 607 mg/L for the 40-year pumping period; the maximum concentration of 617 mg/L occurs at the start-up of full-build in Year 2 and the minimum concentration of 598 mg/L occurs near the end of the pumping period in Year 40.

12.12. RELATIVE ACCURACY IN MINERAL RESERVE ESTIMATE

The relative accuracy and confidence in the Mineral Reserve estimation is dominantly a function of the accuracy and confidence demonstrated in sampling and analytical methods, development and understanding of the conceptual hydrogeologic system, and construction and calibration of the numerical groundwater flow model. As has been demonstrated in this report and in previous technical reporting by LAC (2012, 2017, and 2019), input data and analytical results via sample duplication, the use of multiple methods to determine brine grade, and to obtain aquifer parameters from pumping tests have been verified and used as a basis for the Mineral Reserve Estimate model.

Using standard methods, a conceptual geological and hydrogeologic model consistent with the geologic, hydrogeologic, and chemistry data obtained during the field exploration phases of the Project was prepared. The conceptual model was then used to prepare the numerical groundwater flow model. In addition, the calibration of the numerical model iteratively provided support for the conceptual hydrogeologic model. After review and verification of model projections, the authors have a reasonably high level of confidence in the ability of the aquifer system, assuming certain levels of uncertainties and risk described in Section 13.0, can yield the quantities and grade of brine calculated as the 2019 Mineral Reserve Estimate.

The 2019 Mineral Reserve Estimate assumes that production from adjacent external property areas will not be impacted by brine production, both currently and in the future. However, depending on the location of production wells and the potential overlap of brine aquifer capture areas, this assumption may introduce significant uncertainty. Adjacent external brine production wells could directly affect the 2019 Mineral Reserve Estimate by causing dilution of brine concentrations or lowering brine levels in the aquifer. Although the details of adjacent properties' brine production are uncertain, it is recommended to conduct a sensitivity analysis to assess potential impacts.

13. MINING METHODS

13.1. PRODUCTION WELLFIELD

A total of 56 wells were used to simulate brine extraction for the Updated Mineral Reserve Estimate. The wells comprising the brine extraction wellfield are spatially distributed in the Resource Evaluation Area of the Project to optimize well performance and capture of brine enriched in lithium (Figure 12.7).

During the first's years of ramp up operation, in 2023 and 2024, 39 wells were operative to support LCE production. During 2023, average wellfield extraction was 493 L/s and in 2024, 704 L/s were pumped. Table 13.2 lists the total wellfield delivery rate per year.

For 2019 technical report, it was assumed that from Years 2 through 40, 33 wells are added to the pumping schedule for duration of the life of mine plan (Figure 12.8). During the Phase 2 pumping period, the average nominal pumping rate per well is 16 L/s capacity, providing approximately 903 L/s of lithium enriched brine from the aquifer to the evaporation ponds.

Due to uncertainties in the spatial distribution of aquifer hydraulic properties and ultimate well hydraulic efficiencies at constructed production wells, difference may exist between pumping rates applied in the simulation versus measured pumping after construction of wells. In addition, it is likely that wells will need to be rehabilitated or replaced during the 40-year production period and cost estimates should include provisions to cover such expenditures.

13.2. BRINE PRODUCTION UNCERTAINTIES, LIMITATIONS, AND RISK ASSESSMENT

An assessment of key potential sources of uncertainties and limitations in the numerical model predictions and the Mineral Reserve Estimate is provided below. These descriptions are based on an extensive series of model runs for calibration and sensitivity analysis provided in prior LAC reporting for the previous Mineral Reserve Estimate and additional modeling analysis used for the 2019 Mineral Reserve Estimate and subject of this report.

- Initial brine concentrations – These are based on relatively extensive sampling programs. The order of uncertainty in the average modeled brine concentration is expected to be ± 6% and is based on differences reported in prior resource area models of brine concentration.

- Effective Porosity (φe) and Specific Yield (Sy) – Effective porosity is difficult to measure in the field. Therefore, effective porosity was assumed to be equal to specific yield for modeling purposes. A high degree of variability is noted in the Sy estimates (as based on RBRC results). Since most of extracted brine is derived from elastic rather than pore storage, uncertainties in effective porosity affect the distance that lithium mass in the brine travels to reach a production well. As a result, uncertainties in estimates of specific yield will affect the amount of mass capture produced by the wellfield at boundaries with more dilute concentrations of lithium. To avoid these potential dilution effects and reduce uncertainty, the wellfield is currently configured for maximizing mass capture within the Project property aquifer volumes with largest amounts of lithium mass, and at sufficient distances from more dilute areas near aquifer boundaries.

- Dispersivity – The value of dispersivity, which controls the spreading of dissolved lithium as it is transported with groundwater, is also difficult to determine in field settings given the scale of the model domain. Values were set in the Updated Mineral Reserve model to be generally consistent with the previous modeling effort (King, Kelley, Abbey, 2012) and professional literature estimates for controlled testing (Gelhar et al., 1992 and Hess et al., 2002), and the amount of spreading parallel to groundwater flow (horizontal dispersivity) is reasonably assumed to be greater than the transverse and vertical components. Sensitivity runs with varied dispersivity values will aid in better evaluating its effect on the simulated results.

- Stratigraphic assumptions – Stratigraphic variability is inherent in any depositional environment. The updated HSU model is based on the available data and interpretation of depositional processes. Additional refinements using model zonation of aquifer parameters were made based on well responses to the pumping tests, to refine the continuity of aquifer and aquitard units between wells. Stratigraphic uncertainty tends to affect either the number of wells required to recover the Mineral Reserve, or the rate at which the Mineral Reserve can be recovered, rather than the total Mineral Reserve. Consequently, it can be addressed by the addition of contingency wells. Similarly, it could be addressed by acceptance of lower production rates spread over a longer period of time. As the production wellfield is constructed there will be further opportunity to update the stratigraphy and hydraulic properties to better predict drawdown and refine the number of wells required to meet pumping targets.

- Hydraulic conductivity (K) – The K distribution field is directly correlated with HSU model and, given the large range in lithologic heterogeneity of the HSUs, values of K have a broad range as well as associated uncertainty. Similar to stratigraphic uncertainty, the magnitude of the uncertainty for K estimates primarily affects the number of required pumping wells, rather than the total Mineral Reserve Estimate. If K values are smaller than represented in some areas of the model, it ultimately would require closer well spacing which can be addressed by the addition of contingency wells.

- Water Balance – The water balance is defined as the entry of water into the salar, either laterally or vertically (recharge), and water exiting the model primarily via evaporation (discharge). Given the conceptual model of the basin, recharge at mountain fronts and basin margins essentially controls influx and thereby dictates evaporative discharge flux. The amount of recharge into the model domain has the potential to affect the required number of pumping wells and steady-state residual mean, where for example, a lower recharge estimate to the salar could improve the apparent spatial bias of negative residuals (Table 12.3). Sensitivity analyses shows if actual recharge is significantly less than represented in the model, then the amount of drawdown and dilution associated with a given pumping rate will tend to be greater over long pumping periods. Consequently, more production wells would be required to spread out the effects of brine extraction and promote less drawdown and dilution at individual pumping wells. This is addressed by the addition of contingency wells.

- Water density – In most salar settings, variations in the density of groundwater are an important driver for flow, especially in the marginal mixing zone. Similar to the previous modeling efforts, a constant density of groundwater was assumed in this Updated Mineral Reserve model. Although the extensive numerical modeling analysis of LAC (2012) indicated that the consideration of variations in groundwater density did not significantly impact the simulated results of that model, the extended domain of this Updated Mineral Reserve model includes the marginal salar areas and freshwater zones of the basin. Therefore, in future modeling updates, and with additional measurements of groundwater density, consideration of variable-density flow and transport is recommended with modeling code and interface utilized (MODFLOW-USG with Groundwater Vistas). In addition, the steady-state calibration may be improved if the observed groundwater values were corrected for water density; in this case, the equivalent freshwater head would be higher than the respective observed field groundwater elevation (Table 12.3), resulting in an increased residual mean and possible improvement of the spatial bias of over predicted model values. This improvement would also be subject to more field measurements of water density in order to properly convert the observed groundwater elevations to equivalent freshwater heads.

- Brine production from adjacent properties – The Mineral Reserve Estimate assumes that production within the Project property areas will not be affected by production from adjacent third-party properties. Depending on production well locations and projected associated capture areas, this uncertainty may be large as off-property brine pumping from immediately adjacent property areas claims may have direct effect on the Mineral Reserve Estimate. Although details of proposed off-claim production are not known, a sensitivity analysis is recommended projecting the potential effects.

13.3. WELL UTILIZATION

For the 2019 Mineral Reserve Estimate, it was assumed that the 56 wells would be needed to meet or exceed the production goal targets. From 2018 to 2024, prior to initiation of full-scale operations, a total of 39 brine extraction wells were constructed. Storage ponds and the recovery plant were also assumed to be fully operational at the start of the simulation. As a result, ramp up of pumping for the 2019 Mineral Reserve Estimate only occurred during the initial two years of operation and pumping rates needed to achieve production goals was initiated at the start of each yearly simulation period.

Variations in brine demand due to differences in brine-pond evaporation rates, either seasonal or due to long-term climatic trends, were not incorporated directly into the simulations. Incorporation of brine pumping variations can be conducted as part of model predictive scenarios for operational controls. In practice, however, pumping at selected wells could be stopped and started as necessary to meet total wellfield requirements.

13.3.1. Well Utilization 2018 to 2024

From 2018 to 2024, a total of 39 producing wells have been progressively commissioned in the current exploitation area of the resource (Cauchari-Olaroz), which sustained the ramp up operation during those years.

From 2018 to the present, the number of wells in production has increased, as has the volume of brine extracted and the efficiency in the concentration of lithium. In 2018, production began with the pumping of 5 wells located in the Cauchari Salar. During 2019, 8 wells were incorporated into the production, considerably increasing the volume of brine extracted compared to the previous year. By 2020, the number of wells in production doubled, with a total of 24 wells in production, distributed in the Cauchari-Olaroz Salar. During 2021, 1 well was incorporated into production, this and the improvements in the efficiency of the wells meant an increase of almost 70% in brine production compared to the previous year. From 2022 to 2024, brine pumping and production reached a total of 39 wells.

Currently, 3 new infill producing wells are being built in the Salar de Olaroz in order to increase the versatility and productive capacity of the pumping field. Their location information is presented in Table 13.1.

Table 13.2 summarizes the volume of brine pumped per well, as well as the average flows per year. Figure 13.1 shows graphically the volume of exploitation per well. Figure 13.2 shows the location of the production wells and Figure 13.3 shows the location of the production wells against the area of the 2019 Mineral Resource Estimate.

After accounting for processing efficiency (53.7%), the predicted results for the 40-year production period are as follows.

- During the first years of operation, a total of 122,407 t LCE have been delivered to the wellfield. For the following years, it is expected to have an average production rate of 49,354 tpa LCE.
- The average predicted production rate for the 40-year pumping period is 47,700 tpa LCE.
- At the end of the predicted pumping period in Year 40, the rate averages 48,700 tpa LCE.
- Average lithium concentration of 609 mg/L for the 40-year predicted pumping period. During the first years of operation, the average lithium grade is 638 mg/L, and the minimum concentration of 598 mg/L occurs near the end of the pumping period in Year 40.

The recommendation is made to update the Mineral Resource Estimate and Mineral Reserve Estimate in 2025.

TABLE 13.1
BOREHOLE DRILLING SUMMARY FOR INFILL PRODUCING WELLS PROGRAM
CONDUCTED IN 2024

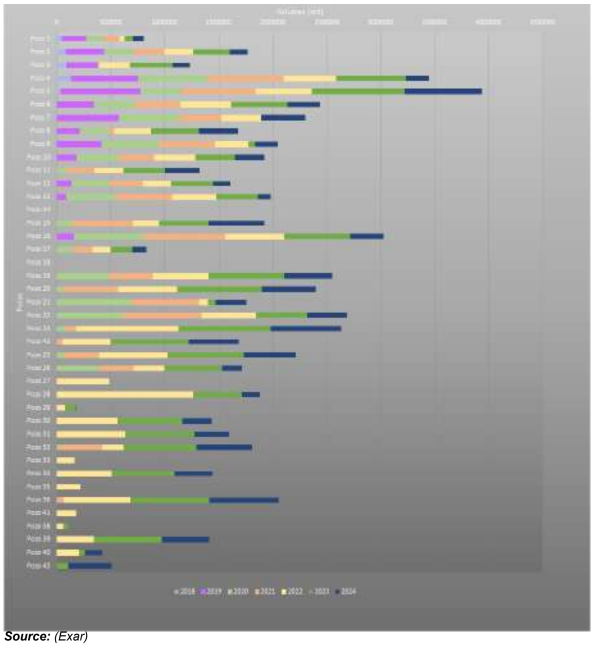
Borehole ID	Type	Platform	Contractor	Stage	Location	Coordinates	
						X	Y
Pozo 44	Rotary	W-30	Wichi Toledo	Under construction	Olaroz	3425552	7393300
Pozo 45	Rotary	W-28	Wichi Toledo	Under construction	Olaroz	3425189	7392374
Pozo 46	Rotary	W-29	Wichi Toledo	Under construction	Olaroz	3424736	7391203

TABLE 13.2
VOLUME PUMPED PER PRODUCTION WELL PER YEAR AND AVERAGE FLOW PER YEAR - CAUCHARI-OLAROZ

Legal Name	Pozo ID	Salar	Volumen real bombeado Volumen bombeado en m3 Año							TOTAL x POZO m3	Promedio de extracción en l/s/año						
			2018	2019	2020	2021	2022	2023	2024		2018	2019	2020	2021	2022	2023	2024
PB-3A	Pozo 1	Cauchari	47597	222156	158142	156528	45296	78127	99526	804770	8	7	5	3	1	2	6
PB-4	Pozo 2	Cauchari	88896	352754	264978	291302	365895	332673	171195	1767693	11	11	8	9	8	11	11
PB-6A	Pozo 3	Cauchari	92588	284656	19648	0	279021	399132	157838	1232867	12	9	1	0	9	13	10
W18-05	Pozo 4	Cauchari	129133	625566	681670	711456	484495	649463	214478	3450253	17	20	20	23	15	21	14
W17-08	Pozo 5	Olaroz	33868	788640	379627	687587	512188	868838	718455	3688003	4	24	12	22	16	27	45
W18-06	Pozo 6	Cauchari	0	347723	389402	427857	470584	518750	302839	2457425	0	11	12	14	15	16	10
W11-08	Pozo 7	Cauchari	0	377119	559280	390721	387583	0	411874	2306362	0	18	18	12	12	0	26
W-04A	Pozo 8	Cauchari	0	213643	273300	49225	333685	448948	359345	1677846	0	7	9	2	11	14	23
W18-23	Pozo 9	Cauchari	0	421898	528090	516157	389268	62127	208460	2046105	0	13	17	16	10	2	13
WR-10	Pozo 10	Cauchari	0	188724	375664	340613	376113	366191	271253	1918458	0	6	12	11	12	12	17
WR-28	Pozo 11	Olaroz	0	0	93090	255905	299815	383049	323204	1325039	0	0	3	8	9	12	21
WR-23	Pozo 12	Cauchari	0	138547	358510	305433	258708	392261	157847	1608075	0	4	11	10	8	12	10
WR-24	Pozo 13	Cauchari	0	55454	455450	522375	404463	387404	117484	1580890	0	1	14	17	13	12	7
~~W17-12~~	~~Pozo 14~~	~~Olaroz~~	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
W02B	Pozo 15	Olaroz	0	0	140046	564281	242250	463031	510933	1920441	0	0	4	18	8	15	32
WR-21	Pozo 16	Cauchari	0	156783	647375	759569	543740	608977	310917	3027361	0	5	21	24	17	19	20
W09-08	Pozo 17	Cauchari	0	0	148536	182973	166432	204757	131384	828082	0	0	5	6	5	6	8
~~W09-01~~	~~Pozo 18~~	~~Olaroz~~	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
W-2	Pozo 19	Cauchari	0	0	488566	407454	514402	697440	443935	2549797	0	0	15	13	16	22	28
W-14	Pozo 20	Olaroz	0	0	52932	517294	546508	781201	498853	2396783	0	0	2	16	17	25	32
W-6	Pozo 21	Cauchari	0	0	688025	629938	88083	63801	288841	1758010	0	0	22	20	3	2	18
W-11	Pozo 22	Cauchari	0	0	615072	720888	506800	476744	362710	2685311	0	0	20	23	16	15	23
W-17	Pozo 23	Olaroz	0	0	88908	95508	942165	857208	690148	2634529	0	0	3	1	30	27	41
W-42	Pozo 42	Cauchari	0	0	0	55088	439347	725457	465441	1685333	0	0	0	2	14	23	30
W-15	Pozo 25	Olaroz	0	0	69873	326546	626354	710858	481505	2215136	0	0	2	10	20	23	31
W-1	Pozo 26	Cauchari	0	0	392328	319689	285381	506622	177220	1711240	0	0	12	10	9	17	11
WR-07	Pozo 27	Cauchari	0	0	0	0	481089	0	0	481089	0	0	0	0	15	0	0
W-9	Pozo 28	Cauchari	0	0	0	0	1260919	453458	165399	1880276	0	0	0	0	40	14	11
W-18	Pozo 29	Olaroz	0	0	0	0	76562	104293	535	181390	0	0	0	0	2	3	0
W10-04	Pozo 30	Cauchari	0	0	0	0	561658	597923	274911	1434470	0	0	0	0	18	19	17
W-8	Pozo 31	Cauchari	0	0	0	0	633335	638211	320917	1592463	0	0	0	0	20	20	20
W-16	Pozo 32	Olaroz	0	0	24573	401217	193380	675923	514287	1809380	0	0	1	13	6	21	33
WR-3	Pozo 33	Cauchari	0	0	0	0	162028	0	0	162028	0	0	0	0	5	0	0
W-7	Pozo 34	Cauchari	0	0	0	0	508077	584543	390670	1483290	0	0	0	0	16	18	22
W-12	Pozo 35	Cauchari	0	0	0	0	214032	0	0	214032	0	0	0	0	7	0	0
W-3	Pozo 36	Olaroz	0	0	0	70152	605750	734147	635331	2053380	0	0	0	2	19	23	41
W-4	Pozo 41	Olaroz	0	0	0	0	178230	0	0	178230	0	0	0	0	6	0	0
W-19	Pozo 38	Olaroz	0	0	0	0	58570	41158	0	99728	0	0	0	0	2	1	0
W-13	Pozo 39	Olaroz	0	0	0	0	342626	633030	435445	1411101	0	0	0	0	11	20	28
W-10	Pozo 40	Cauchari	0	0	0	0	206475	52215	161947	420637	0	0	0	0	7	2	10
W-31	Pozo 43	Cauchari	0	0	0	0	0	103806	404386	508192	0	0	0	0	0	3	26
TOTAL AÑO			391874	4372813	7814331	9715261	14751452	15626133	11090917	63765405							

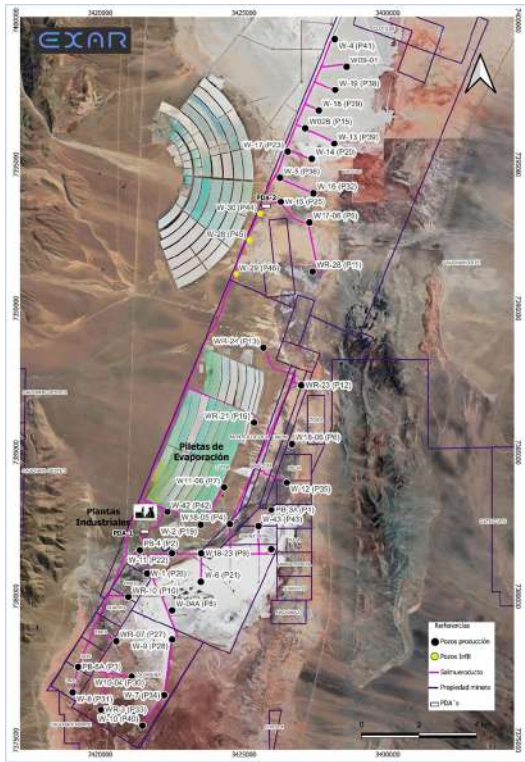
Note: *The volumes shown here include all feed to the system as well as the volumes used for pond leak detection and pumping tests.*
Source: *(Exar)*

Figure 13.1 Production Wells – Pumped Volumes per Well per Year



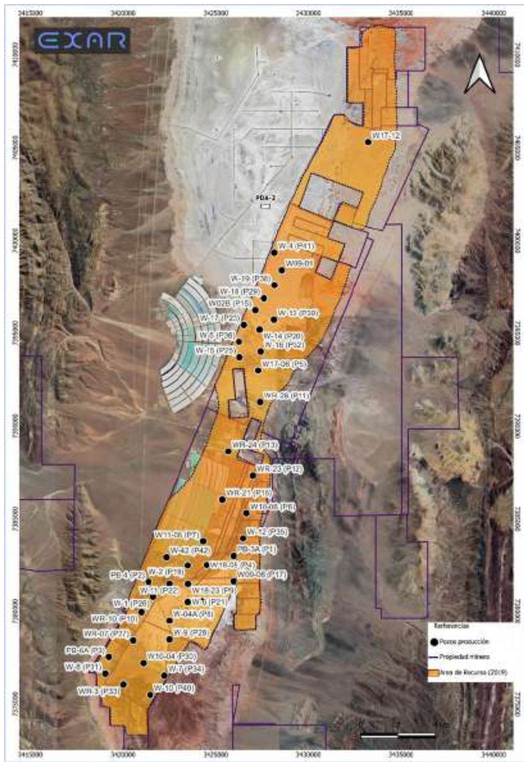
Source: *(Exar)*

Figure 13.2 Location of Production Wells



***Source**: (Exar, 2024)*

Figure 13.3 Location of Production Wells Showing 2019 Mineral Resource Area



***Source**: (Exar, 2024)*

14. PROCESSING AND RECOVERY METHODS (BRINE PROCESSING)

14.1. GENERAL

The lithium recovery process consists of the following main processing stages:

- Brine production from wells.
- Sequential solar evaporation.
- Liming for Impurity Reduction.
- Lithium plant including:
  - Boron removal;
  - Purification process;
  - Forced Evaporation process;
  - Polishing;
  - Carbonation/Lithium carbonate precipitation;
  - Lithium carbonate crystal compaction and micronization; and
  - Lithium carbonate packaging.

The current process design, based on testing and simulation, has been enhanced with:

- Sulphate and boron reduction.
- Plant-Based potassium chloride reduction.

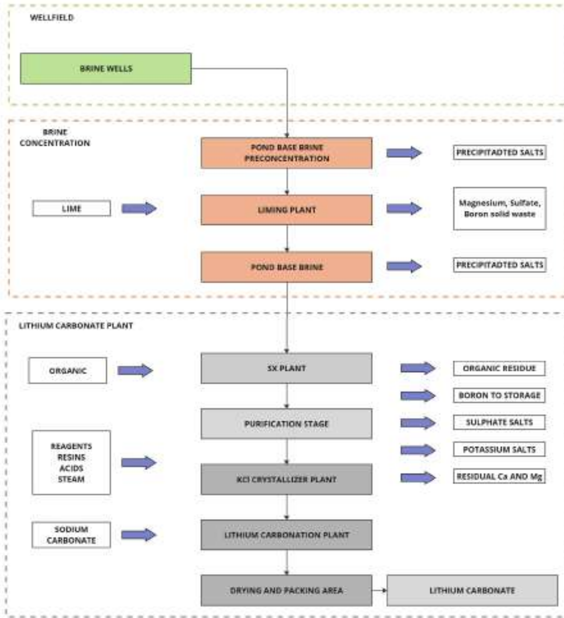
Mass and energy balance simulations were developed for estimation of operating and equipment costs. A conservative approach was used to design the ponds and plant infrastructure to ensure product purity and delivery commitments.

14.2. PROCESS DESCRIPTION

14.2.1. Process Block Diagram

Figure 14.1 shows the process diagram that outlines the general process. The brine is pumped from the salar into the pond system on the left side. As it progresses through the ponds, different salts precipitate, and chemical treatments are applied. The concentrated brine leaves the pond system on the right side then enters on the top left of the Lithium Carbonate Plant Simplified Block flow diagram.

Figure 14.1 Process Block Diagram



***Source**: (Exar)*

14.3. BRINE CONCENTRATION PROCESS DESCRIPTION

14.3.1. Pond Surface Area

Exar has designed, configured and planned the operation of the pond system based on test work at the site and multiple laboratory tests.

A water evaporation rate of 6.26 mm/day (average rate between summer and winter) was used as the design criteria for the pond system, which was obtained using Class A evaporation pans and the test results discussed in Section 10.2.2. In addition, 10% of the available evaporation time the pond will be available for harvesting. A seasonal model of the ponds has been used to obtain the net annual productivity including variation in rain fall, evaporation rates, and brine chemistry changes due to temperature. All these variables are estimated based on site-specific statistics.

Using the above-mentioned rate, a total pond surface area of 1,200 Ha is required to produce 40,000 tpa of lithium carbonate. The operation strategy considers daily evaporation control adjustments by adjusting surface area requirements as necessary during operations through monitoring weekly pond mass balances and long-term prediction based on historic evaporation and meteorological data.

The pond system consists of 28 evaporation ponds segregated into the following types, (with accompanying evaporation):

- 16 pre-concentration ponds (Evaporation rate: 4.38 mm/d).
- 6 halite ponds (Evaporation rate: 4.25 mm/d).
- 2 ponds as sylvinite ponds (Evaporation rate: 3.56 mm/d).
- 2 ponds for control (Evaporation rate: 3.51 mm/d.)
- 2 lithium ponds (Evaporation rate: 3.45 mm/d).

The ponds configuration includes two parallel trains as presented in Figure 14.5. Associated piping allows for flexible operation and bypassing of individual ponds for maintenance activities.

14.3.2. Pond Design

The pond design consists of engineered fill material and a thick impermeable pond liner (geomembrane) with geotextile only on berms. The use of both engineered fill material and a liner reduces the potential of rocks penetrating the liner and compromising pond impermeability. The engineered fill material consists of screened sands and fines which are installed on the native material in the pond area below the liner then leveled and compacted.

Testing of this design using pond liners from several different suppliers and installation details was completed to reach the final decisions on the liner and construction approaches. A total of 10 pond cells (approx. 40 m x 40 m) were constructed on site and installed with the proposed design. Production and salt harvesting were then simulated, and the liners were then tested for damage/leakage using inspection and mass balances on the test ponds.

Figure 14.2 illustrates the evaporation ponds constructed upon the engineered bedding that was overlain with a geotextile and liner.

Figure 14.2 Evaporation Ponds at Cauchari Salar

Source: *Burga et al. (2020)*

The pond berms were constructed using compacted, impermeable clay-rich soils and overlain with the engineered materials described above. Testing of the berm construction material, sourced locally in the Olaroz salar, has confirmed the design specifications (Figure 14.3). Evaporation ponds are shown in Figure 14.4.

Figure 14.3 Testing of Berm Material

Source: *Burga et al. (2020)*

Figure 14.4 Evaporation Ponds – Close Up

Source: *Burga et al. (2020)*

14.3.3. Pond Layout

Figure 14.5 presents the outline of the ponds and the salt disposal area.

Figure 14.5 Evaporation Ponds

***Source**: (Google Earth, 2024)*

14.3.4. Pond Transfer System

Each pond is equipped with a pump station and pipeline system for transferring brine between ponds (Figure 14.6). The ponds are arranged geometrically to efficiently move brine during the anticipated normal operation and maintenance of the ponds and pump systems. An analysis of the prevailing wind direction was considered in pond orientation, pump station locations, and brine inlets.

Brine progresses along the long axis of the pond. Internal, temporary walls constructed of salt ensure the brine does not bypass the pond section and has a consistent residence time.

Figure 14.6 Evaporation Ponds – Transfer Pump Station

Source: *Burga et al. (2020)*

14.3.5. Salt Harvesting

As brine concentrates, the salt precipitates in the pond thus purifying the brine. Salt that precipitates in the bottom of ponds is porous and entraps brine. In order to recover pond volume taken up by precipitated salt and recover lithium values entrapped with the brine; salt will be harvested. Harvesting began after the third year of steady operation.

The harvesting operation consists of draining the free brine from the pond, scraping the salt to a minimum depth, and making drainage trenches before removing salt. Draining the entrapped brine from the salt will recover roughly 90% of the lithium that was entrapped in the salt. Harvesting is being conducted 24/7 to satisfy overall production plans.

14.3.6. Impurity Reduction-Liming

A liming stage is necessary to avoid the precipitation of lithium compounds by removing some of the sulphate. In the liming system almost all of the Mg is precipitated with a portion of the sulphates and boron compounds.

The only reagent used in this area is quick lime (CaO) which is stored in two silos of 1,000-tonne capacity each. A milk of lime preparation system includes the vertimill lime slaker to prepare the reagent for the process.

Milk of lime and brine from the pre-concentration ponds are contacted in two separate trains of reactors. These reactors produce a slurry of sulphates, magnesium hydroxides and borates that can be easily separated from the brine and washed to recover the lithium.

The reactions that take place precipitate magnesium hydroxide, gypsum and calcium borates. The reactions give the following products:

$$(Mg)^{+2} + Ca(OH)_{2,(s)} \rightarrow Mg(OH)_{2,(s)} + Ca^{+2}$$

$$Ca^{+2} + SO_4^{-2} \rightarrow CaSO_{4,(s)}$$

$$2Ca^{+2} + 3B_2O_4 \rightarrow Ca_2B_6O_{11}\cdot 5H_2O_{(s)}$$

The brine with precipitated solids is discharged from the reaction tank to a solid liquid separation system. The treated brine stream goes to the post-concentration ponds for further concentration, whereas the solids are transferred to a disposal area.

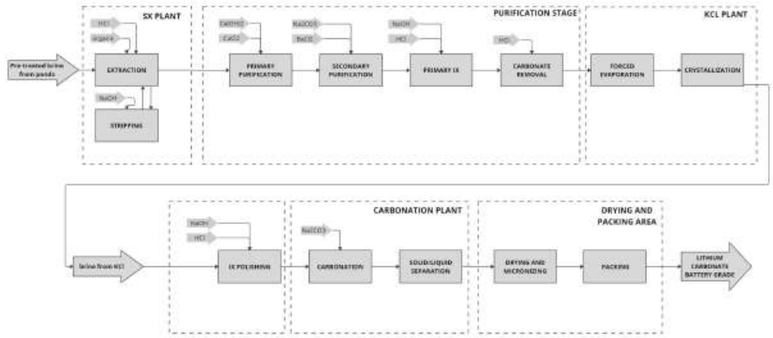
14.4. LITHIUM PLANT PROCESS DESCRIPTION

Pre-treated and concentrated brine from the evaporation ponds is fed into the lithium plant.
The plant is composed of the following processing sections:

- SX circuit for boron removal.
- Purification circuit: In this circuit, impurities such as magnesium, calcium, and sulphates are removed from the brine using specific reagents.
- Forced Evaporation and KCl Crystallizer circuit.
- Carbonation circuit to precipitate high-grade Lithium carbonate.
- Drying and packing area.

The block diagram for the plant is shown in Figure 14.7 Lithium Carbonate Plant Block Diagram.

Figure 14.7 Lithium Plant Block Diagram



14.4.1. Solvent Extraction for Boron Removal

Boron removal is necessary to achieve high-quality lithium product. The solvent extraction stage allows an effective removal of this element. This step reduces boron concentration to specification values

In the 2012 Feasibility Study, a boron solvent extraction stage was considered to treat the brine and produce an essentially boron-free brine for further processing. Test work provided the basis of design for the solvent extraction plant including six solvent extraction stages and three stripping stages.

The design of the extraction unit is based on pilot testing at the pilot plant located at the Project site, and Tenova have provided a process guarantee.

The main reagents of this process are:

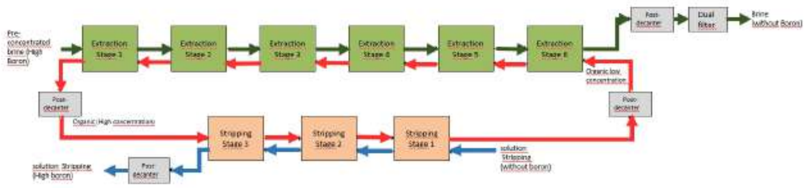
- The organic mix used in the extraction is a mix of Escaid 110 and 2-Ethyl-hexanol.
- 32% HCl to control the acidic pH in the extraction stage, acidifying to a pH of 2.5.
- 5% NaOH solution to prepare the aqueous stripping solution and reach a pH of 10 in the stripping stages.

The boron from the feed is transferred to the organic phase as the liquids mix during the extraction process. The extraction circuit consists of six stages.

Boron removal from the organic phase is carried out using an alkaline caustic solution. The stripping circuit has three stages. The extracted solution containing boron is sent to a disposal tank for the process. The regenerated organic phase is recycled back into the extraction stage.

The solvent extraction plant configuration is shown in Figure 14.8 Boron Solvent Extraction.

Figure 14.8 Boron Solvent Extraction



14.4.2 Purification Process

The rest of the impurities, magnesium, calcium, and sulphates are removed from the brine in the purification process.

The purification process consists of the following steps:

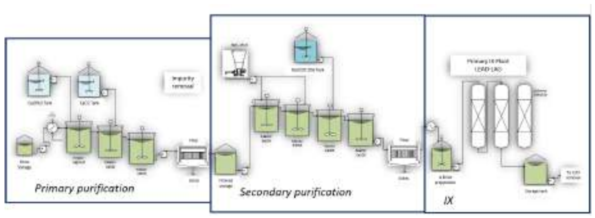
- Primary purification: main objective is magnesium and sulphates removal.
- Secondary purification: main objective is calcium and sulphates removal.
- Primary IX: main objective is the removal of any residual calcium, magnesium and other divalent ions.

Purification is done in two stages using Ca(OH)2, Na2CO3, CaCl2 and BaCl2 as reagents that are effective for the precipitation of calcium, magnesium, sulphate.

The circuit includes the solid/liquid separation stages, and the ion exchange sequences for the overall removal of traces of divalent ions (calcium and magnesium mainly but also strontium and barium).

The process stages included in the purification circuit area outlined in the Figure 14.9 Brine Purification Circuit Diagram.

Figure 14.9 Brine Purification Processing Circuit Diagram



14.4.2.1 Primary Purification – Magnesium and Sulphate Reduction

Magnesium must be removed before the carbonation step. This is accomplished by adding lime in a set of reactors. The lime reacts with the magnesium in the brine to form insoluble magnesium hydroxide. The precipitated solids are removed by a solid-liquid separation system.

$$Mg^{2+}_{(aq)} + Ca(OH)_{2(lime)} \rightarrow \mathbf{Mg(OH)_{2(solid)}} + Ca^{2+}_{(aq)}$$

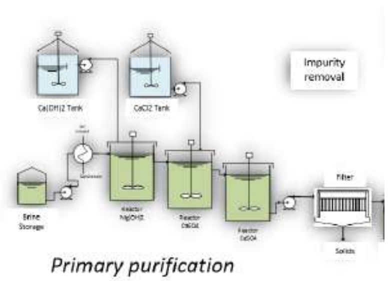
Residual sulphate ions are precipitated by addition of calcium chloride in a stirred reactor. The precipitated solids are removed by a solid-liquid separation system.

$$CaCl_{2(sn)} + SO_4^{2-} \rightarrow \mathbf{CaSO_{4(solid)}} + 2Cl^-$$

The primary purification filter cakes report to final disposal.

Figure 14.10 Primary Purification Processing Circuit Diagram presents the configuration of this section of the plant.

Figure 14.10 Primary Purification Processing Circuit Diagram



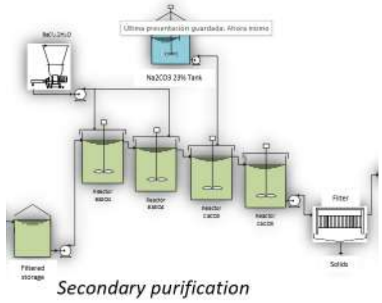
14.4.2.2 Secondary Purification – Calcium and Sulphates Removal

Residual calcium and sulphates in the brine will be precipitated with soda ash and barium chloride.

$$BaCl_2.2H_2O_+ SO_4^{2-} \rightarrow \mathbf{BaSO_{4(solid)}} + 2Cl^-$$
$$Ca^{2+}_{(aq)} + Na_2CO_{3(sn)} \rightarrow \mathbf{CaCO_{3(solid)}} + 2Na^+_{(aq)}$$

The precipitated solids will be removed by a solid-liquid separation system. The secondary purification filter cakes report to final disposal. Figure 14.11 Secondary Purification Processing Circuit Diagram presents the configuration of this section of the plant.

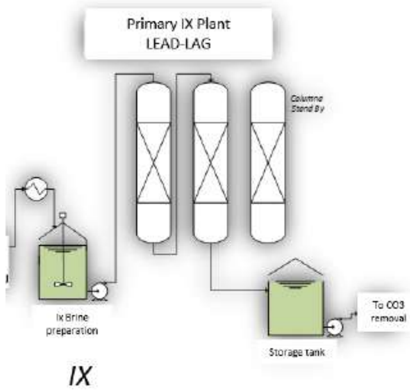
Figure 14.11 Secondary Purification Processing Circuit Diagram



14.4.2.3 Primary IX

An ion exchange system acts as a guard to remove any residual calcium, magnesium and other divalent ions. The main objective is to obtain Ca, Mg, Ba and Sr <1 ppm. Figure 14.12 Primary IX Circuit Diagram presents the configuration of this section of the plant.

Figure 14.12 Primary IX Circuit Diagram



For IX resin regeneration, the following stages are required with the following streams:

- Displacement and backwashing uses demineralized water.
- Regeneration: uses HCl 8%.
- Conversion uses NaOH 5%.
- Washing: uses demineralized water.

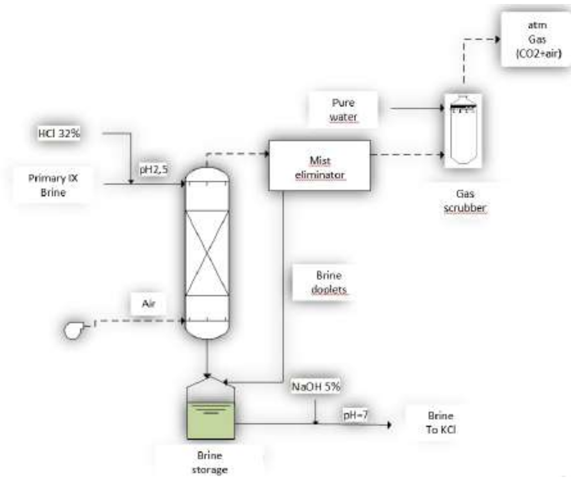
14.4.2.4 Carbonate Removal

The objective is to reduce the carbonate concentration in the brine by adding HCl in desorption equipment for conditioning the brine for effective carbonate removal:

$$CO_3^{2-} + HCl \rightarrow \mathbf{CO_2} + 2Cl^-$$

Figure 14.13 Carbonate Removal Circuit Diagram presents the configuration of this section of the plant.

Figure 14.13 Carbonate Removal Circuit Diagram



14.4.3 Evaporation and KCl Crystallization Stage

Potassium and sodium concentrations are reduced by evaporative crystallization. Centrifuges are used to separate the sylvinite crystals. There are two trains, A and B, with the same capacity. This stage also increases the lithium concentration
The evaporator has the following steps:

1. Vacuum evaporation. Triple-effect evaporator (4 bodies). Crystallization by water loss.

2. First Solid/Liquid separation in Pusher type centrifuges. Continuous operation.

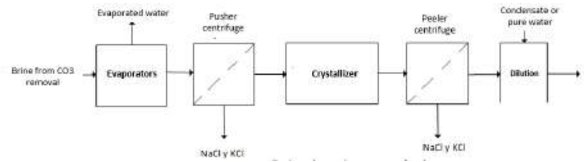
3. Crystallization by cooling; crystals grow due to differential KCl saturation. There is crystal seeding in this operation.

4. Second Solid/Liquid separation in Peeler type centrifuges. Batch operation.

5. Concentration adjustment to 3% by mass lithium by dilution.

Figure 14.14 Evaporation and KCl Crystallization Diagram presents the configuration of this section of the plant.

Figure 14.14 Evaporation and KCl Crystallization Diagram



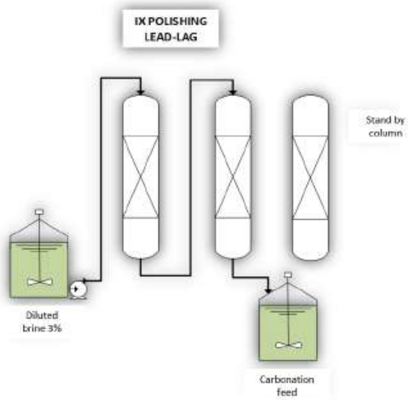
14.4.3.1 Secondary IX Polishing

The objective is to remove divalent ions (Ca, Mg, Ba, and Sr) from the brine to allow the final lithium carbonate product to meet the required product specifications.

This operates in the same way as primary IX. The configuration of this stage is presented in Figure 14.15 Secondary IX Polishing Diagram.

IX regeneration is the same as in Primary IX.

Figure 14.15 Secondary IX Polishing Diagram

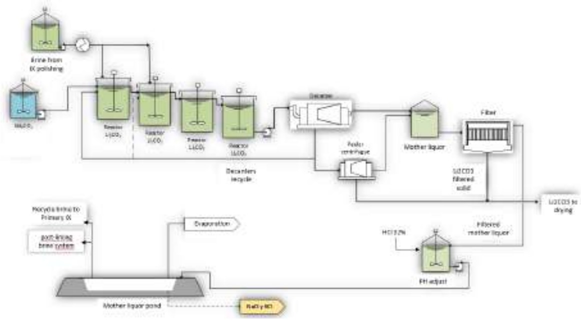


14.4.4 Lithium Carbonate Crystallization and Recovery

The main objective is to generate the lithium carbonate (solid). The feed is divided between the first two reactors to reduce supersaturation and improve the size and purity of the crystals. Then the feed is mixed in the reactors with soda ash. The centrifuges dewater the crystals and then the crystals are washed with condensate to maintain a high yield of lithium, and the wash water will be sent to the evaporator feed.

Figure 14.16 Lithium Carbonate Crystallisation Diagram presents the configuration of this section of the plant.

Figure 14.16 Lithium Carbonate Crystallization Diagram

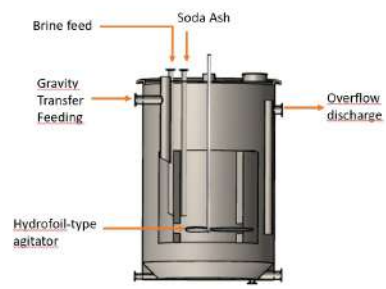


In addition to the reactors, the process consists of:

- Decanter centrifuges: 3 decanter centrifuges operating in parallel receive the slurry from Reactor Trains A and B. (119.34 t/h). Objective: to obtain a dense lithium carbonate slurry with 30% solids by mass.
- Peeler centrifuges: 6 peeler centrifuges in parallel, divided into two trains, each of a diameter of1.8 m. Objective: to obtain a lithium carbonate cake with retained moisture between 8% and 13% by mass.
- Filter presses: 2 vertical plate-type filter presses with a filtration area of 100 m², receiving the mother liquor from the decanters and peelers. Objective: to recover the fine lithium carbonate solids suspended in the mother liquor.

The carbonation reactors have a special configuration as shown on Figure 14.17 Carbonation Reactor Diagram. The reactor configuration includes a draft tube configuration to promote internal recirculation and the reaction between the soda ash and the feed brine.

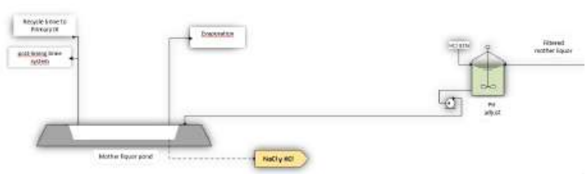
Figure 14.17 Lithium Carbonation Reactor Diagram



14.4.4.1 Mother Liquor Handling

Mother liquor is sent to a dedicated pond for accumulation. Then it is fed to the post-liming brine system. With the possibility of concentrating in ponds and recycling to purification plants, the process considers the addition of HCl to avoid the possible precipitation of lithium as the mother liquor concentrates, as shown in Figure 14.18.

Figure 14.18 Mother Liquor Diagram



14.4.5 Lithium Carbonate Drying, Micronization and Packaging

The wet cake from the centrifuges is fed to a rotary dryer with indirect steam heating. The product reaches the commercial moisture level in the dryer.

The dry product is conditioned for packaging including the following process sequence:

> The dry solid is transported to a distribution hopper that allows the flow to be split considering half of the flow rate to be fed into the micronization process and the other half going to the bulk packaging. An inline magnet bank is installed to remove all ferromagnetic particles.

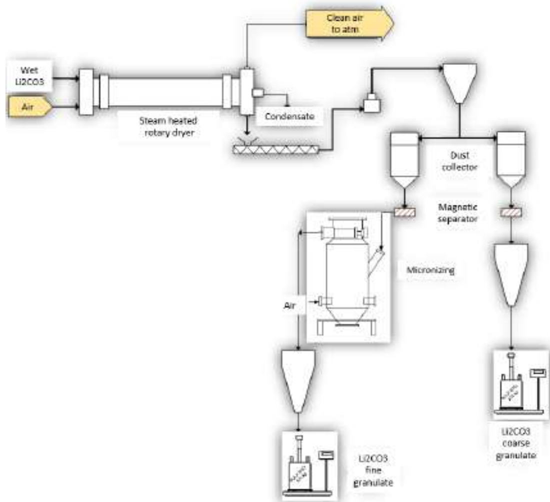
The micronization system is employed to produce fine lithium carbonate for customers who require a fine, narrowly distributed particle size.

The final product can be packaged in two types of containers:

- 20 kg bags of micronized product, 50 bags per pallet.
- 500 kg big bags of either micronized or non-micronized product, with pallets holding 2 big bags each.

The overall configuration of the system is presented in Figure 14.19 Lithium Carbonate Drying, Micronization and Packaging Diagram.

Figure 14.19 Lithium Carbonate Drying, Micronization and Packaging Diagram



14.5 REAGENTS

Quick lime (CaO) is trucked to site and stored in silos. Hydrated lime ($Ca(OH)_2$) is made on site and distributed to the various users. Two different lime qualities have been sourced. A lower-grade lime is used to supply the liming plant while a higher quality grade CaO with less magnesium is used within the lithium carbonate plant for magnesium removal.

Soda ash (Na_2CO_3) is transported by ship to the port of Buenos Aires and trucked to the Project site. Sodium carbonate solution will be prepared with purified water. It is used for calcium removal and to produce lithium carbonate in the processing facility.

Barium chloride is trucked and stored at site. A solution of barium chloride is prepared with purified soft water and used to remove sulphate in solution.

Calcium chloride is trucked and stored at site. A solution of calcium chloride will be prepared with purified water and used to remove sulphate in solution.

Hydrochloric acid is trucked and stored at site as 32 wt.% solution. Hydrochloric acid as 32 wt.% solution is used as a pH modifier. The acid is diluted and used as awash solution in ion exchange columns.

Sodium hydroxide is trucked and stored at site. A solution of sodium hydroxide is prepared with purified water and used as a stripping agent in the boron solvent extraction circuit and as a pH modifier.

14.6 PLANT DESIGN BASIS

The following describes the criteria for the operation of the Lithium Carbonate Plant:

- Plant operating capacity is 40,000 tpa lithium carbonate product;
- The plant operates 292 days per year (80% runtime);
- Design factor of 1.2;
- Lithium carbonate plant yield is 85%;
- Lithium carbonate has a purity of at least 99.5%;
- 50 % of the production could be micronized;
- Final product particle size distribution will be set based on customer demand; and
- Product can be packed into 500 kg maxi bags for shipping and dispatching to customers or 20 kg bags of micronized product.

15. INFRASTRUCTURE

15.1 MAIN FACILITIES LOCATION

Figure 15.1 presents the location of the main facilities that are part of the Cauchari-Olaroz Project, including:

- Well field;
- Evaporation ponds;
- Lithium carbonate plant;
- Salt and process residues disposal; and
- Camp.

15.2 BRINE EXTRACTION

15.2.1 Brine Extraction Wells

The reserve model output states the required brine production rate is achieved with 46 brine wells. Additional 7 wells are planned for back up purposes (Table 15.1). It is estimated that an additional 1 well per year of operation will be drilled throughout the 40-year operation to maintain brine productivity.

During start-up, 40 production wells are considered for production, with average nominal capacity of 16.3 L/s, that provide up to 652 L/s of brine to the ponds. Additionally, 13 wells will be completed during the first five years to have the operation fed by 53 wells. This flow rate assumes a yield of 53.7% on the whole lithium carbonate process.

The wells will be screened across the most productive lithium and sealed against freshwater aquifers.

TABLE 15.1
PRODUCTION WELLS ESTIMATE
(Re: Section 12.0)

Description	Unit	Value
Total brine from production wells	m^3/day	74,600
Total brine from wells (average)	L/s	864
Brine requirement for number of well estimate for 40,000 tpa	L/s	748
Estimated average well brine output	L/s	16.3
Number of wells planned	no.	40
Reserve wells	no.	13
Total production wells required	**no.**	**53**

15.2.2 Well Pumps

Submersible well pumps are equipped with variable speed drives. Flow from each well is monitored before discharging into a common pipeline. Brine from 7 wells is combined in two main pipelines that discharge into a collecting brine pool called ‘PDA2’. A pumping station allows brine transfer into another collecting brine pool called ‘PDA1’. Brine from the remaining wells is received in this collecting pool and the mixed brine is transferred to two main pipelines discharging directly into ‘PDA1’.

The collecting brine pools (‘PDA1’ and ‘PDA2’) enhance brine homogenization as well as act as intermediate pumping stations before transferring the full brine flow into the pre-concentration ponds. Transfer pumps from PDA2 to PDA1 have sufficient flow to meet the demands of the pond system.

15.2.3 Additional Equipment in the Well Field

In addition, the well field equipment required include:

- 10,000 L to 20,000 L capacity water trucks.
- Temporary portable diesel generators for well pump operation in early stages.
- Cable reel truck for electrical network.
- Electrical lines for proper power distribution; and
- Portable brine transfer pumps.

15.2.4 Well Field Electric Power Distribution

A 60 km 13.2 kV transmission line from the main plant substation feeds the two substations in the well field located at brine collection ponds PDA2 and PDA1. The substations downgrade the voltage for distribution to the pond pumps. Low voltage aerial distribution lines feed power to well pumps, where local transformers provide 400 V power to well pumps.

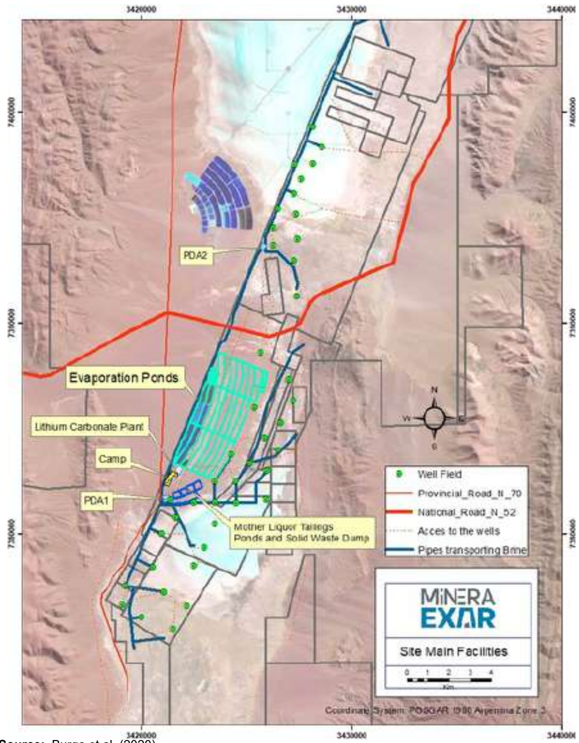
15.3 EVAPORATION PONDS

There are 28 evaporation ponds located in the southeast area of the Property, and consist of:

- 16 pre-concentration ponds;
- 6 halite ponds;
- 2 sylvinite ponds;
- 2 control ponds; and
- 2 lithium ponds.

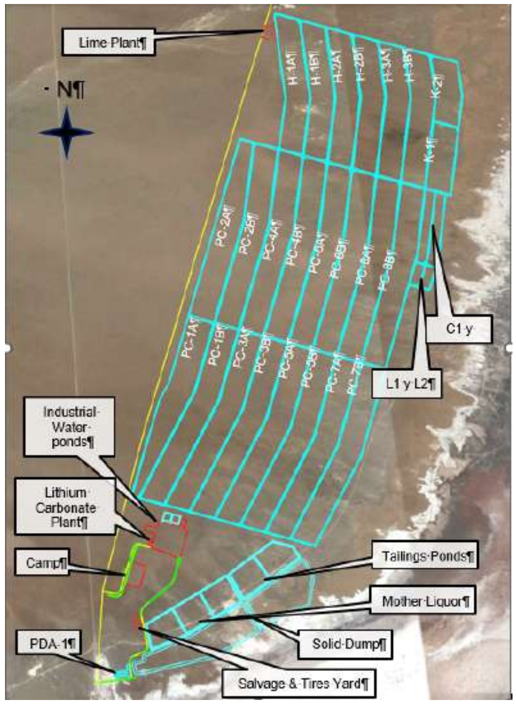
Figure 15.2 shows the location of the evaporation ponds.

Figure 15.1 Site Main Facilities



Source: Burga et al. (2020)

Figure 15.2 Evaporation Pond Layout



Source: *Burga et al. (2020)*

15.4 SALT HARVEST EQUIPMENT

Pond design and operation require the removal of the salt deposits formed at the bottom of the ponds. Typical earthmoving machinery is used for salt removal, such as front-end loaders and dump trucks. There is a minimum salt depth in the pond to protect the liner from harvesting activities. Harvested salts, some of which are rich in potassium, will be stockpiled locally and available for future recovery pending market value.

15.5 LIMING STAGE

Quick Lime Reception

The quicklime is received from a truck that feeds storage silos by pneumatic conveying. From the silos the lime is reacted with water in an engineered system. Lime slurry is discharged from the reaction system and is screened to remove larger contaminating material. The lime slurry is stored in a tank and distributed through a recirculating loop into two liming systems. One for higher quality lime, one for less expensive lime.

The lower quality lime is used to treat the brine at the ponds. The reaction between the lime and the brine results in a precipitated solid containing almost all of the magnesium and most of the sulphate. The solids are filtered from the brine and washed to recover the lithium. The solids are then disposed of in an on-site salt pile, while the brine is sent for further concentration.

Liming System

In the liming system, a set of processes allow for the removal of magnesium and sulphate present

in the lithium-rich brine obtained from the concentration ponds. The process is carried out in three steps: 1) preparation of the milk of lime, 2) its addition to the brine and the resulting reaction, and 3) separation of the undesired solid byproducts of the reaction.

1. **Preparation of Milk of Lime:** Quicklime is delivered by truck and transferred to storage silos using a pneumatic conveying system. From the silos, the quicklime is mixed with water in a specially designed system, undergoing a typical slaking reaction.

2. **Lime addition reaction:** Milk of lime is introduced into lithium brine, triggering a reaction that forms magnesium and sulphate precipitates. This is done in 3 continuous stirred tank reactors in series. More than half of the unwanted initial sulphate and nearly all the magnesium originally present in the brine form precipitates.

3. **Separation of undesired solid byproducts:** These precipitates are subsequently removed using press filters, yielding a clarified brine. As a result, the filtered brine is left at a reduced sulphate content and nearly free of magnesium. The filter cakes are then transported to a landfill for final disposal.

The clarified brine is then transferred to the post-Liming evaporation ponds for further concentration. This additional concentration is necessary before the brine can be fed into the lithium carbonate plant.

15.6 LITHIUM CARBONATE PLANT

The plant is located approximately 8000 m south of National Highway 52. Plant equipment is designed for an 80% On Stream Factor (7,006 hours per year).

15.6.1 Process Facilities

15.6.1.1 Boron Removal - Solvent Extraction

The boron concentration from the last evaporation pond is too high to make good quality lithium carbonate and most of it needs to be removed. A solvent extraction process has been engineered to reduce the boron concentration. to <10 ppm. The feed needs to be conditioned prior to feeding the solvent extraction process. The organic material being used is highly selective for boric acid species, so the feed must be acidified prior to loading the organic material.

The extraction circuit is made up of a set of conventional mixing-decanters that contact an organic mixture to selectively remove the boron without dissolving in the brine. This phase loads the brine with boron compounds. The organic phase is then regenerated by removing the boron from the organic phase, while the purified brine is further purified.

The regeneration of the organic phase is done by a caustic solution in a set of mixing-decanters. The boron species are removed as sodium borate solution. The sodium borate solution is taken to a disposal pond where it evaporates. The salt from this pond is harvested and stored in the plant waste pile. The regenerated organic phase is recycled back to the extraction pipeline.

15.6.1.2 Brine Purification

The brine purification section targets the removal of Mg, Ca, B, and SO_4 to allow the evaporation system to operate at a low scaling rate and achieve the uptime target for the process plant.

15.6.1.3 Primary Treatment

The primary treatment uses slaked lime to precipitate magnesium and calcium borates. Additional reagents are added to remove sulphates. The primary treatment uses a higher quality of quick lime to purify the brine. These reagents precipitate the target ions as solids and are engineered to allow for efficient filtration and washing of the solids to maintain the yield of lithium. The wash water is returned to the process while the solids are sent to the final disposal pile. The purified brine is then sent to secondary treatment.

15.6.1.4 Secondary Treatment

The secondary treatment polishes the brine from the primary treatment to finish removing sulphates and divalent ions from the brine. The brine is treated with calcium chloride and barium chloride to eliminate the sulphate. A small dose of soda ash is used to remove the divalent ions as precipitated carbonates.

The slurry produced in the chemical treatment is sent to a solid/liquid separation system. This system filters off the solids and washes the solids with water to recover the lithium. The moist cake is then discharged into a storage pile. The brine from this treatment then goes to ion exchange for final purification of the divalent ions.

15.6.1.5 Primary IX

The purified brine from secondary purification filter is subject to an ion exchange treatment to remove impurities to minimum levels.

The IX system includes a set of columns that allow for continuous operation and resin regeneration process. Conventional steps are used for elution to restore the ion exchange capacity of the resin including elution, regeneration and washing. Multiple columns are cycled through the loading, regeneration, elution, and lag processes.

15.6.1.6 Brine Concentration and Na/K Reduction

After the filtration of the slurry from the brine purification plant, the brine is concentrated to increase the lithium concentration for final polishing prior to lithium carbonate production. This process removes NaCl and KCl salts from the brine to meet the target quality specifications. The resulting NaCl and KCl salts are separated from the brine with a centrifuge and washed with process condensate. The resulting wash liquid is recycled back to the feed for the evaporation/ crystallization. The solid NaCl and KCl salts are sent to final storage, and the purified brine is sent to the lithium carbonate precipitation reaction system.

15.6.1.7 Feed Preheat

The feed is preheated via a series of preheaters using condensate and steam to condition the brine prior to processing in the multiple effect evaporator. The steam heaters are used to raise the temperature.

15.6.1.8 Multiple-Effect Evaporation and Crystallization

A forced-circulation evaporator/crystallizer is utilized for the three-effect multiple effect design. The design of this system incorporates the third effect using two crystallizers. An additional centrifuge separates the NaCl from the second effect crystallizer. The discharge from the third effect crystallizer is sent to a flash-cooled crystallization stage.

15.6.1.9 Flash-Cooled Crystallization

The flash-cooled crystallizer provides further removal of salts by the controlled crystallization of KCl and NaCl. The mixed salts are removed from the crystallizer by a centrifuge.

15.6.1.10 Process Condensate Collection

Additional facilities include a process condensate handling, reverse osmosis feed water, and material handling equipment for solids handling.

15.6.1.11 Mg/Ca Polishing IX

In case to produce battery grade product, the conditioned stream from the evaporation is fed to ion exchange resin (IX) for further removal of Mg and Ca to less than 1 ppm. This is a conventional commercial circuit that allows for continuous operation and resin regeneration in a batchwise operation with continuous processing and purification of brine.

15.6.2 Lithium Carbonate Production

15.6.2.1 Carbonation

The lithium carbonate production system consists of reactive crystallizer that produces single-crystal product to obtain a high yield and consistent quality.

There are facilities to control temperature and pH and to dose the Na_2CO_3 to optimize precipitation conditions. A heat recovery system is also included in this stage. The crystallization train includes four reactors working in series.

15.6.2.2 Final Product

The resulting slurry is filtered to remove the lithium carbonate product. The filter operates as a counter current wash system using the wash water from the filtered stream. The final wash solution is used for dilution and the brine from the reaction is recycled to recover the lithium. A portion of solids are recycled from the separation system to the first one reactor to promote the crystals growing and improve the number of solids in the reactors.

The moist cake from the filter is centrifuged on a basket centrifuge and then fed to a rotary dryer. The wash water is sent to the counter current wash on the lithium carbonate filter.

The dryer is an indirect steam tube rotary dryer type. A baghouse is used to collect fine particles of lithium carbonate to control loss of final product.

The product is air-cooled while transported by a pneumatic system to storage. Then it is fed to the micronizer equipment to provide a defined particle size.

The lithium carbonate product is loaded in silos based on a packaging size system. It can be packaged into polyethylene big bags or sealed plastic bags.

15.6.3 Plant Wide Instrumentation

Well, pond, and plant control signals are be provided to a centralized control system. The control system utilizes redundant controllers. Communication with remote devices such as those associated with wells and ponds will utilize fiber optic communications. Distributed control system information, operation, and alarms are accessible from a centralized control room.

15.7 SUPPORTING SERVICES

15.7.1 Fresh Water

The freshwater requirements are provided by local wells within the watershed. The infrastructure for water handling includes wells, low-voltage transmission lines to power the wells, pipelines, storage tanks and reverse osmosis plants. Wates is required by the process and both camps.

First, a pumping system fills a water storage tank located in the plant. This in turn feeds the fire water system and the raw water system. Raw water feed the ultrafiltration and reverse osmosis (RO) and water treatment plant to produce pure water for the process. At the time of this report the Company has applied to increase the freshwater use to 150 L/s which meet the water demands of an operation of more than 40,000 tpa LCE.

Then, the well currently supplying freshwater to both camps are called PBI and is located 3.5 km north of the Operations Camp.

The infrastructure installed at Campamento de Construcción includes a 20 m^3 raw water storage tank, two reverse osmosis plants that together have a production capacity of 7.74 m^3/hour, 110 m^3 of treated water storage distributed in 4 tanks and a pressurization system.

The Operations Camp has a 25 m^3 raw water storage tank, two reverse osmosis plants that together have a production capacity of 13 m^3/hour, 160 m^3 of treated water storage distributed in tanks, and two pressurization systems. In addition, the reverse osmosis plant supplies water to 4 tanks of 25 m^3 each for the firefighting system.

15.7.2 Sanitary Services

Each camp has an effluent treatment plant that receives and treats sanitary effluents.

These plants work under the activated sludge system and generate a treated effluent whose physical parameters make it suitable for use in road irrigation or disposal in infiltration beds.

15.7.3 Diesel Fuel

The plant includes a diesel storage and dispensing station for mobile equipment and transport vehicles. The total storage capacity is 210,000 liters of diesel.

Diesel fuel is used in electric generators, cargo vehicles, vans, road equipment and special equipment used in operations (cranes, telescopic handlers, forklifts).

15.8 PERMANENT CAMP

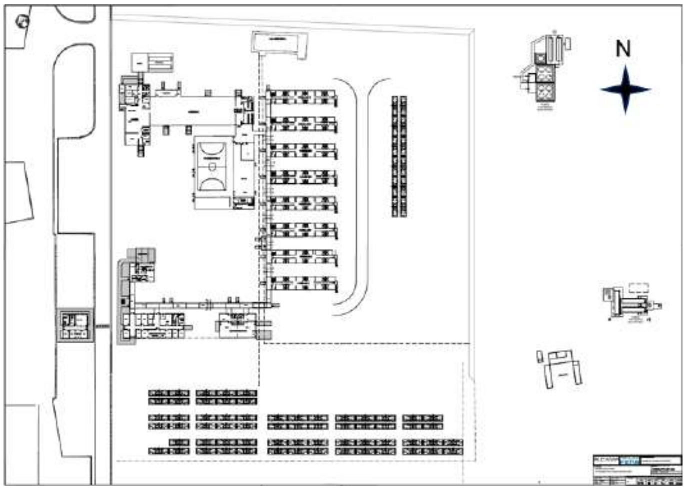
The permanent camp (called Operations Camp), and the Construction Camp are located 8,000 m south of National Highway 52. The Operations Camp is a complete housing and administrative complex to support all activities of the operation with a capacity of 634 people.

The Operations Camp includes office buildings, habitational area, dining facilities, medical room, and recreation areas, consisting of a gym, an indoor sports center, a recreation room and an outdoor soccer field.

In the Construction Camp there are eight housing modules with a total capacity of 392 people, of which only three modules are currently in use. In addition, this camp includes the pilot plant facilities, water treatment plants and contractor workshops.

Figure 15.3 shows the camp layout and its components.

Figure 15.3 Camp General Layout



Source: *Exar (2024)*

15.8.1 Other Buildings

Additional buildings in Operations Camp include:

- Lithium carbonate plant.
- Spare parts and consumables warehouse building.
- Soda ash storage building.
- Final product – lithium carbonate – storage building.
- Chemical laboratory.
- Maintenance Shop.
- Water treatment plants.

All buildings are equipped with appropriate lighting, heating, ventilation, and security provisions.

15.8.2 Security

At the main entrance of the plant, there is a barrier and a security booth to grant access to the facilities. Then, there is a second access control point upon reaching the main module of the camp. There, individuals' entry is registered again using facial and fingerprint recognition.

Given the remote location of the facilities, it is not necessary to enclose the plant with a metallic perimeter fence. The plant is illuminated to allow night work and improve security.

15.9 OFF-SITE INFRASTRUCTURE AND SUPPORT SYSTEMS

15.9.1 Natural Gas Pipeline

The natural gas pipeline transport fuel to the Project from the Rosario gas compression station located 52 km south of the plant. The main pipeline belongs to Gas Atacama. This natural gas pipeline has sufficient capacity to supply its current users and the needs for the Project site.

The Exar Gas Pipeline began operations on April 28, 2022, with a pressure of 25.5 bar. It has a length of 53,044 metres, a diameter of 6 inches, and a pipe wall thickness of 4.8 mm in regular terrain and 7.11 mm in special crossings (Schedule 40, API 5L GrB). The pipeline draws gas from the mainline owned by the ENEL-Gas Atacama Group, which is a 20-inch export pipeline that is supplied by REFINOR and TGN (Vaca Muerta).

The Exar gas pipeline operates according to the following specifications:

- - Maximum Operating Pressure (MAPO): 27 barg.
- - Design Pressure: 82.5 bar (NAG-100/Section 105 / Design Factor: 0.60).

It is a welded pipeline with 100% of its welds radiographed, following API 1104 standards, and it has a 1600-micron anticorrosive coating (NAG-108 (2009), Subgroup G4.2). It includes a Cathodic Protection System using Sacrificial Anode Batteries (High-Potential Magnesium Alloy, AZ-63).

Minimum burial depth is 1.00 m, with 2.50 m for road crossings and 3.50 m for water crossings. Along its route, there are two automatic line valves, as well as a Primary Regulation and Measurement Station, where it connects to Gas Atacama and measures the flow mainly consumed by two boilers that generate steam for Exar's processes.

The maximum flow rate (Qmax) is 6600 Sm^3/h of natural gas, and we are currently in a ramp-up phase, consuming an average of 3300 Sm^3/h.

15.9.2 Electrical Power Supply

Electricity is provided by a new 33 kV transmission line that interconnect with an existing 345 kV transmission line located approximately 60 km south of the Project. The interconnection consists of a sub-station with a voltage transformer (345/33 kV) and associated switchgear.

A stepdown 33/13.2 kV substation at the Project site, consist of two voltage transformers (33/13,2 kV, 15-20 MVA), one (1) 33 kV electrical room and one (1) 13.2 kV electrical room with suitable switchgears and auxiliary equipment for the 13.2 kV local distribution system.

The 13.2 kV local electrical distribution system provides power to the plant, camp, intermediate brine accumulation and homogenizing pools/lime pumps, wells, and evaporation ponds. In general, all the distribution is based on overhead lines, unless there are major restrictions then the underground distribution is adopted.

The estimated average load for the Project is around 16.4 MW or 123,461 MWh/y, assuming a plant and periphery utilization factor of 0.86. The power line has sufficient capacity for this load plus the existing users.

The whole electrical system is designed for the maximum load condition plus a safety factor of 1.2.

A stand-by diesel generating station, located close to main substation, will power selected equipment during outages.

15.9.3 Water Pipeline

A 53 km long water pipeline parallel to the gas pipeline was constructed to transport 105 L/s to the lithium plant.

15.9.4 Instrumentation and Control

15.9.4.1 Control and Data Building

The Project considers the design of a single Control and Data Building, dedicated to the control and monitoring of Plant and Peripherals, located near the electrical substation, which contains the following rooms:

- 1 control room.
- 1 communication room.
- 1 server room.

- 1 HVAC room.
- 1 UPS room.
- 3 offices.
- 1 meeting room.

15.9.4.2 Telecommunications System

Necessary infrastructure for the proper functioning and integration of the systems and services that are being used in the Project, specifically, the Control Networks, Auxiliary Services, CCTV and SCADA, including:

- 125 km of Optical Fiber 48 Core Single-Mode ADSS Cable; and
- 50 Communications and Fiber Optic Cabinets.

This infrastructure interconnects all the Electric Rooms, Control Room, Communications Room, SSEE, Powerhouse, Laboratory, TAS Plant, Truck Weighing, and Control Checkpoint.

15.9.4.3 Control System

The Control System is responsible for the control and supervision of the process in the Plant and Peripheral areas of the Exar Lithium Project. The Control System is based on a conventional Control System with integral architecture.

The Control System is made up of the following main components:

- Control Panels – Local and redundant controllers.
- Remote Inputs and Outputs Panels.
- Operation and Engineering Stations.
- Video-Wall.
- Servers and printers.
- Instrumentation:
  - Analog Signal, 4-20 mA with Hart protocol.
  - Digital Signal, with control voltage in 24Vdc.
- Process Control Network: Considered in the scope of the Telecommunications System, ETHERNET network over optical fiber, with ring topology, which allows the Control Panels to interact (higher level), and star topology to communicate with operated equipment (lower level).

- Control Subnetworks: Considered in the scope of the Telecommunications System, ETHERNET network over fiber optic, which allows to communicate the Panels of Remote Inputs and Outputs with their Controllers, and the motor controls, either smart relay or frequency drivers, with the associated Controller, both with an independent ring topology.

15.9.4.4 Other Systems

The following systems are outside the scope of Engineering, so the following infrastructure is defined by others:

- CCTV System.
- Fire Detection System.
- IP Telephony System.
- Access Control System.

However, in the developed infrastructure (fiber optic networks), communication networks have been enabled for them to be implemented on them, without the need to make new fiber optic tracings.

16. MARKET STUDIES

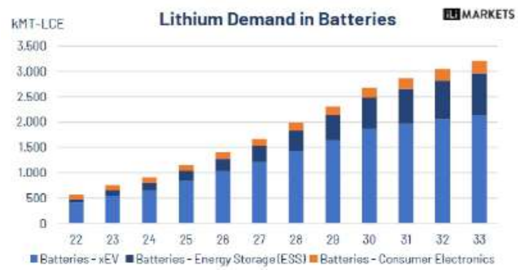
This section provides a summary of the supply and demand of lithium and price forecasts. Material presented in this chapter is primarily from the Lithium Quarterly Market Review October 2024, Benchmark Minerals, iLiMarkets and U.S. Geological Survey, Mineral Commodity Summaries, January 2024.

16.1 LITHIUM DEMAND

Lithium has unique properties that enables its use in many applications. It is the lightest metal and has a high electrochemical potential. Lithium-ion batteries are the most suitable technology for energy storage and the most electrochemically mature due to their high energy capacity. The largest applications for lithium chemicals are rechargeable batteries, but lithium chemicals are also used in the glass, lubricating greases, metallurgy, pharmaceutical, and polymer industries.

Lithium average demand growth through 2030 is expected to be 250-300 kMT/y with a CAGR of 18%. Lithium demand for batteries was projected to reach 3.4 million MT LCE in 2033, electric vehicles (EVs) accounting for 64% of lithium demand and Battery Energy Storage System (BESS) representing 24% (Figure 16.1).

Figure 16.1 Lithium Demand in Batteries (2024)

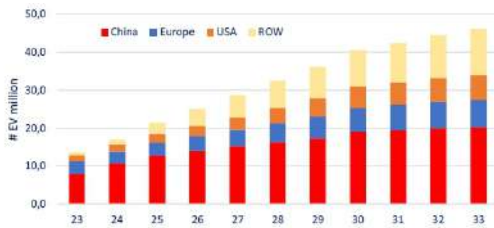


Source: *Lithium Quarterly Market Review October 2024 from iLiMarkets.*

The outlook for lithium demand is positive, driven by the development of electromobility and the growing need for batteries in the electronics industry (Figure 19.3). Lithium has been listed as one of the critical elements by the U.S. Department of Energy based largely on its importance in rechargeable batteries. Lithium-ion battery is the preferred form for high-density applications like EVs and portable electronics. A full-electric EV can require over 50 kg of LCE in the battery. By 2033, it is estimated that energy storage could represent 95% of global lithium demand.

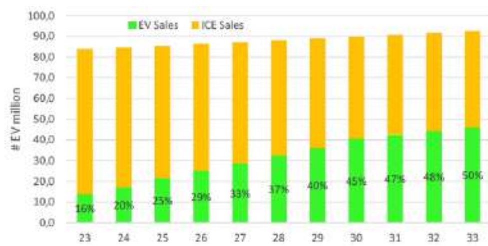
Lithium consumption is expected to increase significantly in the coming years driven by a rapid increase in demand for EVs. According to Lithium Quarterly Market review from iLiMarkets issued on October 2024, EV sales have grown by 3.5 -4.0 million EVs per year over the last three years, which represents between 150-200 kMT-LCE incremental demand year on year. The EV sales forecast for the region is presented in Figure 16.2 and the EV penetration rate forecast is presented in Figure 16.3.

Figure 16.2 EV Sales Forecast per Region



***Source**: Lithium Quarterly Market Review October 2024 from iLiMarkets. Horizontal axis label is in years.*

Figure 16.3 EV Penetration Rate Forecast



***Source:** Lithium Quarterly Market Review October 2024 from iLiMarkets.*

16.2 LITHIUM SUPPLY

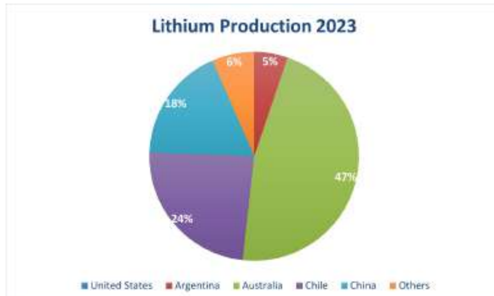
Lithium occurs in the structure of pegmatitic minerals, the most important of which is spodumene (hard rock) and due to its solubility as an ion, is also commonly found in brines and clays. Pure lithium does not occur freely in nature, only in compounds. Starting in the 1980s, brine-based lithium chemicals provided most of the supply; however, in recent years' hardrock forms have surpassed brine as the largest feedstock for lithium chemical production.

The US Geological Survey estimates global lithium reserves of 147 MT of lithium carbonate equivalent (LCE) (USGS, January 2024).

The world's largest known lithium reserves are in Chile, which accounts for 34% of lithium reserves, followed by Australia with 22%, and Argentina in third place, accounting for 13% of global reserves. Lithium production is summarized in Figure 16.4.

China is a global leader in lithium refining and battery production, with a highly advanced and integrated supply chain. It imports raw lithium minerals, mainly from Australia and South America, and then processes it into battery-grade lithium compounds, such as lithium hydroxide and lithium carbonate.

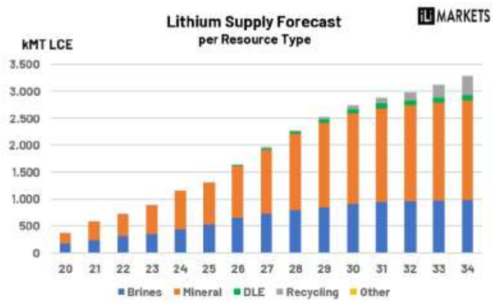
Figure 16.4 Lithium Production (2023) by Country



Source: *U.S. Geological Survey, Mineral Commodity Summaries, January 2024. It excludes US production.*

Minerals are expected to play a key role in meeting the growing demand for critical resources in the coming years, contributing the majority of the incremental supply. The global lithium production is largely driven spodumene operations in Australia, brine operations in Chile and Argentina. Over the last 12 months, Australia's lithium exports were approximately 400,000 metric tons of LCE, Chile's lithium exports were about 250,000 metric tons of LCE, and Argentina's lithium mineral exports reached approximately 60,000 metric tons of LCE. The lithium supply forecast per resource type is presented in Figure 16.5 and per country in Figure 16.6.

Figure 16.5 Lithium Supply Forecast per Resource Type



Source: *Lithium Quarterly Market Review October 2024 from iLiMarkets.*

Currently, Argentina has four active lithium projects, collectively exporting approximately 60,000 metric tons of LCE. Production is projected to reach 450,000 metric tons of LCE by 2034, driven by the expansion of existing operations and the development of new projects. This growth highlights Argentina's increasing role in the global lithium market as demand for critical resources continues to rise.

Figure 16.6 Lithium Supply Forecast per Country

Source: *Lithium Quarterly Market Review October 2024 from iLiMarkets.*

16.3 PRICE FORECAST

As the transition towards sustainable energy solutions accelerates, lithium has become a critical raw material. Over the past decade, supply constraints and oversupply at different times have contributed to significant price fluctuations. In recent years, prices saw dramatic increases between 2021 and 2023, peaking for a short period of time at around US$80 per kg, before seeing a significant decline and downward trend continue through 2024.

Investments in lithium extraction technologies, such as direct lithium extraction (DLE), and the expansion of mining capacity could impact the future supply/demand balance and pricing landscape.

Market analysts predict that lithium prices may stabilize in the coming years as supply chains adapt to growing demand and new production methods are developed.

A range of projected prices to 2040 is presented in Figure 16.7.

Figure 16.7 Projected Pricing for Battery-Quality Lithium Carbonate Used in Economic Model

Source: *"Lithium Price Forecast," Benchmark Mineral Intelligence, October 2024.*

Table 16.1 reflects Benchmark Minerals market price expectations for battery quality lithium, which was presented in the Benchmark Mineral Intelligence Lithium Price Forecast report dated October 2024.

The average prices for the life of project are displayed in Table 16.1 These three scenarios have been adopted for the economic analysis presented in Section 19.0.

TABLE 16.1 AVERAGE PRICING SCENARIOS ADOPTED FOR THE ECONOMIC ANALYSIS OF THE PROJECT		
Pricing Scenarios Average price Per Tonne - Battery-Quality Lithium Carbonate		
Low	**Medium**	**High**
US$19,641	US$20,757	US$21,645

Realized pricing for Exar is based on these price scenarios adjusted for deductions related to the removal of trace levels of impurities to achieve battery quality lithium carbonate.

The commodity price of $20,000/tn for lithium carbonate (2025) was used to assess the economic viability for the mineral estimates but was not used for cut-off purposes.

16.4 OFFTAKE CONTRACTS

Production from the Project is divided between the partners of Exar according to their ownership, excluding JEMSE's 8.5% interest (Ganfeng Lithium 51% and LAR 49%). Accordingly, LAR is entitled to 19,600 tpa of LCE based on a full production rate of 40,000 tpa. LAR has entered into lithium carbonate offtake agreements with two counterparties, Ganfeng Lithium and BCP Innovation Pte Ltd. ("Bangchak"). These offtake agreements are related to strategic investment agreements by the counterparties, which include both debt facilities for Project construction and equity investments. Assuming a 40,000 tpa production rate and LAR maintaining its 49% interest in the Project, the Ganfeng offtake agreement entitles Ganfeng to acquire 9,800 tpa of LCE (80% of 49% of the first 25,000 tpa of production) at prevailing market prices, while the Bangchak offtake agreement entitles Bangchak to acquire 6,000 tpa of LCE (20% of 49% of the first 25,000 tpa plus 46.67% of production above that rate) at prevailing market prices. The remaining 3,800 tpa is unallocated, subject to certain rights of Bangchak to top-up its offtake entitlement to 6,000 tpa from this unallocated amount in certain circumstances.

For clarity at a production rate of 40,000 tpa, Ganfeng Lithium is entitled to its 51% share of production (20,400 tpa) and 80% of LAR's share of production up to 25,000 tpa (9,800 tpa) or, in aggregate, 75.5% of 40,000 tpa (30,200 tpa).

17. ENVIRONMENTAL STUDIES, PERMITTING, AND PLANS, NEGOTIATIONS, OR AGREEMENTS WITH LOCAL INDIVIDUALS OR GROUPS

17.1 EXECUTIVE SUMMARY

This section provides an overview of the environmental management, permitting, and social aspects of the Cauchari-Olaroz Project. The Project, operated by Exar, is currently in the exploitation phase with a planned lithium carbonate production capacity of 40,000 tonnes per year. It is governed by Argentina's national and provincial regulations and aligns with international frameworks such as the Equator Principles. The chapter outlines baseline environmental studies, key permitting milestones, social impact assessments, and strategies for stakeholder engagement. Critical findings highlight stable environmental conditions, effective mitigation measures, and robust community relations.

17.2 INTRODUCTION

This chapter focuses on the environmental, permitting, and social aspects of the Cauchari-Olaroz Mining Deposit and Industrial Plant, located in the Susques Department, Jujuy Province, Argentina. Operated by Exar, the Project is currently in the exploitation stage, with the commissioning and initial production of lithium carbonate (Li_2CO_3) at a planned capacity of 40,000 tonnes per year (tpa). The Project's environmental management is currently governed by the Declaration of Environmental Impact (Declaración de Impacto Ambiental, DIA), issued under Resolution DMyRE No. 080/2020, which approved the biennial update of the Environmental Impact Report (Informe de Impacto Ambiental, IIA).

A new biannual update to the IIA for the period 2023-2025 has been submitted under the new Decree 7,751-DEyP-2023 and is currently being assessed by the Authorities.

This chapter also aligns its assessment with the new requirements of Decree No. 7,751-DEyP-2023, under General Environmental Law No. 5,063. The decree, which includes Annexes I through VI as its regulatory framework, ensures the Project operates within the latest environmental guidelines, and replaces Decree No. 5,772-P-2010.

Exar adhered firmly to the Equator Principles2 (“EP”) even before exploration operations began. These principles are a voluntary commitment, which arose from an initiative of the International Finance Corporation (IFC), member of the World Bank Group, to stimulate sustainable private sector investment in developing countries. Financial institutions that adopt these principles are bound to evaluate and consider environmental and social risks of the projects they finance in developing countries and, therefore, to lend only to those who show the proper administration of its social and environmental impacts such as biodiversity protection, use of renewable resources and waste management, protection of human health, and population movements.

In this context, Exar established from the beginning that the Equator Principles will be the minimum standards for developing the Project, taking the following measures:

- Make the effort to understand and respect local customs, traditions, lifestyles, and needs.
- Commit to meet the country standards.
- Establish safety procedures for its own staff, consultants, and contractors.
- A FPIC (Free and Prior Informed Consent) shall be granted, thereby respecting the rights of nearby communities to access information. The two-way open communication will be kept permanently, and before each stage of the Project is initialized, nearby communities will receive the required information to participate.

[2] EP: Credit risk management framework for determining, assessing and managing environmental and social risk in Project Finance transactions.

- If relationships with communities are formalized through agreements that define roles and responsibilities, they may be used to reduce the risk of misunderstandings relative to the presence, activities, and intentions of Exar in the area.

Indigenous and Tribal Peoples' Rights: As defined in the ILO (International Labour Organization[3]), will be ratified and will respect the Indigenous and Tribal Peoples' Convention, 1989 (No. 169).

Exar commits to maintain a contract registration, records of all the meetings with communities and reports relating to negotiations with property owners.

The team responsible of keeping the proper community relationships will manage this process through specific programs and the CEO of Exar will be informed regularly and directly about them.

17.3 ENVIRONMENTAL STUDIES

17.3.1 Executive Summary

Environmental studies for the Cauchari-Olaroz Project include detailed baseline data collection on climate, water quality, air quality, noise levels, flora and fauna, soil conditions, and cultural heritage. Monitoring programs, frequently with community participation, and mitigation measures have ensured compliance with regulatory requirements and sustained ecological stability. Key impacts have been identified and effectively mitigated, aligning with both local laws and international standards, summarized in Table 17.1.

TABLE 17.1
SUMMARY OF KEY MONITORING PARAMETERS

Parameter	Key Findings	Mitigation Measures	Measurable Outcomes/Success Criteria
Climate	Seasonal temperatures range from -6.6°C to 15.6°C. Strong winds exceeding 43 m/s noted.	Wind-resistant infrastructure design.	Infrastructure remains operational during extreme weather events.
Water Quality	Stable groundwater quality; natural boron exceedances in some surface water.	Advanced effluent treatment and water management plans.	Compliance with Argentine water quality standards; reduced boron levels in key areas.
Air Quality	PM10 and other pollutants within permissible limits.	Dust suppression measures and vehicle maintenance.	Sustained PM10 levels below regulatory thresholds.
Flora & Fauna	Stable species richness and diversity; vicuña and Andean flamingo populations stable.	Habitat restoration and seasonal operational adjustments.	Monitoring shows no decline in key species populations.

[3] ILO: International organization responsible for drawing up and overseeing international labour standards.

TABLE 17.1 **SUMMARY OF KEY MONITORING PARAMETERS**			
Parameter	**Key Findings**	**Mitigation Measures**	**Measurable Outcomes/Success Criteria**
Soil Quality	Unsuitable for agriculture; slight improvements in organic content noted.	Topsoil reuse and restricted access to sensitive areas.	Enhanced soil organic matter in rehabilitated zones.
Cultural Heritage	52 archaeological sites identified, with mitigation plans implemented.	Archaeological monitoring and preservation agreements.	No significant disturbances to identified heritage sites.

17.3.2 Objective

This section outlines the environmental baseline studies, assessments, and ongoing environmental management practices for the Cauchari-Olaroz Project. The framework adheres to Argentinean provincial and national environmental standards and aligns with international best practices, including the Equator Principles.

Geology and geomorphology, hydrogeology, and hydrology are covered in Sections 6.3 to 6.5, Section 6.6 and Section 6.5.4 respectively.

17.3.3 Baseline Studies

17.3.3.1 Sources of Baseline Data

Environmental and social baseline data were compiled through extensive studies commissioned by Exar. Initial studies were conducted between 2010 and 2011, with regular updates and quarterly participatory monitoring from 2017 to 2024. Environmental Impacts Reports (EIRs) have been periodically updated and approved to account for evolving Project layouts and operational changes.

17.3.3.2 Methods Used for Data Collection

17.3.3.2.1 Climate Monitoring

Climate data have been collected from several key weather stations installed at different stages of the Project:

- Vaisala Station (2010): Located south of the current camp, this station recorded temperature, precipitation, humidity, wind speeds, and evaporation data.
- Davis Weather Station (2018): Installed 300 meters northwest of the current camp, it enhanced local climate monitoring capabilities by providing real-time meteorological updates.

- Campbell Station (2024): Recently installed north of the Cauchari-Olaroz basin, this station expanded coverage to capture climate variations across the northern part of the Project area.

17.3.3.2.2 Water Sampling

Surface and groundwater sampling was conducted at key locations, including:

- Vega de Archibarca (Surface water).
- Vega de Olaroz Chico (Surface water).
- Casa de Guardaparque (Surface water).
- Industrial water well in the Archibarca Fan (Groundwater).

Analytical results were evaluated against:

- Water Quality Reference Levels (Niveles Guía de Calidad de Agua) under Argentina's National Law No. 24,585 Annex IV.
- Argentine Food Code (2010) for permissible levels in potable water.

17.3.3.2.3 Air Quality and Noise Monitoring

Baseline air quality campaigns (2012) and subsequent quarterly monitoring since 2017 measured pollutants such as PM10, CO, SO_2, NO_2, O_3, and H_2S. Monitoring complies with:

- National Law No. 24,585/95 (Mining Legal Framework).
- Provincial Decree No. 5,772/10 (Table 8, Air Quality Guide Levels) under Provincial Law No. 5,063/98(General Environmental Law).

Noise measurements align with the World Health Organization (WHO) guideline limits for Equivalent Continuous Sound Level (Leq) of 70 dB(A) for industrial areas. Comparisons over multiple campaigns indicate gradual reductions in ambient noise levels at some monitoring points.

17.3.3.2.4 Flora Data Collection

Vegetation was surveyed through fieldwork and permanent monitoring plots in the project area, focusing on shrub steppes, wetlands, and barren areas. Species richness and diversity were quantified using the Shannon Index. Vegetation monitoring expanded in 2017 to assess changes in plant communities during construction and operation phases. Recent comparative studies highlight increased vegetation stability in disturbed areas due to restoration efforts.

17.3.3.2.5 Fauna Data Collection

Baseline studies identified 57 species through direct observation and monitoring. Specific attention was given to vicuñas, flamingos, and other species of conservation concern. Long-term monitoring reveals stable vicuña populations and improved Andean flamingo numbers, particularly around Vega Olaroz Chico.

17.3.3.2.6 Limnology Data Collection

Sampling in 2011 analyzed phytoplankton, zooplankton, and benthic communities in nutrient-rich, high-salinity water bodies near the Project. Ongoing quarterly monitoring tracks seasonal changes and evaluates the adaptive capacity of aquatic species in stressed environments. Comparative data from 2024 suggest a consistent dominance of diatom species and limited temporal fluctuations in species composition.

17.3.3.2.7 Soil Assessment

Soil profiles were characterized using satellite images, on-site surveys, and soil sampling. Analytical results were compared with:

- Annex V of Provincial Decree No. 5,772/10, which outlines guidance levels for soil quality under Provincial Law No. 5,063/98.
- Eight soil units were identified and classified based on their limitations for agricultural use (Classes VII and VIII) under USDA Soil Taxonomy guidelines.

17.3.3.2.8 Cultural and Archaeological Studies

Surveys identified 52 archaeological sites across five Project sectors, with sensitivity categorized based on potential impacts. These studies comply with Provincial Law No. 4,133/84 and National Law No. 25,743/03, which regulate the protection of archaeological and paleontological heritage.

17.3.3.3 Results

17.3.3.3.1 Climate

- Average annual temperature: 5.1°C.
- Seasonal temperature range: -6.6°C to 15.6°C, with extremes from -17.9°C to 25.9°C.
- Annual average precipitation: 50 mm, concentrated between November and March.
- Average wind speeds: 5.0–10.0 m/s, with peaks exceeding 43.0 m/s during warmer months.
- Weather data confirm consistent seasonal trends and highlight extreme weather conditions such as strong westerly winds, impacting Project design and planning.

17.3.3.3.2 Water Quality

- Quarterly follow-up campaigns since 2017 confirmed stable water quality conditions.
- For surface water, natural concentrations of aluminum, boron, and iron exceed permissible limits for drinking water.

- Groundwater samples showed acceptable values for most parameters, except for boron, which exceeds reference levels due to regional lithology. Trends from "Comparativas" sections show slight reductions in boron concentrations in certain surface water points.

17.3.3.3 Air Quality

- Measurements of PM10, SO_2, NO_2, O_3, and H_2S fall within permissible limits per provincial guidelines.
- Recent campaigns note reductions in PM10 levels at Vega Alegría and Vega Archibarca, consistent with stricter dust control measures.

17.3.3.4 Flora

- Vegetation in the Project area falls within the Puna and High Andes eco-regions, comprising units such as shrub steppe, Festuca and Sporobolus grasslands, barren areas, and wetlands.
- The shrub steppe exhibits the highest species richness. Monitoring from 2017 to 2024 indicates no significant changes to plant diversity or stability since 2011.
- Comparative findings in restoration zones highlight increased species richness.

17.3.3.5 Fauna

- Fauna surveys recorded 57 species, including mammals, birds, reptiles, and amphibians.
- Notable species include the vicuña, categorized as "Least Concern" by IUCN, and the Andean flamingo, which is "Vulnerable."
- Trends show slight increases in wetland bird populations and improved habitat quality.

17.3.3.6 Limnology

- Baseline studies identified nutrient-rich water bodies, supported by high concentrations of phytoplankton and benthic diatoms.
- Extreme salinity and hydrological stress limit biodiversity to specialized organisms adapted to these conditions.
- Seasonal phytoplankton blooms observed correlate with increased water temperatures.

17.3.3.7 Soil

- Soils classified as Classes VII and VIII, unsuitable for agriculture but viable for extensive livestock grazing and tourism.
- Comparative data indicate slight improvements in soil organic matter content at restoration sites.

17.3.3.3.8 Ecosystem Characterization

- The Project area has a low diversity although there are some zones within it that are more diverse than others, such as shrub steppes and meadows, the Archibarca cone being the zone with the greatest biodiversity within the Project area.
- Follow up fauna and flora monitoring campaigns were carried out around the pilot plant in March 2015 and in October 2016 and quarterly monitoring during 2017 up to 2024. Diversity results indicate that there is no significant change in the diversity parameters.

17.3.3.3.9 Cultural Heritage

- 52 archaeological sites identified; West and Centre West sectors exhibit medium-to-high sensitivity.
- Archaeological sites CV02, CV08, CV09, CV10, and CV26 possess high sensitivity (IIA, 2012).
- No significant paleontological findings, though precautionary measures are implemented for future activities.

17.3.3.3.10 Landscape

In general, the fragility and visual quality of the landscape around the Project have values ranging from medium-high to medium-low, with the Cauchari-Olaroz Salt Flats landscape unit having the highest visual quality and fragility value.

17.3.3.4 Relevant Findings Affecting the Project

17.3.3.4.1 Climate

Extreme conditions, including high winds and significant seasonal temperature variability, influence operational planning and infrastructure design. The Project's infrastructure accounts for strong westerly winds, frequently exceeding 43.0 m/s during warmer months.

17.3.3.4.2 Water Quality

Natural exceedances of aluminum, boron, and iron in surface waters necessitate robust water management strategies. Groundwater boron levels consistently exceed reference levels due to regional lithology. Trends show reductions in boron concentrations in some surface water points.

17.3.3.4.3 Air Quality

Air quality monitoring shows that PM10 and other pollutants remain within permissible limits. Dust control measures implemented since 2020 have contributed to reduced particulate matter concentrations.

17.3.3.4.4 Flora

Stable vegetation diversity aligns with conservation objectives, with no significant disturbances to plant communities during the monitoring period. Trends from 2017 to 2024 highlight vegetation recovery in disturbed areas.

17.3.3.4.5 Fauna

The area supports a stable population of species such as vicuñas and Andean flamingos. Comparative data highlight improving habitat conditions for flamingos in specific wetland zones.

The Project area is within the Cauchari - Olaroz Flora and Fauna Reserve, created in October 1981, one of principal aims of which is the recovery of the vicuña. Because of this protection and local, national and international conservation programs, information from the 2008 National Census indicated that the population size has been restored. As a result, based on International Union for Conservation of Nature ("IUCN") criteria, vicuñas (Figure 17.1) have been considered as a Least Concern ("LC") species since 2008.

Figure 17.1 Vicuñas (*Vicugna Vicugna*) on Shrub Steppe of Archibarca Cone

Source: *Ausenco (2017)*

17.3.3.4.6 Limnology

Nutrient-rich, high-salinity water bodies sustain specialized communities of aquatic organisms. Seasonal monitoring confirms these ecosystems remain stable despite environmental stresses.

17.3.3.4.7 Soil

The Project's soils are classified as Classes VII and VIII, with inherent limitations for agricultural use. Improvements in organic content were noted in rehabilitated areas.

17.3.3.4.8 Ecosystem Characterization

Due to the low intensity of sampling conducted at the new site where the Project will be located, it is recommended that the monitoring frequency be increased at the new sites.

17.3.3.4.9 Cultural Heritage

Medium-to-high sensitivity archaeological sites in the West and Centre West sectors require specific mitigation measures during construction and operational phases. The protection of identified cultural heritage resources aligns with national and provincial regulations.

17.3.3.4.10 Landscape

Protection, correction, or mitigation of environmental impacts on the landscape, which will decrease the impact of future extractive activities, is required to preserve the current morphology of the landscape, chromatic variation, landscape perspectives as well as the preservation of the natural ecosystem. This has been covered within the context of the Environmental Impacts Report for Exploitation and is especially pertinent with respect to the height of the salt heaps and visibility of the ponds from the national and provincial roads.

17.3.4 Environmental Impacts

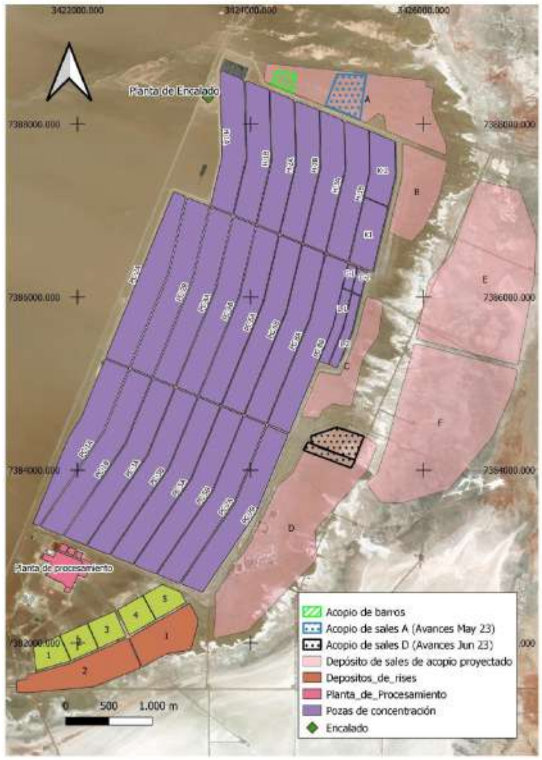
This section builds on the environmental baseline studies outlined in the previous section, detailing the identified impacts, associated mitigation strategies, and main infrastructure elements or activities driving these impacts. The analysis aligns with provincial and national regulations and incorporates findings from ongoing Environmental Impact Assessment Updates (2023-2025) provided by Exar.

17.3.4.1 Major Sources of Impacts

The general arrangement of the facilities for the 40,000 tpa Li_2CO_3 Project is shown in Figure 17.2. Production at this rate is scheduled to be reached in January 2025.

The Project generates salts and liquid wastes during the process, mainly brines, which do not represent a contamination risk. These liquid wastes are sent to evaporation ponds, but the Project does not require a tailings dam.

Figure 17.2 General Arrangement of the Project Facilities



Source: *Exar (2024)*

17.3.4.1.1 Pond Solid Wastes

The evaporation process in the ponds leaves a considerable quantity of salts on the bottom of the ponds. These salts must be removed ("harvested") and transported to proximal stockpiles. The quantity of salt to be harvested is approximately 8 million tonnes/year, necessitating the use of mining-type front end loaders and trucks for this purpose. Transportation of harvested salts will be undertaken considering load and haul optimization needs, as well as environmental considerations. It is estimated that the six piles covering an area of approximately 740 ha will be built over a 40-year period and these piles will be built at an estimated average distance of about 2.3 km east and north of the pond sector. The salt piles will average 10 m in height for the two that are to be built on the salt flat surface and averaging 15 m in height for the four that will be built on soil.

A further 340,000 tonnes/year of harvested salts will be generated from the plant process which will be stored in separate piles that will be equally environmentally inert.

The harvested salts can be considered as an environmentally inert waste. The salts are generated from brines already present in the salt flat and do not introduce foreign compounds to it. They are composed essentially of sodium chloride (common salt), potassium chloride, sodium and calcium sulphates, magnesium hydroxide and boron. It is estimated that sodium chloride and sulphate make up over 87% of these harvested salts.

17.3.4.1.2 Pond Liquid Wastes

The evaporation process in solar pools begins with a pre-concentration stage, where almost 90% of the sodium chloride (halite) crystallizes. In this pre-concentration stage, the volume of brine is reduced by between 70 and 80%, depending on its composition. 50% of the sulfate found in the brine is also extracted during pre-concentration. Pre-concentration of the brine requires 874 ha of ponds.

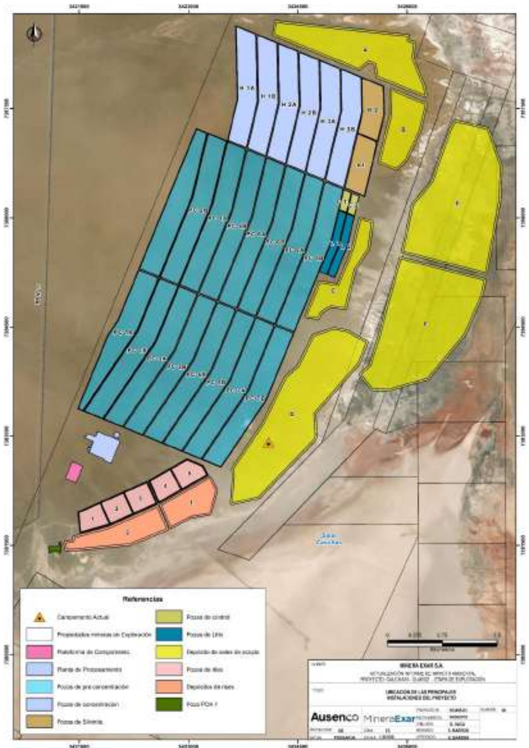
The next stage, called liming, is aimed at eliminating the magnesium (Mg) present in the pre-concentrated brine, by means of the controlled precipitation of magnesium hydroxide ($Mg(OH)_2$), through the addition of calcium hydroxide (lime). The liquids produced in this process are returned to the concentration ponds.

The concentration of the brine is done through a series of ponds: halite ponds, silvinite ponds, control ponds and lithium ponds A further 312 ha are required for these ponds (Figure 17.3).

These ponds are all part of the production process and are lined with HDPE geomembrane to contain the brine produced from the wellfield. The contents of these ponds do not represent any risk to the environment from the perspective of the chemistry of their contents.

The final liquor produced from this evaporative process is fed into the plant.

Figure 17.3 General Arrangement of the Project Facilities



Source: *Burga et al. (2020)*

17.3.4.1.3 Plant Industrial Liquid Wastes

Several possible sites for the evaporation ponds for the plant's industrial liquid wastes were analyzed. A location close to the new site selected for the plant on the salt flat was chosen and which presents no risks to populated areas. A total of 50 ha is required for this purpose which includes two industrial liquid residue ("RILES") ponds and three mother liquor ponds. The main solutions that will be sent to the RILES ponds are the lower concentration filtrate from the lithium carbonation stage and the different stages of impurity removal. These solutions will be confined in the RILES ponds from where they will be used for the preparation of reagents or recirculated into other stages of the process. The higher concentration filtrate of the carbonation stage will be stored in the mother liquor ponds, which is a purified brine of low lithium content with the objective of concentrating its lithium content by solar evaporation and its recirculation into the process.

17.3.4.2 Summary of Environmental Impacts and Mitigation Measures

Table 17.2 provides a summary of the main environmental impacts and mitigation measures for the Project.

Table 17.2
Summary of Environmental Impacts and Mitigation Measures

Category	Main Infrastructure / Activities	Key Impacts Identified	Mitigation Measures	Effectiveness
Air Quality	Construction of Process Plant, vehicular movement, and material stockpiling.	Elevated PM10 levels during specific periods; localized CO exceedances at CIO in 2017.	Dust suppression measures, improved vehicular maintenance.	Reduced PM10 levels at key sites; overall compliance with air quality standards.
Noise Levels	Heavy machinery operations, construction activities, and transportation.	Noise peaks near Process Plant during construction; seasonal fluctuations in noise levels.	Adjusted operational schedules, installation of noise barriers.	Noise levels remain within permissible limits with few exceptions during peak activities.
Soil Quality	Construction of evaporation ponds, storage areas for salts and process residues.	Stable heavy metal levels; localized natural boron variations in vegas.	Restricted access to sensitive areas, topsoil reuse for rehabilitation.	Soil conditions consistent with baseline findings; no significant deviations noted.
Water Quality	Use of industrial water wells, effluent discharge from camps and operational areas.	Naturally high boron and arsenic levels; stable groundwater quality.	Advanced effluent treatment, localized water management systems.	Water quality impacts effectively mitigated; trends consistent with baseline data.

Table 17.2 **Summary of Environmental Impacts and Mitigation Measures**				
Category	**Main Infrastructure / Activities**	**Key Impacts Identified**	**Mitigation Measures**	**Effectiveness**
Limnology	Construction and operation of evaporation ponds; water discharge into natural basins.	Seasonal changes in phytoplankton and benthic communities; dominance of diatom species in high-salinity waters.	Quarterly monitoring of aquatic ecosystems; adaptive management strategies for stressed environments.	Ecosystems remain stable with no significant biodiversity loss; diatoms dominate as expected in saline conditions.
Flora and Fauna	Land clearance for facilities, increased human presence, and vehicular traffic.	Stable species richness and diversity; no significant deviations from baseline findings.	Habitat restoration projects, seasonal adjustments to operational schedules.	Biodiversity preserved with stable populations of key species like vicuñas and Andean flamingos.
Waste Management	Generation of industrial waste, storage and disposal of solid and liquid residues.	Effective segregation and recycling; consistent effluent treatment meeting regulatory standards.	Enhanced recycling programs, compliance with provincial waste management guidelines.	Waste management measures have minimized contamination risks effectively.
Archaeology	Land clearance for new facilities and road construction.	Potential disturbance to 52 identified archaeological sites, including high-sensitivity sites (CV02, CV08).	Archaeological monitoring, restricted access, and preservation plans.	No significant impacts recorded; all high-sensitivity sites protected during operations.
Landscape	Large-scale construction activities, including evaporation ponds and salt heaps.	Visual intrusion and changes to the natural topography, especially from provincial and national roads.	Visual mitigation measures, including vegetation buffers and alignment with landscape management plans.	Changes minimized; ongoing restoration efforts support landscape integration.

17.3.4.3 Key Observations

The impacts observed align closely with baseline data and have been mitigated effectively through current strategies. Each mitigation measure demonstrates alignment with both regulatory requirements and international best practices.

Archaeological protection measures have been successfully implemented, ensuring no significant disturbances to sensitive sites.

Visual impact mitigation strategies have reduced the Project's footprint on the natural landscape, aligning with community and environmental expectations.

17.3.4.4 Conclusions

Environmental impacts at the Cauchari-Olaroz Project appear to have been effectively identified and are being successfully mitigated.

17.3.5 Monitoring Programs

17.3.5.1 Ongoing Environmental Monitoring Data

The Cauchari-Olaroz Project maintains robust monitoring programs to ensure compliance with environmental standards and to detect trends in key parameters.

17.3.5.1.1 Groundwater Quality

Quarterly sampling from industrial wells and natural basins monitors parameters such as boron and arsenic, which are naturally elevated due to regional lithology.

17.3.5.1.2 Biodiversity

Seasonal surveys track populations of vicuñas, Andean flamingos, and other species to ensure habitat stability.

17.3.5.2 Trends and Compliance with Environmental Standards

17.3.5.2.1 Air Quality

Monitoring data confirm that PM10 levels have reduced since implementing advanced dust suppression techniques in 2020. Noise levels remain within permissible limits, with exceptions addressed by adjusting operations.

17.3.5.2.2 Water Quality

Data reveal consistent groundwater quality trends, with effective mitigation measures keeping parameters within regulatory limits. Limnological studies show stable aquatic ecosystems.

17.3.5.2.3 Biodiversity

Monitoring confirms stable populations of key species, with positive trends in restored habitats.

17.3.6 Environmental Management Plan

17.3.6.1 Purpose of the EMP

The Environmental Management Plan (EMP) sets out in detail the measures to be implemented both in the medium and long term to prevent the negative effects or impacts generated by the Project on physical, biotic and social factors.

The actions that Exar will implement through the EMP are designed to ensure that activities are carried out in an environmentally responsible and sustainable manner during the construction, operation, closure, and post-closure phases. The EMP aims to prevent, control, and reduce the negative impacts of the Project's activities.

Preventing impacts involves the introduction of protective, corrective, or compensatory measures. These measures may include modifications to location, technology, size, design, or materials, based on project forecasts or the incorporation of new elements.

The Environmental Management Plan is a dynamic document that will be updated with each biannual renewal of the IIA for Exploitation, in accordance with legislation. This approach allows for the inclusion of previously unaccounted aspects or adjustments to address relevant changes throughout the life of the Project. These plans provide a structured approach to achieving sustainable operations.

17.3.6.2 Key Components of the EMP

17.3.6.2.1 Air Quality Management

Reduction of emissions through improved vehicle maintenance.

Dust suppression measures, such as wetting roads and stockpiles.

17.3.6.2.2 Water Management

Protection of surface and groundwater quality through advanced treatment systems.

Strategies for water reuse and controlled discharge to minimize impact on aquatic ecosystems.

17.3.6.2.3 Waste Management

Handling, storage, and disposal of mine waste in compliance with provincial guidelines.

17.3.6.2.4 Biodiversity and Habitat Management

Conservation strategies include habitat restoration in disturbed areas and monitoring programs for sensitive species.

17.3.6.2.5 Noise and Vibration Control

Noise barriers and adjusted operational schedules mitigate impacts on nearby communities and wildlife.

17.3.6.2.6 Emergency Response Plans

Comprehensive procedures for managing environmental incidents, including infrastructure failures and chemical spills have been implemented.

17.3.6.3 Compliance with Regulations and Standards

Table 17.3 identifies the Project's compliance framework.

TABLE 17.3
COMPLIANCE WITH REGULATIONS AND STANDARDS

Framework/Standard	Description	Implementation Status
Equator Principles	Global environmental and social risk management framework ensuring responsible project financing.	Fully aligned.
United Nations SDG 2030 Goals	Measures contributions to sustainable development goals through annual sustainability reporting.	Fully integrated into sustainability reporting.
Argentine Global Compact Network	Adheres to the principles of the United Nations Global Compact, including progress reporting.	Formally joined in 2022, with progress reporting initiated.
Global Reporting Initiative (GRI)	Prepares annual sustainability reports in conformity with GRI standards for transparency and accountability.	Fully compliant.
ISO 14001 (Environmental Management)	Provides tools for identifying and managing environmental risks, ensuring protection and sustainability.	Implementation initiated in 2020; ongoing progress.
ISO 26000 (Social Responsibility)	Aligns with seven core subjects to address social responsibility effectively.	Integrated into corporate practices and sustainability reporting.
Towards Sustainable Mining (HMS)	An international standard promoting responsible and transparent mining practices.	Four of eight protocols implemented as of 2022.

Source: *Exar Sustainability Report, 2022*

Exar ensures that the Environmental Management Plan (EMP) aligns with these frameworks and standards to uphold local, national, and international compliance. Regular audits and sustainability reviews further validate the company's adherence to these principles.

17.3.6.4 Monitoring and Reporting

Ongoing environmental monitoring programs, frequently with community participation, track key parameters such as air and water quality, biodiversity, and waste management. These activities align with the Global Reporting Initiative (GRI) standards, ensuring transparency and consistency in reporting. Data collected from quarterly and biannual campaigns are not only submitted to provincial authorities and stakeholders but also integrated into the company's annual sustainability reports. Exar's adherence to the Argentine Global Compact Network includes submitting regular progress updates on sustainability principles, further embedding accountability within its monitoring framework.

17.3.6.5 Adaptive Management and Continuous Improvement

The EMP is regularly updated to incorporate new data, monitoring results, and regulatory changes. Exar employs dynamic management tools such as the "Towards Sustainable Mining (HMS)" program and ISO 26000 guidelines to refine strategies and address emerging challenges. This approach ensures the Plan remains effective while reflecting evolving Project requirements, stakeholder expectations, and environmental conditions. Continuous alignment with global frameworks like the SDG 2030 Goals and ISO certifications underscores the company's commitment to improvement and sustainable operations.

17.3.6.6 Conclusion

The monitoring programs and EMP collectively align the Cauchari-Olaroz Project with the Argentine and Jujuy regulatory framework and international best-practice environmental stewardship.

17.4 PERMITTING

17.4.1 Executive Summary

Permitting processes for the Project are governed by Argentina's national and provincial laws, with oversight from the Jujuy provincial government. Recent updates under Decree No. 7,751-DEyP-2023 have modernized permitting standards, including enhanced consultation protocols and mandatory financial assurances for closure. The Project's permits for exploration and exploitation activities are in full compliance, with biannual updates submitted as required. Table 17.4 identifies the key permitting milestones.

TABLE 17.4
SUMMARY OF KEY PERMITTING MILESTONES

Permit Type	Date Approved	Key Updates
Exploration	August 2009 (initial)	Regular biannual updates reflecting new activities.
Exploitation	November 2012 (initial)	Expanded production capacity and operational adjustments.
Water Use	December 2020 (160 L/s)	Permanent concession granted; additional permits pending.

17.4.2 Legal Framework

The legislative context for exploration and exploitation environmental permits for the Cauchari-Olaroz Project is defined by Argentina's national and provincial mining and environmental laws. At the national level, Law No. 24,585, known as the Environmental Protection for Mining Activities Act, provides the framework for assessing and managing environmental impacts associated with mining. This law mandates that mining projects must submit an Environmental Impact Assessment (EIA) before commencing activities, and it ensures the application of stringent environmental protection measures throughout the lifecycle of a project.

Natural resources are under the jurisdiction of the provinces as per the Argentinean National Constitution. While the Mining Code is enacted by the National Congress, permitting and jurisdictional authority resides with the provincial governments. Consequently, the Province of Jujuy holds the authority for significant permits concerning the construction and operation of the Project.

17.4.2.1 Permits for Exploration

Exploration permits require the submission of an Environmental Impacts Report ("IIA"), which details the scope of proposed exploration activities and their potential environmental impacts. The Provincial Government of Jujuy, through the Mining and Energy Resource Directorate, reviews and approves these reports. The Directorate coordinates with other provincial offices, such as the Provincial Directorate of Water Resources and the Environmental Ministry, to ensure compliance with applicable regulations. These permits require biannual updates.

17.4.2.2 Permits for Exploitation

Exploitation permits build upon the exploration phase by requiring a more detailed Environmental Impacts Report ("DIA"), which must address long-term operational and environmental management plans. The approval process involves multiple provincial entities, including the Environmental Ministry and the Secretariat of Tourism and Culture, which oversees permits for activities in areas of archaeological or paleontological interest. These permits require biannual updates to reflect changes in project design, such as expansions in production capacity or relocation of key facilities.

17.4.2.3 Recent Legislation Updates

On February 11, 2023, the Provincial Executive Government of Jujuy issued Decree No. 7,751-DEyP-2023 (the "Decree"), which regulates the General Environmental Law No. 5063 and comprehensively updates provincial environmental protection norms for mining activities. This Decree replaces Decree No. 5,772/2010, previously governing this domain.

The Decree aims to optimize and modernize the Environmental Impact Assessment (EIA) process for mining projects to foster investment opportunities, environmental protection, and social development, particularly for lithium extraction projects.

Key aspects of the Decree are detailed in Table 17.5.

TABLE 17.5
KEY ASPECTS OF DECREE NO. 7,751-DEYP-2023

Key Aspect	Details
Exclusions	Activities related to hydrocarbon extraction, ancillary works outside concession areas, and industrial plants over 100 km from deposits are excluded.
Responsible Authorities	The Ministry of Economic Development and Production of Jujuy, in coordination with the Ministry of Environment and Climate Change, enforces the Decree.
UGAMP's Role	The Provincial Mining Environmental Management Unit (UGAMP) advises the Provincial Directorate of Mining on Environmental Impact Reports.
Categorization	Mining projects are classified into five categories: (i) social mining, (ii) initial prospecting/exploration, (iii) advanced exploration, (iv) small-scale exploitation, (v) medium- and large-scale exploitation.

Table 17.5 **Key Aspects of Decree No. 7,751-DEyP-2023**	
Key Aspect	**Details**
Review Deadlines	EIAs evaluation timeframes: 40 days for initial exploration, four months for advanced exploration and small-scale exploitation, six months for medium- and large-scale exploitation.
Validity of DIAs	Declarations of Environmental Impact (DIAs) are valid for two years and require updates thereafter.
Consultation Processes	EIAs must include consultations with indigenous communities and surface owners within the area of direct influence, alongside a public consultation process via the Provincial Directorate of Mining's website.
Mine Closure Standards	Mandatory minimum guidelines for mine closure processes are established.
Sanctions	Incremental penalties for non-compliance include warnings, fines, temporary closures, and operator disqualification.
Environmental Violations Registry	A Provincial Registry of Environmental Mining Violators is created to track infractions and recurrences, issue certifications, and share information with other provincial departments.

17.4.3 Framework Legal Study

The permitting process for the Cauchari-Olaroz Project has been supported by a comprehensive legal framework study carried out early in the exploration phase. This study encompassed international, national, and provincial norms and standards relevant to the environmental and operational aspects of the Project. At the national level, the Environmental Protection Act for Mining Activity No. 24,585 provides the foundational guidelines for environmental management. At the provincial level, Jujuy's General Environmental Law, recently updated by Decree No. 7,751/2023, details the specific procedures and standards for compliance. This decree, which came into effect on February 17, 2023, replaces Decree No. 5,772/2010. It introduces revised requirements for Environmental Impact Assessments (EIAs) and refines the stages, requirements, and content of applications for exploration and exploitation permits. The decree also formalizes the interaction with surface rights holders, ensuring a more structured framework for prospection, exploration, and mining activities in the province.

The framework legal study ensures that all permitting activities for the Project align with the responsibilities of relevant state institutions, including the Provincial Department of Mines and Energy and the Directorate of Mining.

17.4.4 Exploration Phase Permits for Project

The Environmental Impacts Report ("IIA") for the exploration phase of the Cauchari-Olaroz Project was first approved by the Provincial Government of Jujuy (Dirección Provincial de Minería y Recursos Energéticos) under Resolution No. 25/09 on August 26, 2009. Key updates and approvals include:

- **2011 Update**: Resolution No. 29/2012 approved on November 8, 2012, covering activities for the 2012–2013 period.

- **2014 Addendum**: Resolution No. 011/2014 approved on July 15, 2014, for the installation and operation of a pilot lithium phosphate plant.
- **2017 Update**: Resolution No. 008/2017 approved on September 19, 2017, replacing prior updates and encompassing planned exploration activities, including seismic reflection, hydrogeological studies, pond construction, and geochemical sampling.
- **2020 Update**: Approved by Resolution No. 017/2021 on December 17, 2021, reflecting exploration activities conducted from 2019–2021.
- **2024 Update**: Submitted in March 2024, focusing on drilling new brine wells and conducting vertical electrical surveys in the southern Project area; approval is pending.

The next biannual update to the IIA for Exploration permit is programmed for 2026.

A complete listing of the IAA for Exploitation permits is given in Table 17.6.

TABLE 17.6
EXPLORATION PERMITS

Report Submitted	Date Approved	Approvals	Observations
Environmental Impacts Report for Exploration (IIA Exploration)	August 2009	Resolution No. 25/09	Original exploration permit for the Project.
Environmental Impacts Report for Exploration (AIIA Exploration 2011)	November 2012	Resolution No. 29/2012	Activities for the 2012–2013 period approved.
Addendum to Environmental Impacts Report for Exploration, Posco Pilot Plant	July 2014	Resolution No. 011/2014	Pilot lithium phosphate plant installation approved.
Update to Environmental Impacts Report for Exploration	September 2017	Resolution No. 008/2017	Comprehensive update for exploration activities.
Update to Environmental Impacts Report for Exploration 2019 -2021	December 2021	Resolution No. 017/2021	Reflecting ongoing exploration activities, 2019–2021.
Update to Environmental Impacts Report for Exploration 2021 - 2023	December 2021	Resolution No. 017/2021	The authorities established that the same approving resolution be maintained in the current bi-annual renewal because the activities in this report correspond to the same ones from the previous renewal.
Update to Environmental Impacts Report for Exploration 2023 - 2025	March 2024 (submitted)	Pending	Includes drilling new brine wells and vertical electrical surveys focused on the southern area of the salt flat.

17.4.5 Exploitation Phase Permits for Project

The IIA for exploitation was initially approved under Resolution No. 29/2012 on November 8, 2012, for an annual production of 20,000 tonnes of lithium carbonate. Key updates include:

- **2017 Biannual Update**: Incorporated new environmental studies and increased production in phases, first to 25,000 tpa and then to 40,000 tonnes per year; approved in October 2017.

- **2023 Biannual Update**: A biannual update submitted in March 2023 is under review, with activities detailed for ongoing operations.

The next biannual update to the IIA for Exploitation permit is programmed for 2025.

A complete listing of the IAA for Exploitation permits is given in Table 17.7.

TABLE 17.7
EXPLOITATION PERMITS

Report Submitted	Date Approved	Resolution	Key Updates
Environmental Impacts Report for Exploitation (IIA Exploitation 2011)	November 2012	Resolution No. 29/2012	20,000 tpa production capacity.
Biannual Environmental Impacts Report for Exploitation (AIIA Exploitation March 2015)	March 2015	Update cancelled and filed: DMyRE Note No. 101/2019	Biannual update of the Environmental Impacts Report (AIIA) approved in 2012, based on the same project approved in 2012.
Biannual Environmental Impacts Report for Exploitation (AIIA Exploitation February 2017)	October 2017	Resolution No. 010/17	Increased production to 25,000 tpa lithium carbonate, with a second expansion to 40,000 tpa, and layout adjustments.
Biannual Environmental Impacts Report for Exploitation (AIIA Exploitation 2019)	December 2020	Resolution No. 080/2020	Detailed ongoing exploitation activities.
Biannual Environmental Impacts Report for Exploitation (AIIA Exploitation 2021)	March 2022 (submitted)	Pending	Initially included modifications for an expansion of production. This expansion request was subsequently retracted by the company, leaving the AIIA Exploitation 2021 activities as per AIIA Exploitation 2019.
Biannual Environmental Impacts Report for Exploitation (AIIA Exploitation 2023)	December 2023 (submitted)	Pending	The AIIA 2023 was presented to respect the bi-annual submission requirement, although the authority has not issued a permit for the previous (AIIA Exploitation 2021) report. Changes were added that are intended to be made with respect to ponds and the harvesting of salts.

17.4.6 Water Permits

- A Water Use Permit was issued for 45 L/s for exploration purposes.
- A Permanent Water Concession was granted for 160 L/s from the Rosario River area for the exploitation phase was granted.
- A Permanent Water Concession for a further 160 L/s from the south of the basin, for the exploitation phase, is currently under evaluation.

- Fees for water extraction from brackish sources have been paid through 2023, with annual renewals ongoing.

A complete listing of the water permits and concessions is given in Table 17.8.

TABLE 17.8
INDUSTRIAL WATER PERMITS AND CONCESSIONS FOR CAUCHARI-OLAROZ PROJECT

Report Submitted	Date Submitted	Date Approved	Validity Term	Observations
Water Use Permit (45 L/s)	December 2017	06 June 2020	Exploration	25 L/s from PBI well, and 20 L/s from 3 wells near Rosario River
Permanent Water Concession (160 L/s) NORTH	December 2020	28 December 2020	40 years	160 L/s from 6 to 8 wells near Rosario River
Permanent Water Concession (160 L/s) SOUTH	March 2024	Pending	40 Years	The provincial water resources department (DPRH) granted authorization to drill exploration wells in the south of the basin. After drilling the wells, and with the results obtained from the tests, DPRH will have to be notified again to complete the permit requirements and obtain the permit to use this industrial water.

The 45 L/s Water Use Permit is designated for exploration activities. Exploration work at Exar has been ongoing since the acquisition of the mining properties and the granting of the corresponding permits. Due to the significant potential of the company's area, these permits are renewed every two years and remain valid, with no fixed deadline for concluding this phase of the Project.

EXAR's water consumption is 70 m³ per ton of Lithium Carbonate Equivalent (LCE), which is significantly lower than than the amount projected in the original Feasibility Study. Additionally, EXAR is evaluating technologies to ensure that potential expansions achieve even lower industrial water consumption. The company is actively exploring potential new sources of industrial water from various aquifers, such as the SOUTH area, to optimize operational efficiency, ensure balanced aquifer management, and, if necessary, support future expansions.

17.4.7 Provincial Regulations

Jujuy's environmental permitting processes are governed by the recently updated General Environmental Law No. 5063, as regulated by Decree No. 7,751/2023. This decree replaces the earlier Decree No. 5,772/2010 and modernizes the Environmental Impact Assessment (EIA) requirements for mining activities. Key updates include:

- **Expanded Authority:** The Ministry of Economic Development and Production of Jujuy, in coordination with the Ministry of Environment and Climate Change, now oversees the permitting process.
- **Categorization of Projects:** Mining projects are classified into five categories, ranging from social mining to large-scale exploitation, with differentiated EIA requirements and review timelines.
- **Consultation Requirements:** EIA procedures now mandate consultations with indigenous communities and surface rights holders in the direct area of influence, alongside public consultations via the Provincial Directorate of Mining's online platform.
- **Mine Closure Standards:** The decree establishes minimum mandatory guidelines for mine closure and reclamation processes.

Additionally, mining projects within the Cauchari-Olaroz Salar must adhere to its designation as a Protected Area for Multiple Use, requiring permits for activities that may affect archaeological or paleontological resources.

17.4.8 Compliance Documentation

All permits align with local, regional, and national regulations:

- Regular environmental monitoring ensures compliance with provincial standards for air, water, and soil quality, as established under relevant laws.
- Quarterly participatory monitoring programs validate adherence to environmental baselines, with documented updates presented to regulatory authorities.

17.4.9 Permit Risks

Potential risks to operations include:

- **Approval Delays:** Pending updates for the 2024 Exploration and 2023 Exploitation IIAs could impact the initiation of planned activities.
- **Regulatory Changes:** Changes in provincial or national mining laws necessitate adjustments to compliance strategies. The recent introduction of Decree No. 7,751/2023 highlights a significant shift in regulatory requirements. The Project should assess potential impacts of the updated Environmental Impact Assessment process, including enhanced consultation protocols, and the mandatory mine closure guidelines, and the regulatory response to the latest 2023-2025 AII update, which is aligned with the new decree.

17.5 SOCIAL OR COMMUNITY IMPACT

17.5.1 Executive Summary

The social impact assessment highlights the Project's contributions to local economic development, infrastructure improvements, and cultural preservation. Community engagement and consultation processes have been active since 2009, fostering trust and cooperation. The Project has focussed on employment, training, and equitable benefit-sharing while addressing concerns related to resource management and cultural heritage. Table 17.9 identifies the key social impacts for the Project.

TABLE 17.9
SUMMARY OF KEY SOCIAL IMPACTS

Area	Key Impacts	Actions Taken	Measurable Outcomes/Success Criteria
Employment	Direct employment for 700 workers; 1,300 indirect jobs.	Local hiring policies and technical training programs.	Increased percentage of local workforce participation.
Infrastructure	Roads, utilities, and healthcare facilities improved.	Investments in community infrastructure.	Enhanced community access to healthcare and transportation.
Cultural Heritage	Agreements with indigenous groups to safeguard sites.	Monitoring and awareness programs.	No damage to cultural heritage sites during operations.
Community Engagement	Positive perceptions of the Project.	Regular consultations and grievance mechanisms.	High satisfaction ratings in community feedback surveys.

17.5.2 Social Baseline

17.5.2.1 Introduction

The Olaroz-Cauchari Project, located in the Susques Department of Jujuy Province, Argentina, has undergone significant social and economic changes from its exploration phase in 2011 to the early operational phase in 2024. These shifts are reflected in the 2011 and 2024 Social Baseline Studies, which document the evolving characteristics of the local communities and their interactions with the Project.

17.5.2.2 Social Characteristics

The area of direct influence for the Project includes the communities of Susques (1565 residents), Huáncar (397 residents), Pastos Chicos (150 residents), Puesto Sey (148 residents), Catua (464 residents) and Olaroz Chico (199 residents) based on 2018 data. All these communities are in the department of Susques, Province of Jujuy, with the town of Susques being the head of the Department, located approximately 60 km by road from the Project.

The population directly impacted by the Project is mostly rural and self-identifies with the Atacama ethnic group. In general, their settlement patterns and spatial dispersion is based on the camelid's pasturage activity.

Structurally all communities share similar rural characteristics, however, Susques is unique in having urban characteristics such as denser population, national and provincial public institutions, and commercial activity. Commercial activity in Susques is the highest of the Department.

The main economic activities in Susques are employment in public administration, trade, small-scale livestock production, craft industries, and small industries related to tourism and mining. Mining-related employment includes direct employment and indirect employment such as transportation, lodging, dining, grocery shopping, vacation homes and offices. The main activities in the rest of the department are mainly related to mining and small-scale livestock (mainly camelid) production.

Project Perceptions: In the surveyed communities there is generally a positive perception of the mining industry as it has recently become an economic pillar of the region. For this reason, Exar is very well considered and the Cauchari-Olaroz project is viewed as a possible source of job opportunities for the population in general.

The construction phase began in the first half of 2018 and continued through 2021 and generated a peak employment of 3,300 people. It currently employs 700 workers and generates more than 1,300 indirect jobs.

A total of 270 people will be required for the operation stage (including administrative, professional, plant, laboratory and maintenance personnel) for an approximate LoM period of 40 years.

Preference is given to the surrounding areas of the Project in terms of workforce. Exar has developed a training plan for local staff, in order to meet its commitments on the hiring of local labor given that in the province of Jujuy there is not much knowledge about lithium mining. Exar opened the Ckuri School to help build local technical capacity. 132 candidates from the local communities the provincial capital were enrolled in 2022. Employees are also recruited from areas outside of Jujuy, when employment requirements cannot be met locally.

There has been an active communication, consultation, and engagement process in place since 2009. Exar has designed and implemented a Community Relations Plan engendering long-term cooperation with the population within the Area of Direct Influence of the Project. The communities have signed a Convention approving all stages of the Project.

Among the direct benefits expected from the Project, respondents indicated the following: direct employment on the Project; collaboration of the company in resolving water related issues; and the provision of training. There is a general expectation that the Project will facilitate improvement in infrastructure, health and education.

Respondents also explained that approval of the Project by the members of the communities is conditional on measures taken to protect the environment and mitigate the possible social impacts, as well as the Project´s ability to generate a positive contribution to the community.

Vehicular Traffic: A traffic study of the area focused on three routes: RN No. 51, RN No. 52 and RP No. 70. Three key intersections of interest for the Project were analyzed.

Based on the Average Daily Traffic ("ADT") results, it was observed that for both national routes the busiest hour of the day is noon; while on Provincial Highway No. 70 there was more traffic in the mornings and evenings. These differences may be related to the purpose for which the roads are used: National Routes are for international transit, while the use of the Provincial Highway is largely related to local inter-urban transit and transit to mining projects in the area.

17.5.2.3 Demographic Data

The demographic profile of the region has remained relatively stable in terms of population size but demonstrates nuanced trends:

- **Population Size and Growth**: In 2011, the Susques Department had a population of approximately 3,791 individuals, with a population density of 0.4 inhabitants per km². By 2024, the population grew to 4,098, reflecting modest growth influenced by mining-related economic opportunities.
- **Age and Gender Distribution**: Both studies highlight a balanced gender distribution. The youth population showed a minor decrease in migration trends, attributed to employment prospects in mining.
- **Ethnic Composition**: Most of the local population identifies as Atacama indigenous people, emphasizing the importance of culturally sensitive engagement practices.

The Atacama people maintain a strong connection to their ancestral lands and traditions, including subsistence practices such as camelid herding and small-scale agriculture. This ethnic group is characterized by their communal social structure and rich cultural heritage, which includes weaving, traditional music, and festivals that are integral to their identity.

The legal recognition of their communal land rights is supported by both provincial and national frameworks, including Article 75, Clause 17 of the Argentine National Constitution, which guarantees the possession and property rights of indigenous communities, and the Program for Regularization of Indigenous Community Lands in the Province of Jujuy, which has issued decrees recognizing the communal ownership of lands traditionally and publicly occupied by these communities.

17.5.2.4 Economic Conditions

The local economy has shifted significantly due to mining activities:

- **Employment**: In 2011, pastoral activities and public sector employment dominated. By 2024, mining emerged as a central employer, directly and indirectly impacting local livelihoods. The Project contributed to increased income levels, although concerns about dependency on mining were noted.
- **Key Livelihoods**: Livestock and small-scale agriculture, significant in 2011, have seen reduced prominence, replaced by mining-related jobs and services.

17.5.2.5 Social Infrastructure

The Project's impact on infrastructure and services is evident:

- **Healthcare**: The 2024 baseline indicates improved healthcare access, supported by the project's investments in medical facilities and programs.
- **Education**: Educational infrastructure and access have seen improvements, particularly in technical training related to mining.
- **Utilities and Transportation**: Development of roads and utilities by the Project has enhanced connectivity and service delivery.

17.5.2.6 Land Use and Ownership

- **Land Use Patterns**: Traditional pastoralism remains, but land use has diversified with industrial development.
- **Agreements**: The Project has entered into various agreements with indigenous communities to address land use, resource management, and cultural preservation. These agreements are summarized in Table 17.10.

TABLE 17.10
SUMMARY OF COMMUNITY AGREEMENTS

Community	Agreement Description	Focus Area	Renewal Required?
Puesto Sey	Agreement for access and land use for mining infrastructure.	Land Ownership	Yes, reviewed annually
Pastos Chicos	Agreement ensuring compensation for land use and community investment initiatives.	Land Ownership	No, permanent
Olaroz Chico	Long-term agreement covering environmental monitoring and shared resource management.	Land Ownership	Yes, every 5 years
Huancar	Framework agreement for local employment and use of communal resources.	Land Ownership	Yes, every 3 years
Catua	Agreement covering water usage and infrastructure development.	Land Ownership	Yes, annually
Olaroz Chico	Agreement for the preservation of sacred sites and rituals, involving regular monitoring.	Cultural Heritage	Yes, every 5 years
Pastos Chicos	Framework for cultural resource management, ensuring no disruption to traditional practices.	Cultural Heritage	No, permanent
Huancar	Collaborative agreement to protect and document cultural landmarks and historical artifacts.	Cultural Heritage	Yes, every 3 years

17.5.2.7 Community Attitudes Toward the Project

The Project's relationship with local communities has evolved:

- **Initial Concerns**: In 2011, key concerns included water quality and quantity, cultural preservation, and equitable employment opportunities.
- **Current Perceptions**: By 2024, acceptance of the Project improved, driven by visible economic benefits and effective grievance mechanisms. However, water use remains a sensitive issue.

17.5.2.8 Vulnerable Groups

Vulnerable groups, particularly women and elders in indigenous communities, require ongoing attention to ensure equitable benefit sharing and cultural preservation.

17.5.2.9 Community Engagement

17.5.2.9.1 Stakeholder Engagement Strategies

The Project's stakeholder engagement evolved significantly:

- **Consultations**: Semi-structured interviews, participatory monitoring, and community meetings have been conducted regularly since 2009.
- **Grievance Mechanisms**: A robust grievance redressal system has enhanced transparency and trust.

17.5.2.9.2 Documentation

All engagement activities are well-documented, ensuring accountability and compliance with Argentine legislation, ratified conventions, and international standards as noted in Table 17.11.

Table 17.11
Legislation, Conventions, and Standards

Standard Type	Specific Standard
National	Argentine Environmental Protection Act for Mining Activities (Law No. 24,585).
National	General Environmental Law of the Province of Jujuy (Decree No. 5,772-P-2010).
International	Equator Principles.
International	International Finance Corporation (IFC) Performance Standards on Environmental and Social Sustainability.
International	Indigenous and Tribal Peoples' Convention, 1989 (ILO Convention No. 169).

17.5.3 Evaluation of Impacts

The identification, description and assessment of potential environmental and social impacts, both positive and negative, were performed for the construction, operation and closure stages of the Project.

Initially, actions that could cause impacts were identified, and a classification of the environment was made, providing Environmental Units to each of the factors that will be affected by the Project.

Subsequently, qualitative and quantitative impacts using the methodology proposed by Conesa Fernández-Vítora (Conesa Fernández-Vítora, 1997)[4] were performed. The evaluation was done for each stage of the Project, including construction, operation and closure.

During the construction and operation stages of the Project, there is the potential for moderate impacts to the environment, some of which can be reversed or mitigated in the short, medium and long term. The following are the key potential impacts that were identified:

- Change in air quality due to the emission of particles and combustion gases.
- Increased noise levels due to the use of equipment, machinery and vehicles, and plant process operations.
- Changes in the geomorphology and soils due to evaporation ponds and production facilities.
- Change in land use and diversification of land use.
- Impact on the brine reservoir and aquifer system in general.
- Intensive use of brackish water for mining/industrial use.
- Removal of the vegetation for the siting of Project facilities, especially the preconcentration and concentration ponds.
- Alteration of wildlife habitat due to reductions of vegetation in some sectors, emission of noise and vibration, and human settlements.
- Impact on landscape due to harvested salt dumps.

In addition, potential impacts were identified, such as:

- Archaeological resources due to the possibility of subsurface findings.
- Biological corridor due to the installation of infrastructure in the salt flat.

[4] Conesa Fernández-Vítora, V. (1997). Auditorías medioambientales, guía metodológica (2a. ed. re). Madrid: Mundi-Prensa. Retrieved from http://www.sunass.gob.pe/doc/cendoc/pmb/opac_css/index.php?lvl=author_see&id=174

The area of direct influence (ADI) is defined as the physical space where project activities are seen to affect specific social and/or environmental components. The environmental ADI for the Environmental Impact Report for exploitation for the Project is the area comprising the housing camp, evaporation ponds, sector where harvested salts are stored, drill platforms, access roads and other easements where there is a greater likelihood of interaction due to Project actions.

The social ADI is the inhabited sectors or those sectors that have communities, such as Puesto Sey, Pastos Chicos, Huáncar, Catua, Olaroz Chico and Susques. These communities are in watersheds different from those of the Salar de Olaroz - Cauchari, except for Olaroz Chico, which is the only community located on the eastern slope of the Olaroz mountains. It is within the territory of these communities that the salt flats and mining properties are located and where the activities related to exploitation will be carried out.

The area of indirect influence (AII) is defined as the physical space where an action related to the project activity could influence the social and environmental components. For the Environmental Impact Report for exploitation for the Project, the area that is outside the limits established for the environmental ADI was considered as the environmental AII. It should be clarified that for each of the environmental factors particular areas were considered based on the possibility that effects could manifest. The extent of these areas was defined based on each action that will be implemented.

For the social aspects, the rest of the localities of the department of Susques were considered as being the social AII: Jama, El Toro, San Juan de Quillaques and Coranzuli.

Should further easements be required for the Project, the areas of influence for the Project could change.

The hiring of local labor by the Company will generate a positive impact because a portion of the population will have increased quality of life. This in turn has a positive impact on the local economy. Access to formal employment will have direct (monthly salaries) and indirect (skilled training) benefits that will have immediate and longer-term positive impacts, particularly in terms of increasing employability post completion of contracts/mine closure. Also, local employment contributes towards stopping the phenomenon of youth migration to urban centers in search of better jobs. These effects are also pertinent to the Area of Indirect Influence (personnel coming from other provinces).

The procurement of goods and services during Project implementation would involve a stimulus in each of the industries supplying these resources. These effects would occur in the total area of influence of the mining Project.

17.5.4 Social Impact Management

The social impact management strategies for the Olaroz-Cauchari Project aim to address the evolving needs of local communities while ensuring that the benefits of the Project are equitably shared. This includes comprehensive studies to understand the Project's impacts, robust monitoring processes to track progress, and targeted investments in critical sectors such as infrastructure, education, and healthcare.

Exar has developed a program that promotes social and economic development within a sustainability framework. Exar began work on the Community Relations Program with the Susques Department in 2009. This program was created to integrate local communities into the

Project by implementing sub-programs aimed at generating positive impacts on these communities.

Susques is the most important commercial center in the area. However, the Program also focused on the Catua, Olaroz Chico, Huancar, Pastos Chicos and Puesto Sey communities.

17.5.4.1 Community Relations Plan

The Community Relations Program has been divided into three key sub-programs. One deals with external and internal communications to provide information and show transparency. The second is a consultation program that allows Exar to acknowledge perceptions of mining activities. A third program deals with execution of contracts with the communities for economic benefits. The most important part of the program is supporting social, cultural and environmental initiatives. The criteria for choosing initiatives are: the initiative should benefit the whole community; it should contribute to sustainable development and be participatory, and it must originate inside the community.

It should also be noted that Exar has signed formal contracts with neighboring communities that own the surface rights where the Project will be developed. According to these contracts, the communities grant Exar traffic and other rights, while Exar ensures them a regular cash flow, to be used as the members of the communities decide. The arrangements vary between communities, but they all include the following:

- Aggregate payments of approximately US$239,417 per year between 2017-2019.
- When construction begins aggregate payments of approximately US$260,000 per year and beyond during construction.
- When production begins aggregate payments of approximately US$465,000 per year and beyond during production.
- Joint environmental monitoring programs.
- Priority rights for any job for which a person from the community is qualified.
- Training on site to qualify for the job.
- A school of business training in each community to assist in setting up businesses for the provision of services during construction.
- Individual infrastructure programs in each community.

17.5.4.2 Studies and Monitoring

Table 17.12 summarizes the comprehensive social impact studies and participatory monitoring processes conducted for the Project.

TABLE 17.12
STUDIES CONDUCTED AND MONITORING PROCESSES

Year	Process or Study	Frequency	Key Focus
2011	Initial Social Baseline Study	One-time	Documented demographic, economic, and cultural characteristics.
2015	Participatory Social Monitoring	One-time	Highlighted early impacts on local employment and community perceptions.
2017	Quarterly Environmental and Social Monitoring	Every 3 months (ongoing)	Assessed ongoing environmental and social dynamics.
2018	Participatory Monitoring with Communities	Semi-annual (ongoing)	Facilitated community involvement in monitoring efforts.
2019	Community Feedback Surveys	Annual (ongoing)	Gathered community perceptions and satisfaction levels.
2024	Updated Social Baseline Study	One-time	Assessed changes in demographics, infrastructure, and economic reliance.

17.5.4.3 Social Investments

The Project has invested in infrastructure, education, and healthcare initiatives, directly benefiting local communities. These investments are summarized in Table 17.13.

Table 17.13
SUMMARY OF COMMUNITY-RELATED INVESTMENTS

Sector	Initiative	Impact
Infrastructure	Construction of roads and utility networks	Improved connectivity and accessibility for local communities
Healthcare	Development of medical facilities and programs	Enhanced healthcare access, leading to improved community health outcomes
Education	Establishment of technical training centers and support for local schools	Increased educational opportunities, particularly in mining-related skills

17.5.4.4 Employment Programs

Targeted employment programs, including local hiring policies and skills training, have significantly impacted the socioeconomic fabric of the area.

17.5.4.5 Cultural Heritage

17.5.4.5.1 Impacts

While Project activities have the potential to impact cultural heritage sites, mitigation measures have minimized disruptions.

17.5.4.5.2 Protective Agreements

The Project has established protective agreements with indigenous communities to safeguard cultural heritage sites. These agreements are summarized in Table 17.10 for clarity, included under the Land Use and Ownership Section.

17.5.4.5.3 Mitigation Measures

Awareness Programs: Education on cultural heritage preservation is part of the Project's community engagement strategy.

17.5.4.6 Trends and Changes

A comparison of the 2011 and 2024 baselines highlights the following trends:

- Economic Transition: The region's economy has transitioned from primarily agricultural to mining driven.
- Social Development: Improvements in infrastructure, education, and healthcare reflect the Project's positive contributions.
- Community Perceptions: Increasing acceptance of the Project is evident, though concerns about resource management persist.

17.5.4.7 Conclusion

The Olaroz-Cauchari Project has profoundly influenced the social and economic landscape of its area of influence. Continuous adaptation to community feedback and proactive management of social impacts are crucial for sustaining positive relations and ensuring the long-term success of the Project.

17.5.4.8 Recommendations

To enhance the sustainability and social performance of the Olaroz-Cauchari Project, the following recommendations are proposed:

1. **Key Performance Indicators (KPIs) and Metrics:** Introduce KPIs to monitor and measure social impact areas such as employment, healthcare, education, and community satisfaction. For example:
    - Employment: Percentage of jobs filled by local community members.
    - Healthcare: Number of medical consultations per 1,000 residents annually.

- Education: Enrollment in technical training programs.
- Community Perception: Annual satisfaction ratings based on feedback surveys.

2. **Integration of KPIs:** Use existing data collection mechanisms like participatory monitoring and feedback surveys to streamline KPI tracking and reporting.
3. **Baseline and Targets:** Establish baselines from 2011 and 2024 data to set realistic, community-informed targets.
4. **Reporting and Adaptation:** Regularly publish KPI results to communities and stakeholders, adapting strategies based on trends and identified gaps.
5. **Third-Party Audits:** Implement regular third-party audits of the Project's social and environmental programs to ensure accountability, transparency, and continuous improvement.
6. **Enhanced Community Engagement:** Expand participatory processes by incorporating more community members in monitoring and decision-making to increase trust and inclusion.
7. **Focus on Vulnerable Groups**: Develop targeted programs to address the needs of women, elders, and other vulnerable populations within indigenous communities.
8. **Long-Term Cultural Preservation Plans**: Strengthen protective agreements with indigenous communities and formalize long-term strategies to safeguard cultural heritage sites.
9. **Periodic Impact Assessments**: Conduct regular social impact assessments to adapt strategies in response to evolving community dynamics and Project operations.

17.6 CLOSURE AND RECLAMATION PLANS

Closure and reclamation for the Project have followed legislative requirements and best practice guidance. The legislative requirements for the closure of the Project were outlined in Decree No. 5,772-P-2010 until 17 February 2023, when it was replaced by Decree No. 7,751-DEyP-2023. This transition introduced more comprehensive and structured guidelines, particularly emphasizing financial assurance and progressive closure measures.

All future IIA submissions for the Project are required to comply with the new legislation.

17.6.1 Key Closure Requirements and Commitments (Pre-2023)

Before 2023, the Project developed its strategy for closure based on the following aspects:

17.6.1.1 Closure Objectives

1. The Project's closure objectives also focused on meeting all regulatory requirements outlined in agreements signed by Exar to achieve the Final Closure of the Project

2. Emphasis was placed on preventing, minimizing, or mitigating negative environmental impacts throughout the closure process.

3. The site's abandonment condition aimed to protect the environment and ensure public safety.

4. The closure process aimed to uphold the social license by fostering trust and transparency with affected communities and stakeholders. This included aligning closure activities with social expectations and addressing concerns through proactive engagement with local and indigenous groups.

5. Strategies for mine site reclamation and rehabilitation included the removal of roads, the evaporation to dryness of ponds, and the leveling and contouring of pond sites. The physical stability of pond slopes was also established.

6. Closure activities were primarily planned for the end of the 40-year Life of Mine (LoM) operation phase, with some activities potentially conducted during operations (progressive closure). This included aligning closure activities with social expectations and addressing concerns through proactive engagement with local and indigenous groups.

17.6.1.2 Financial Assurance

Estimated closure and remediation costs of approximately US$52.7 million were included in the Project's cash flow model to meet environmental and closure obligations outlined in the Informe de Impacto Ambiental (IIA). This ensured compliance, despite the lack of closure bonding or guarantees required under Argentine federal or Jujuy provincial legislation prior to 2023.

17.6.1.3 Post-Closure Monitoring

Post-closure monitoring was planned to continue for about five years following the end of operations, including a two-year period for executing closure activities and an additional three years for environmental monitoring. This approach ensured the Project achieved definitive closure.

17.6.2 New Requirements (Decree No. 7,751-DEyP-2023)

The legislative changes introduced by Decree No. 7,751-DEyP-2023 require the Project to align with a more structured and detailed closure framework:

17.6.2.1 Closure Objectives

1. Closure must include the rehabilitation or repurposing of all areas and infrastructure affected by mining activities, except for those identified as suitable for public or social use by indigenous communities, local municipalities, or the provincial government. Transfers of such areas must comply with environmental criteria evaluated by the Dirección Provincial de Minería or the Ministry of Environment and Climate Change.

2. Social objectives must include collaborating with indigenous and local communities to ensure areas and assets can be utilized for social and public benefit where applicable, fostering transparency and trust throughout the closure process.

3. Provisions for progressive closure measures must be integrated into the conceptual closure plan to enable rehabilitation during operational phases without disrupting ongoing activities.

4. Plans for temporary or premature mine closures must include maintenance and monitoring protocols, with a maximum suspension period of three years unless extended by a formal resolution.

17.6.2.2 Financial Assurance

1. A financial guarantee is mandatory to secure compliance with closure plans, covering direct and indirect closure costs, including contingencies, and adjusted as needed for changes in closure requirements.

2. The guarantee's phased implementation includes:

   - 10% of the closure cost during the first year of construction.

   - 20% during the first year of operation.

   - Full guarantee coverage by the final third of the mine's life or five years before closure, whichever comes sooner.

3. Adjustments to financial assurances are required with each update to the closure plan, and partial reductions may be granted for completed closure milestones.

17.6.2.3 Post-Closure Monitoring

1. A mandatory post-closure phase begins after the issuance of a "Certificate of Final Compliance" and extends for a minimum of five years for medium- and large-scale projects. This period may be extended based on environmental needs.

2. Annual post-closure reports must document monitoring results, environmental and social trends, and maintenance activities, guiding evaluations of closure objectives and certification issuance.

3. Following successful post-closure activities, the financial guarantee is released, and a "Certificate of Final Closure" is issued.

17.6.3 Recommendations

1. Align Closure Plan with New Legislation: Update the conceptual closure plan to meet the requirements of Decreto No. 7,751-DEyP-2023.

2. Engage Stakeholders Early: Collaborate with indigenous communities, local governments, and relevant authorities to identify potential public or social uses for infrastructure and areas post-mining.

3. Strengthen Financial Assurances: Establish and maintain the required financial guarantees.

4. Quantify Financial Implications: Compare pre-2023 closure cost estimates with anticipated costs under the new legislation to provide a clearer understanding of financial impacts.

5. Enhance Stakeholder Engagement: Ensure ongoing discussions or frameworks are in place to address environmental and social priorities and demonstrate proactive collaboration with affected parties.

18. CAPITAL AND OPERATING COSTS

Capital costs for the Project are based on the total engineering and construction work.

All values are expressed in current US dollars; the exchange rate between the Argentine peso were adjusted at the time of the incurred cost. Argentine peso denominated costs followed the exchange rate because of inflation, and the impact of the exchange rate fluctuation on CAPEX and OPEX has been incorporated in the definition of the cost presented in this section; no provision for currency escalation has been included. At the completion of the Project, the CAPEX was consolidated at US$979 million.

18.1 CAPITAL COSTS (CAPEX) ESTIMATE

The main objectives for determining the capital costs for the full plant are:

- Present the total project CAPEX for investment consolidation purposes.
- Confirm cost of the processes and facilities that are operating during the ramp up period to obtain the best comparison between initial and actual capital costs and operating costs.
- Providing the necessary data for the economic evaluation of the project; and
- Providing guidance for the following production phase.

18.1.1 Capital Expenditures CAPEX Definition

Capital costs for the Project are based on the total engineering and construction work, having a design capacity of 40,000 tonnes per year of lithium carbonate equivalent. The expenditures are expressed in current US dollars.

Capital costs include direct and indirect costs for:

- Brine production wells;
- Evaporation and concentration ponds;
- Lithium carbonate plant;
- General areas, such as electric, gas and water distribution;

- Stand-by power plant, roads, offices, laboratory and camp, and other items;
- Off-site Infrastructure, including gas pipeline and high voltage power line; and
- Contingencies, salaries, construction equipment mobilization, and other expenses.

The capital investment for the 40,000 tpa Lithium Carbonate Cauchari-Olaroz Project, including equipment, materials, indirect costs and others during the construction period was US$979 million. This excludes debt interest expense capitalized during the same period. Disbursements of these expenditures are summarized in Table 18.1 and the costs for the production wells are presented on Table 18.2.

TABLE 18.1
LITHIUM CARBONATE PLANT CAPITAL COSTS SUMMARY

Item	Cost (US$ M)
Direct Cost	
Salar Development	51.0
Evaporation Ponds	175.5
Lithium Carbonate Plant and Aux.	361.7
Reagents	26.2
On-site Infrastructure	108.7
Off-site Services	13.6
Total Direct Cost	**736.7**
Indirect Cost	
Total Indirect Cost	**224.5**
Total Direct and Indirect Cost	
Total Direct and Indirect	961.2
Other (1.85%)	17.8
Total Capital	**979**
Expended to date	**979**
Estimate to complete	**0**

TABLE 18.2 PRODUCTION WELLS CAPITAL COST	
Description	**Total Project Budget (US$M)**
Well pumps and auxiliaries	46.2
Power Distribution	4.8
Total	**51.0**

18.1.2 Evaporation Ponds

The capital cost for the evaporation and concentration pond facilities is US$175.5 million (Table 18.3).

TABLE 18.3 EVAPORATION AND CONCENTRATION PONDS CAPITAL COST	
Description	**Total Projected Budget (US$ M)**
Ponds	172.1
Power distribution	3.3
Total	**175.5**

18.1.3 Lithium Carbonate Plant

The direct cost for the construction of the Lithium Carbonate plant is US$361.7 million (Table 18.4). During engineering work, capital equipment costs were estimated using more than 100 quotes for various equipment items and construction contracts, estimates and using in-house data for minor items. As of the effective date of this report, all of the equipment purchase orders have been executed as well as construction contracts, validating the total construction of the plant. The initial material take-off (e.g. material quantity estimates) from 3D models were confirmed during the construction phase to complete the capital cost.

TABLE 18.4 LITHIUM CARBONATE PLANT CAPITAL COST SUMMARY	
Description	**Total Projected Budget (US$ M)**
Lithium Carbonate Plant	
Boron SX	68.3
Lithium Carbonate wet plant	116.2
Dry area	41.4
In-plant evaporation. circuit (KCl)	73.1
Plant wide auxiliaries	24.1
Power distribution	3.3
Utilities	31.2

TABLE 18.4 LITHIUM CARBONATE PLANT CAPITAL COST SUMMARY	
Description	**Total Projected Budget (US$ M)**
Non-Process Buildings	4.0
Total	**361.7**

18.1.4 Reagents Cost

Reagents cost refer to the installation for receiving, preparation and distribution of reagents for use in the process stages. Costs are shown in Table 18.5.

TABLE 18.5 REAGENT COST	
Item	**Cost (US$ M)**
Reagents	24.5
Power supply	1.7
Total	**26.2**

18.1.5 Offsite Infrastructure Cost

Offsite infrastructure refers to gas and electrical interconnection and transmission. Costs are shown in Table 18.6.

TABLE 18.6 OFFSITE INFRASTRUCTURE COST	
Item	**Cost (US$ M)**
Natural gas supply	7.2
Power supply	6.4
Total	**13.6**

18.1.5.1 Natural Gas Supply to Plant

Natural gas is obtained from the Rosario gas compression station of the Gas Atacama pipeline located 52 km north of the Project site. Cost for this pipeline was obtained from a specific contractor bid.

Installed cost for this work is US$7.2 million (Table 18.6). This pipeline is designed to supply natural gas sufficient for production up to 50,000 tpa LCE.

18.1.5.2 Power Supply to Plant

The transmission system has been designed to provide sufficient electricity for a production capacity of at least 40,000 tpa LCE. Installed cost for this work is US$6.4 million (Table 18.6).

18.1.5.3 Onsite Infrastructure and General Cost Summary

Onsite infrastructure costs are summarized in Table 18.7.

Table 18.7
Onsite Infrastructure and General Capital Cost Summary

Description	Total Projected Budget (US$ M)
On-Site Infrastructure	
General Area (including roads)	90.6
Camp	13.4
Utilities	1.7
Emergency Power Generation	3.1
Total	**108.7**

18.2 INDIRECT COSTS

The indirect costs used for this study are given in Table 18.8. The percentages listed indicates the relation between the estimated costs for the item and the direct cost.

TABLE 18.8
PROJECT INDIRECT COSTS

Description	Cost (%)	Cost (US$ M)
EP – Engineering and Procurement	3.87%	37.9
CM – Construction Management	7.82%	76.6
Commissioning	2.02%	19.8
Vendor Representative	0.39%	3.8
Third Party Services	0.71%	7.0
Temporary Facilities	0.28%	2.7
Construction Camp	1.18%	11.5
Catering and Camp Services	0.31%	3.0
Freight (by owner)	1.88%	18.4
First Fills (calculated)	0.62%	6.1
Training	1.85%	18.1
Total Indirect Costs	**22.94%**	**224.5**

18.2.1 Final CAPEX for Exar 40,000 tpa Plant

The Final CAPEX for the 40,000 tpa LCE facilities, as defined during the engineering studies, reached a total of $979 million. This investment included the extraordinary cost incurred during the COVID-19 pandemic and the changes in cost due to inflation during construction.

The reported CAPEX is already committed and the ramp up period of three years is in the second year of implementation.

18.2.2 Exclusions

The following items are not included in this estimate:

- Legal costs;
- Special incentives and allowances;
- Escalation; and
- Start-up costs beyond those specifically included.

18.2.3 Currency

All values are expressed in current $US dollars. During the construction period, Argentine peso denominated costs follow the exchange rate as a result of inflation, and there was a significant impact of the exchange rate fluctuation on CAPEX and OPEX.

18.2.4 Sustaining Capital

A provision of US$990 million of the sustaining capital over the life of the Project was included in the economic model. The sustaining capital includes purchase of equipment or development of facilities which would otherwise be capitalized. The sustaining capital costs include processing equipment to be purchased in future years, replacement of equipment, drilling of replacement wells, capital repairs of ponds, equipment replacement for the processing plant, etc.

For the next 10 years ahead, US$20.5 million is estimated for sustaining capital, equivalent to US$512.5 per ton of lithium carbonate.

18.3 OPERATING COSTS ESTIMATE

18.3.1 Operating Cost Summary

The operating cost (OPEX) estimate for a 40,000 tpa lithium carbonate facility has been prepared at the completion of the Project and using data generated during the ramp up. (Table 18.9). The OPEX that defined by Exar at this stage is US $6,543 per tonne. This present cost is a substantial change from the FS OPEX definition that was US $3,579 per tonne. The inflation and devaluation of the local currency affected several items conforming the OPEX including reagent costs, maintenance, manpower, catering, security, consumables, and product transportation cost components.

During the ramp up, there is the opportunity to identify the requirement of an optimization program to control and if possible, to reduce OPEX cost.

Reagent consumption rates that were determined by pilot plant, laboratory, and computer model simulation have been actualized based on data obtained during ramp up period. Reagent cost values, which represent 39% of OPEX, has been obtained from the suppliers servicing the actual plant operation.

Energy consumption has been determined on an equipment-by-equipment basis and design utilization rate and confirmed with actual operational data.

Labour levels are confirmed in accordance with Exar Management's operating the new facility. Salary and wage are based on the actual data being used by Exar in Argentina.

Maintenance estimates were updated by Exar's management based on the actual maintenance cost and projected future cost based on their experience with similar operations.

Results are as summarized in Table 18.9.

Table 18.9
Operating Costs Summary

Description	**Total (US$ 000 /Year)**	**Li_2CO_3 (US$/Tonne)**	**Allocation of Total OPEX (%)**
Direct Costs			
Reagents	100,981	2,525	38.60
Maintenance	24,701	618	9.4
Electric Power	9,283	232	3.5
Pond Harvesting & Tailing Management	24,348	609	9.3
Water Treatment System	0	0	0
Natural Gas	4,455	111	1.70
Manpower	32,059	801	12.20
Catering, Security & Third-Party Services	32,083	802	12.30
Consumables	6,443	161	2.50
Diesel	3,249	81	1.20
Bus-in/Bus-out Transportation	0	0	0
Product Transportation	9,200	230	3.5
Direct Costs Subtotal	**246,803**	**6,170**	**94.30**
Indirect Costs			
G&A	14,912	373	5.7
Indirect Costs Subtotal	**14,912**	**373**	**5.7**
Total Operating Costs	**261,714**	**6,543**	**100.0**

18.3.2 Pond and Plant Reagents Costs Definition

Reagents comprise 38.6% of total OPEX costs and were estimated by Exar using contractual prices for the present operation. Consumption volumes have been obtained from laboratory work and computer model simulations, performed by Exar and its consultant, and actual operational data collected by Exar.

Pond and plant reagents include the following:

- Calcium oxide;
- Lime;
- Sodium Carbonate;
- Barium Chloride;
- Hydrochloric Acid;
- Sodium Hydroxide;
- Sulphuric Acid;
- Extractants diluent; and
- Organic solvents.

As indicated in Section 14.0, sulphate brines such as the one present in Cauchari typically require treatment with lime to remove unwanted elements before proceeding to the lithium carbonate plant. The lime is bought from a local producer (150 km from the Project) producing lime of suitable quality for the application This producer will require expansion of their facilities to be considered a preferable supplier; however, the proximity of this lime facility could provide cost savings over other supply alternatives from San Juan province located at 1,200 km from the Project.

Na_2CO_3 is the dominant reagent cost in the lithium carbonate plant. Boron removal costs are dominated by solvent extraction organic make-up and HCl, for pH adjustment.

18.3.3 Salt Removal and Transportation

Annual cost for harvesting and disposal of the projected precipitated salts were estimated at US$24,348,000 based on qualified service provider quote.

18.3.4 Energy Cost

Overall electricity consumption is estimated to be 129.8 MWh/year. The Project cost includes the installation of a grid-tied high voltage transmission line to supply all electric power requirements for the plant facility.

Natural gas yearly expenditure is US $4,455,000.

Diesel fuel is also required by the stand-by diesel generators and mobile equipment. Annual diesel cost is estimated to be US $3,249,000.

Temporary diesel power generators were used to meet the energy requirements prior to the installation of the 33 kV line and are included in the capital cost estimate. As the high voltage line for power distribution to the field well is fully operational, the diesel generators are being phased out. Operating costs for these units were included in the OPEX during early years.

18.3.5 Maintenance Cost

Yearly expenditures for this item, including the Lithium Carbonate plant and supporting facilities, are estimated at US $24,701,000.

18.3.6 Labour Cost

Annual total costs, including base salary, contributions, bonuses, benefits and other remuneration inherent to the area and type of work performed, are approximately US $32,059,000 per year.

18.3.7 Catering, Camp Services Cost, Security and Third-Party Services

Catering and camp services include breakfast, lunch, dinner, housekeeping, security and other services. This item amounts to US $32,083,000 per year and is based on actual prices.

18.3.8 Transport of Product to Port

Product is being shipped through Buenos Aires port in Argentina. The total cost of transportation to the port in Buenos Aires is US$230 per tonne that represents US$9,200,000 per year. Alternatively, in a future, the product can be shipped from Chile with a trade-off analysis.

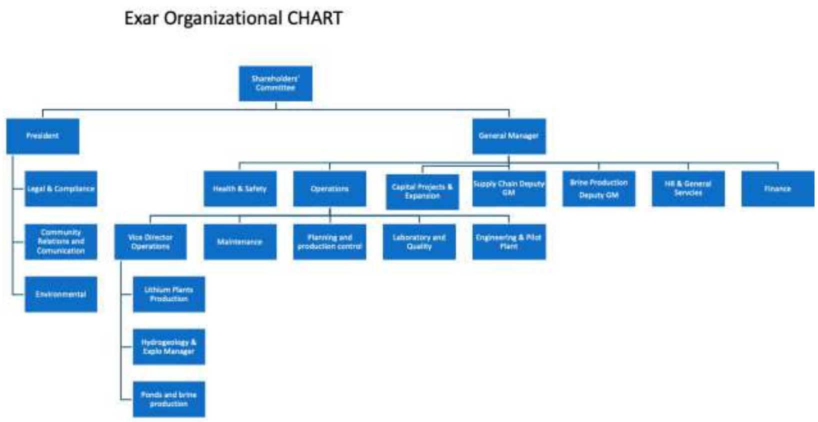
18.3.9 General and Administrative Costs

General and Administrative Costs are estimated to be US $14,912,000 per year.

18.4 COMPANY OPERATIONAL ORGANIZATION

The following diagram in Figure 18.1 Operational Organization presents an overview of the organization to operate the new lithium carbonate plant.

Figure 18.1 Project Organization



19. ECONOMIC ANALYSIS

19.1. INTRODUCTION

The section provides an economic analysis of the Project. The analysis was prepared by using an economic model and assesses both before- and after-tax cash flow scenarios. Capital and Operational Expenditures presented in previous sections have been used in this analysis. Prices for lithium carbonate are obtained from a market study carried out by a third party and summarized in Section 16.0. The model includes all taxes, rebates, government and commercial royalties/payments and community payments.

The results include Net Present Values (“NPV”) for different discount rates and sensitivity analysis of key inputs.

This economic analysis assumes that Capital expenditures prior to December 31, 2024, are considered sunk costs and are excluded from the capital expenses in the economic model. Only capital expenditures from December 31, 2024, onwards are included.

Investment decisions are made on a forward-looking basis. The purpose of the economic model is to assess whether future capital expenses and operations, with updated product price, production costs, and other assumptions, will bring a positive economic result. Positive economic results include future cash flows, generated from sales of the finished product, less related cost of sales and other expenses, excluding capital expenditures prior to December 31, 2024.

This economic assessment ignores sunk costs in the determination of cash flows and economic indicators. However, these costs are considered as opening balances for the purpose of determining tax assets and liabilities.

With the exclusion of the historic capital spent from the discounted cashflow, the presentation of an IRR value is not considered to be applicable.

19.2. EVALUATION CRITERIA

The following criteria have been used to develop the economic model:

- Project life: Engineering and construction and life of mine is estimated to be 4 and 40 years, respectively.
- Pricing was obtained from a market study (Section 16.0). Deductions to the price related to the removal of trace levels of impurities to achieve battery quality lithium carbonate are described as tolling costs in the economic model and deducted from revenue.
- Production based on design capacity of 40,000 tpa of lithium carbonate and,
- Valuation Date: December 31, 2024.
- Equity basis: For project evaluation purposes, it has been assumed that 100% of capital expenditures, including pre-production expenses and working capital are financed with owners’ equity.

- Brine composition may be suitable for extraction and commercial production of other salts or other chemical compounds such as Boric Acid (H_3BO_3), potassium, etc. These options were not included in this report.
- The economic evaluation was carried out on a constant money basis so there is no provision for escalation or inflation on costs or revenue.
- All values are expressed in current US dollars; the exchange rate between the Argentine peso and the US dollar as at October 31, 2024 was AR$970/US$. Argentine peso denominated costs follow the exchange rate as a result of inflation, and the impact of the exchange rate fluctuation on CAPEX and OPEX has been incorporated; no provision for currency escalation has been included.
- The base-case assessment was carried out on a 100%-equity basis. Apart from the base case discount rate of 8.0%, two (2) variants of 6.0% and 10.0% were used to determine the Net Present Value ("NPV") of the Project. These discount rates represent possible costs of equity capital.

19.3. TAXES AND ROYALTIES

The following taxes and royalties have been applied to the economic analysis of the Project:

19.3.1. Provincial Royalty

An effective royalty rate of 1.6% of sales is applied, which is consistent with the current royalty payments of other operating companies producing lithium from the same watershed. The provincial rate is 2% of the value of the mineral at the mine head when the mineral is processed in Jujuy and 3% if it is not processed in Jujuy.

19.3.2. Export Duties and Export Refunds

The company has to pay an effective tax rate of 4.31% of sales as export duties on lithium carbonate sales.

The company is entitled to receive a 1.44% of sales as national incentive refund for selling lithium carbonate.

As a result, a net amount of 2.87% has to be paid as Export duties and Export refunds on lithium carbonate sales.

19.3.3. Tax on Debits and Credits Accounts

In Argentina, a 0.6% tax on debits and credits of bank accounts is considered. Exar is permitted to book 34% of the tax paid on credits accounts as a credit for income tax. Thus, the net effective rate on both debit and credit accounts used in the economic model is 0.996%.

19.3.4. Los Boros Agreement

The Los Boros agreement is described in Section 3.4.1. The economic analysis assumed the following payments will have to be made to Los Boros under the following agreement:

- A US$12M payment for the exercise of the option, distributed quarterly, as per the agreement, for a total of 60 quarterly installments of US$200,000 each (US$800,000 annually for 15 years); and

- Two lump sum payments of US$7M each in year 1 and year 21 of operations (royalty buyout payments).

19.3.5. Borax Argentina Royalty Payment

Pursuant to the usufruct agreement dated May 19, 2011, a fixed amount of US$200,000 per year is to be paid by Exar to Borax Argentina over a total of thirty (30) years. To date, 9 installments have been made and 21 installments remain to be paid. The model has assumed the same fixed amount of US$200,000 per year for the remaining 19 years of the Project and assumes that Exar will extend the agreement with Borax Argentina with the same terms and conditions. The agreement relates to claims that constitute less than approximately 5% of the Project property and thus is not considered material to the Project's economics.

19.3.6. Neighboring Communities Programs

The economic model has accounted for all payments pursuant to existing agreements with local neighboring communities.

19.3.7. Corporate Taxes

The corporate tax rate in Argentina is 30%. In addition, dividends are subject to withholding tax which results in a cumulative effective tax rate of 35% (considered in this model).

19.3.8. VAT

VAT payments involve two tax rates affecting goods and services. A reduced rate of 10.5% is applied to certain supplied equipment, and certain bulk materials, and construction subcontracts that are directly part of the Project implementation. A normal rate of 21% has been allocated to indirect project costs and other costs. The present regulation considers a return on the VAT payments once production starts, and this assumption is included in the model.

19.4. CAPITAL EXPENDITURES SPEND SCHEDULE

Capital costs for the Project are described in Section 18.0.

The sustaining capital schedule for capital expenditures is presented in Table 19.1 for each period.

TABLE 19.1
SUSTAINING CAPEX EXPENDITURE SCHEDULE

CAPEX Costs by Years	2025-2035 (US$ 000)	2036-2060 (US$ 000)	Total (US$ 000)
Total	225,500	765,000	990,500

The sustaining capital requirements were evaluated at US$990.5 million. Project closure costs were estimated at US$86.4 million (to be spent in three years after the closure of the operation).

19.4.1. Lithium Carbonate Production Schedule

The lithium carbonate production schedule is presented in Table 19.2 in a yearly base for the period shown:

TABLE 19.2
PRODUCTION AND REVENUE SCHEDULE

Year	Average Revenue per Year (US$ 000)	Average Production per Year Li_2CO_3 (t)
2025-2030	709,000	38,667
2031-2060	780,000	40,000
Total	**28,044,000**	**1,452,000**

The figures in Table 19.2 utilize the medium lithium price scenario.

19.5. OPERATING COSTS SCHEDULE

The operating cost schedule is shown in Table 19.3 in a yearly base for the period shown.

TABLE 19.3
PRODUCTION COSTS

OPEX (US$ 000) Li_2CO_3	2025-2030	2031-2060	Total
Direct Costs			
Reagents	97,835	100,981	3,666,921
Maintenance	24,701	24,701	901,601
Electric Power	9,081	9,283	337,610
Pond Harvesting & Tailing Management	24,348	24,348	888,698
Water Treatment System	0	0	0
Natural Gas	4,284	4,455	161,592
Manpower	32,059	32,059	1,170,151
Catering, Security & Third-Party Services	32,083	32,083	1,171,043
Consumables	6,366	6,443	234,708
Diesel	3,249	3,249	118,598
Bus-In / Bus-Out Transportation	0	0	0
Product Transportation	8,855	9,200	333,730
Direct Cost Subtotal	**242,861**	**246,803**	**8,984,652**
Indirect Costs			
G & A	14,912	14,912	544,270
Indirect Cost Subtotal	**14,912**	**14,912**	**544,270**
Total Li_2CO_3 OPEX	**257,773**	**261,714**	**9,528,922**

19.6. PRODUCTION REVENUES

Production revenues have been estimated based on the three price scenarios for lithium carbonate according to Section 16.0, and the production schedule shown in Table 19.2. The resulting revenue projection is shown in Table 19.4 in a yearly base for the period.

TABLE 19.4
REVENUE – HIGH, MEDIUM AND LOW-PRICE SCENARIO (US$ 000)

Li_2CO_3 Price Scenario (US$ 000 /tonne)	Year		
	2025-2030	2031-2060	Total
High Price	839,530	788,219	29,347,980
Medium Price	709,000	780,000	28,044,000
Low Price	561,800	743,032	26,404,800

19.7. CASH FLOW PROJECTION

Table 19.5 and Figure 18.1 and Figure 19.1 summarize cash flows in a yearly base for the period for the medium price scenario.

TABLE 19. 5 PROJECT EVALUATION MEDIUM PRICE SCENARIO (US$ 000)				
Description (US$ 000)	**Unit**	**2025 to 2030**	**2031 to 2060**	**Total average (2025 to 2060)**
Profit and Loss Account				
Gross Revenue				
Sales				
Li_2CO_3 Price	US$/tonnne	19,500	21,000	20,757
Li_2CO_3 sales volume	Tonnes	38,667	40,000	39,243
Tolling cost	US$ 000	58,000	60,000	58,865
Revenue	US$ 000	709,000	780,000	757,946
Cost of Production				
Cost per tonne	US$/tonnne	6,692	6,543	6,567
Operating Costs	US$ 000	(257,777)	(261,720)	(257,544)
Taxes and Royalties				
Provincial Royalties (1.6% of Revenues)	US$ 000	(11,344)	(12,480)	(12,127)
Export Duties and Export Refunds (2.87% Li_2CO_3 Revenues)	US$ 000	(20,354)	(22,392)	(21,759)
Tax on Debits and Credits	US$ 000	(2,488)	(2,315)	(2,275)
Neighboring communities programs	US$ 000	(661)	(661)	(661)
Payment to Purchase Los Boros Option	US$ 000	(800)	(207)	(300)
Los Boros Royalty	US$ 000	-	(233)	(189)
Borax Royalty	US$ 000	(200)	(200)	(200)
Total Taxes and Royalties	US$ 000	(35,603)	(38,482)	(37,503)
				-
Total Expenses	**US$ 000**	**(293,381)**	**(300,202)**	**(295,047)**

Table 19. 5 Project Evaluation Medium Price Scenario (US$ 000)				
Description (US$ 000)	**Unit**	**2025 to 2030**	**2031 to 2060**	**Total average (2025 to 2060)**
EBITDA	US$ 000	415,619	479,798	462,899
Depreciation	US$ 000	(91,554)	(39,681)	(39,681)
PAIBT	US$ 000	324,065	449,388	423,218
Cumulative PAIBT	US$ 000	1,944,393	15,659,048	15,659,048
Corporate Income Tax	US$ 000	(95,651)	(143,570)	(143,570)
PAIT	US$ 000	228,415	293,167	279,648
Cumulative PAIBT	US$ 000	1,370,489	8,976,486	10,346,975

Figure 19.1 Yearly Income and Cumulative Income (Before and After Taxes) (US$ 000)

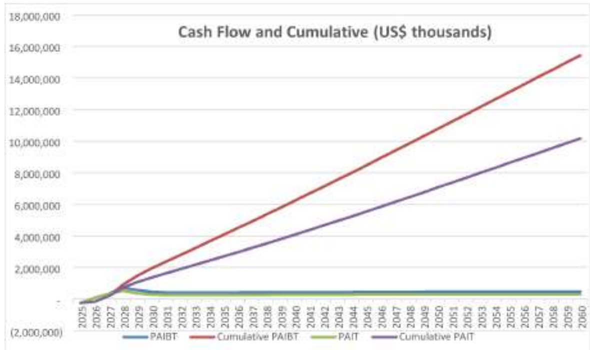
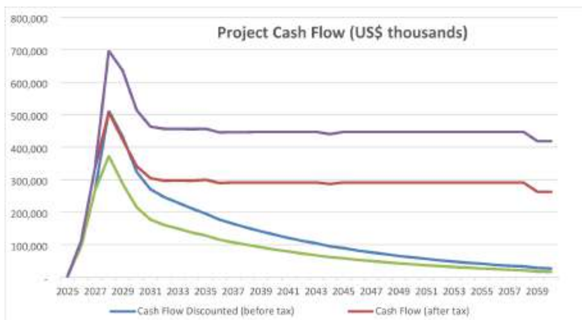


Figure 19.2 Yearly Simple Cash Flow and Discounted Cash Flow (Before and After Tax) at 8% Discount Rate (US$ 000)



19.8 ECONOMIC EVALUATION RESULTS

Project economics resulting from three price scenarios used in the economic model are presented in Table 19.6.

TABLE 19.6
PROJECT EVALUATION ECONOMIC SUMMARY

Price Case	Unit	High	Medium	Low
Average Lithium Price Li_2CO_3	US$/tonne	$21,645	$20,757	$19,641
Key Statistics				
Project capacity	tonnes	40,000	40,000	40,000
Sustaining CAPEX	US$ M	$990	$990	$990
OPEX	US$/tonne	$6,543	$6,543	$6,543
Max negative cash flows	US$ M	$-13	$2	$-87
Average Lithium price Li_2CO_3	US$/tonne	$21,645	$20,757	$19,641
Average yearly values				
Revenue	US$ M	$793	$758	$714
OPEX	US$ M	$-258	$-258	$-258
Other Expenses	US$ M	$-38	$-38	$-35
EBITDA[5]	US$ M	$497	$463	$421
Before taxes				
NPV (6%)	US$ M	$7,430	$6,538	$5,311
NPV (8%)	US$ M	$6,044	$5,230	$4,101
NPV (10%)	US$ M	$5,049	$4,305	$3,263
After taxes				
NPV (6%)	US$ M	$5,035	$4,466	$3,630
NPV (8%)	US$ M	$4,122	$3,603	$2,830
NPV (10%)	US$ M	$3,466	$2,992	$2,274

Notes:

1. *Presented on a 100% project equity basis. As of the date of this report, LAR currently owns 49% of the Project.*
2. *Measured form the end of the capital investment period.*

[5] EBITDA is non-GAAP financial measures and has no standardized meaning under IFRS Accounting Standards ("IFRS") and may not be comparable to similar measures used by other issuers. The Company does not have historical non-GAAP financial measures nor historical comparable measures under IFRS, and therefore the foregoing prospective non-GAAP financial measure may not be reconciled to the nearest comparable measure under IFRS.

19.9. SENSITIVITY ANALYSIS

A sensitivity analysis was conducted to illustrate the impact of changes in key variables on the Project's NPV (Table 19.7 to Table 19.8 and Figure 19.3 to Figure 19.4).

Table 19.7
Project NPV Before Taxes - 8% Discount Rate Sensitivity Medium Scenario

Driver Variable	Base Data		Project NPV (US$M)				
			75%	90%	100%	110%	125%
Production	tonne/year	$40,000	3,771	4,647	5,230	5,814	6,689
Price	US$/tonne	$20,757	2,829	4,270	5,230	6,191	7,632
Sustaining CAPEX	US$M	$990	5,308	5,261	5,230	5,199	5,153
OPEX	US$/tonne	$6,543	6,058	5,561	5,230	4,899	4,402

Figure 19.3 Diagram for Project NPV Before Taxes at 8% Discount Rate-Sensitivity Medium Scenario

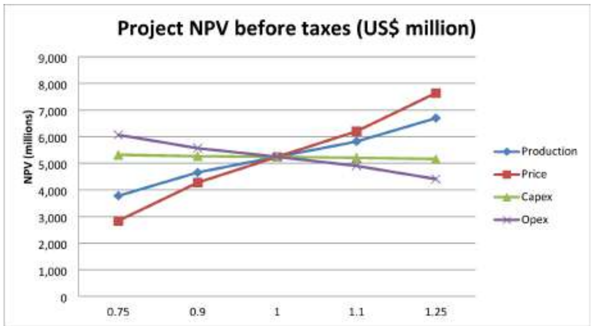
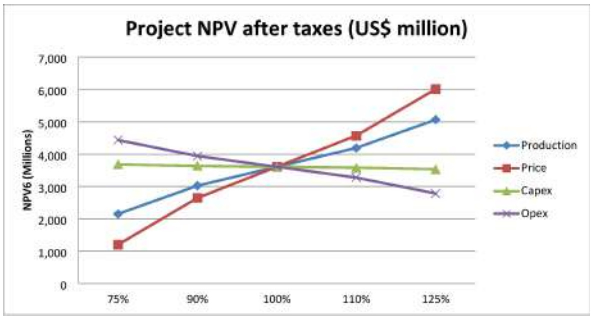


TABLE 19.8 PROJECT NPV AFTER TAXES - 8% DISCOUNT RATE-SENSITIVITY MEDIUM SCENARIO							
Driver Variable	Base Data		Project NPV (US$M)				
			75%	90%	100%	110%	125%
Production	tonne/year	$40,000	2,145	3,020	3,603	4,187	5,062
Price	US$/tonne	$20,757	1,203	2,643	3,603	4,564	6,005
Sustaining CAPEX	US$ M	$990	3,682	3,634	3,603	3,572	3,526
OPEX	US$/tonne	$6,543	4,433	3,934	3,603	3,272	2,775

Figure 19.4 Diagram for Project NPV After Taxes at 8% Discount Rate-Sensitivity Medium Scenario



Project economics are most sensitive to variability in product pricing and production. Project results are less sensitive to sustaining CAPEX and total operating costs, but some differences appear when results are measured in terms of NPV. The Project is shown to be more sensitive to capital expenditures than to total operating cost.

19.10. CONCLUSIONS

19.10.1. ECONOMIC ANALYSIS

- CAPEX: Total capital investment for the 40,000 tpa lithium carbonate project, including equipment, materials, indirect costs and others during the construction period was US$979 million. This total also excludes interest expenses capitalized during the same period.

- Operating costs and working capital requirements from 2025 to 2060 are estimated to be US$258 million per year.
- Sustaining capital expenditures total US$990 million over the 40-year evaluation period of the Project.
- OPEX: The operating cost for the Project is estimated at US$6,543 per tonne of lithium carbonate. This figure includes pond and plant chemicals, energy, labour, salt waste removal, maintenance, camp services, and transportation. The cost estimate was based on actual operating costs, on the basis of existing supplier contracts and forecasted changes in future prices.
- Cash Flow: Cash flow will be according to production ramp up that will reach 100% in 2026 of the cash flow estimate.
- Sensitivity Analysis: Sensitivity analysis indicates that the Project is economically viable even under very unfavourable market conditions.
- Other: The Project's economic evaluation presented in this report does not consider any payment on financing taken by the owners of Exar.

19.10.2. Project Strengths

- Brine: The Project uses subsurface brines to extract lithium, a proven and cost-effective method compared to hard rock mining.
- Lithium: The Project has over 682,920 tonnes of lithium (about 3.6 million tonnes lithium carbonate), enough to support a production rate of 40,000 tonnes per year for 40 years. There is also potential for resource expansion at depth and to the north of the Olaroz salar, and laterally beyond existing well zones.
- Location: Energy Access: The Project site is 50 km away from a Natural Gas (NG) trunk pipeline and the flat and featureless ground over which the feeder pipeline is to be built reduces pipeline construction cost and complexity.
- Location: The Project benefits from solid ground for plant and camp facilities due to an alluvial fan separating the Cauchari and Olaroz salars, reducing geotechnical risks. Ponds were also built on flat ground in the salar, and overall site conditions are well-suited for this type of operation.
- Energy Costs: Access to natural gas has improved in the country due to new natural gas fields being brought to production and by using the planned pipeline. The estimated long-term costs are approximately US$4.8 per MMBTU.
- Pricing Estimate: Sensitivity analysis indicates that the Project is economically viable even under unfavourable pricing conditions.

19.10.3Project Risks

- Location: Elevation: The Project site is at a high elevation, approximately 4,000 m above sea level, which can result in difficult work conditions for those not accustomed to high altitudes. Medical oxygen tanks are readily available for staff travelling to and working at the mine site.
- Brine composition: High contents of sulphate and magnesium in the brine make it necessary for a chemical treatment with lime to remove these components.
- Weather Dependence: Unpredictable weather, including heavy rains and long winters in recent years, could affect the evaporation cycle in the ponds.
- Process Implementation: The Exar process is specialized to the type of brine in the salar and there is no other industrial operation running the same process configuration. Mitigation measures include dedicated steps for removing impurities and purifying the solution.
- Process System Design and Supplier Expertise: Equipment and facilities are custom-designed for this unique process and the high-altitude, high-wind environment. Tests at various suppliers and a pilot plant were conducted before placing equipment orders.

19.10.4. Project Schedule

The Project schedule is based on activities that started in early 2017, with the early construction started in mid-2017, in alignment with the planning of the 25,000 tpa project. The main activities included:

- Detailed engineering of on-site infrastructure including plant, wells, ponds and camp.
- Definition and acquisition of construction and installation contracts for the pond area.
- Procurement of equipment and materials for the construction of wells, ponds and the lithium carbonate plant.
- Construction of a temporary camp.
- Initiation of production well installation.

In 2018, as part of the 40,000 tpa lithium carbonate plant, the main activities included:

- Continued well field construction.
- Initiation of pre-concentration pond construction and bring pumping.
- Completion of an updated Stage 1 definitive feasibility study, which included:
  - updated Mineral Reserve Estimate.

- nameplate capacity increases from 25,000 tpa to 40,000 tpa.

In 2019, the main activities included:

- Advancement of construction of well fields, pre-concentration ponds, and lining placement.
- Initiation of earthworks for the pre-concentration and concentration ponds, the lithium carbonate plant, and the associated facilities.
- Started operation of several pre-concentration ponds.
- Awarded and executed construction contracts for the pre-engineered buildings, SX plant, lime plant, crystallizer equipment, plant platform, structural steel erection, and concrete works.

In 2020, the main activities included:

- Drilling of brine well and water wells and continuing brine pumping to ponds.
- Continued construction of pre-concentration ponds, the lithium carbonate plant and liming process plants, and related civil works for pre- and post-concentration ponds.
- Continued liner installation.
- Commenced operations by the main contractor of the lithium carbonate plant.
- Initiation of gas pipeline construction and power lines (13,2 kW and 33 kW).
- Water pipeline bidding process initiated.

In 2021 the main activities included:

- Commissioning of brine wells and completion of pond construction.
- Continued work on the aqueduct, the lithium carbonate plant, power lines, the liming plant and the solid-liquid separation (SSL) plant.
- Completion of gas pipeline construction.
- Final authorization of accumulation pond systems.

In 2022 the main activities included:

- Completion of all building plans and installation of the main equipment, primary civil works and structural assembly.
- Completion of lime plant commissioning, and initiation of the liming process in the ponds.
- Completion of access to infrastructure.

In 2023 the main activities included:

- Installation of the lithium carbonate plant and ancillary systems.
- Commissioning and production ramp-up of the lithium carbonate plant, including: SX, primary purification, secondary purification, carbonation, and auxiliary services.
- Achieved first lithium production in June 2023.
- Total production of 6,000 tonnes of lithium carbonate.

In 2024, the main activities included:

- Continued ramp-up of KCl plant, primary IX and dryer.
- Total production of approximately 25,000 tonnes of lithium carbonate.
- Continued progressing toward nameplate capacity.

In 2025 the following milestones are expected:

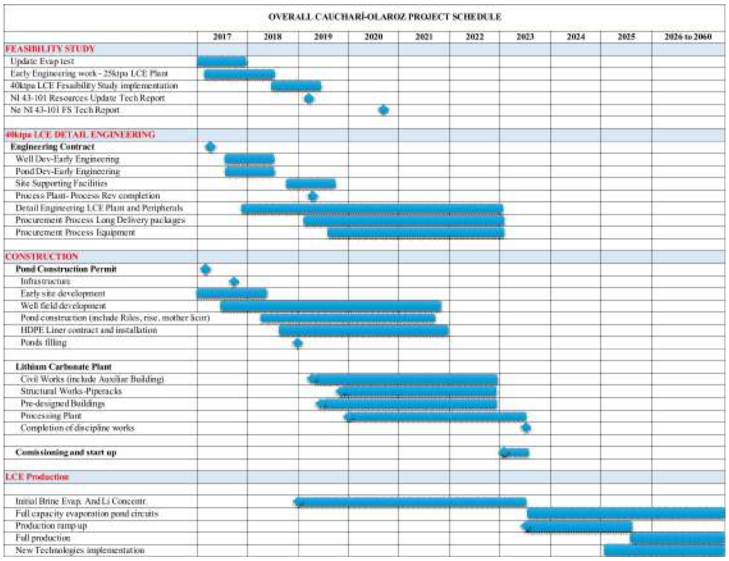
- Continue advancing production towards optimal efficiency, with processes streamlined and production levels stabilizing.
- Complete capacity check on all plant systems.
- Ongoing product quality checks.
- Continued focus on safety to ensure the potential issues or concerns are quickly addressed as the operation matures.

In 2025 and beyond, the following milestones are expected:

- Achieve and maintain consistent operations in alignment with production volumes and quality set by shareholders and in accordance with market demands.
- Operate efficiently with a strong focus on safety and an emphasis on cost-effectiveness.
- Ensure environmental monitoring systems are in place, allowing for continuous improvement and quick adjustments when necessary.

Figure 19.5 presents these activities in a Gantt chart format.

Figure 19.5 Project Schedule



20. ADJACENT PROPERTIES

20.1. OLAROZ PROJECT - ARCADIUM LITHIUM

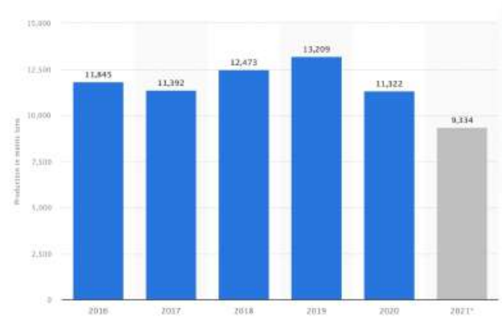
The Exar properties are adjacent to an operation owned by a joint venture between Arcadium Lithium Plc. ("Arcadium"), Toyota Tsusho, and JEMSE, where Arcadium owns 66.5% of the project, Toyota Tsusho owns 25% and JEMSE owns 8.5% of the project.

The 66.5% portion of the project was originally owned by Orocobre Limited ("Orocobre"). In August 2021, Orocobre and Galaxy Resources Limited merged to form Allkem. In January 2024 Allkem merged with Livent to form Arcadium Limited. In October 2024, Rio Tinto made an offer acquired 100% of Arcadium through an all-cash purchase expected to close in mid-2025.

The Salar de Olaroz project consists of 33 mining concessions covering 47,615 ha of claims (Figure 3.2 and Table 3.1). Exploration on the project began in 2008. In March of 2013, Orocobre began construction of a 17,500 tpa lithium carbonate production facility that was completed in November of 2014 with production subsequently commencing on November 21, 2014. Production began on the project without determining Mineral Reserves.

Production from the project from 2016 through part of 2021 is presented in Figure 20.1. An expansion of the plant to 42,400 tpa was completed in 2023. Production from the project from 2021 through 2023 is presented in Table 20.1 and the Mineral Resource Estimate presented Table 20.2 was taken from the Arcadium 2023 Annual Report. A photo of the Olaroz evaporation ponds and facility is presented in Figure 20.2.

Figure 20.1 Olaroz Project Production – 2016–2021



** In the first nine months of 2021, the Project produced approximately 9.3 thousand metric tons of lithium carbonate.*
***Source**: (Statista.com)*

TABLE 20.1 **PRODUCTION FROM RIO TINTO'S OLAROZ PROJECT – 2021 – 2023***			
Product	**Year**		
	2021	**2022**	**2023**
Lithium Carbonate (tonnes)	12,977	13,959	17,758

** Information on this table was taken from the Arcadium Lithium Annual Report dated February 29, 2024. Figures reported in the Arcadium annual report were adjusted to reflect Arcadium's 66.5% ownership. The numbers in this table are reported to reflect 100% of the production.*

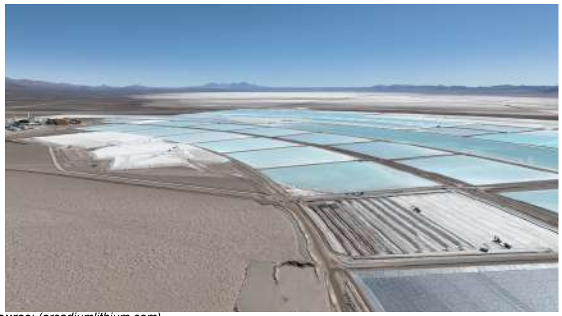
TABLE 20.2 **MINERAL RESOURCE ESTIMATE FOR ARCADIUM'S** **OLAROZ JV PROJECT IN TONNES OF LITHIUM METAL (1-10)**				
Item	**Mineral Resource Classification**			
	Measured (M)	**Indicated (I)**	**M+I**	**Inferred**
Li Mean Concentration (mg/L)	659	592	641	609
Resource (tonnes)	1,560,000	499,000	2,059,000	1,105,000

** Information on this table was taken from the Arcadium Lithium Annual Report dated February 29, 2024. Figures reported in the Arcadium annual report were adjusted to reflect Arcadium's 66.5% ownership. The numbers in this table are reported to reflect 100% of the production.*

Notes:

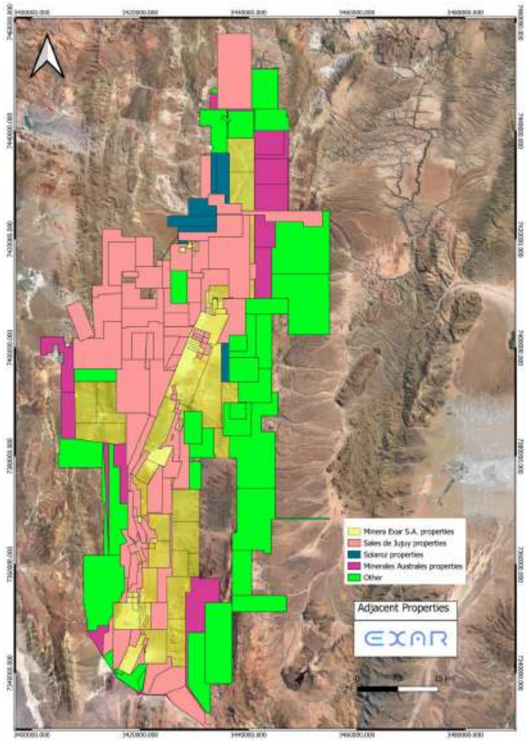
1. *Mineral resources are reported exclusive of mineral reserves. Mineral resources are not mineral reserves and do not have demonstrated reasonable prospects for economic extraction.*
2. *Lithium metal is converted to lithium carbonate with a conversion factor of 5.323 (i.e., 5.323 metric tons of LCE per 1 metric ton of lithium metal).*
3. *The estimate is reported in-situ and exclusive of mineral reserves, but because no reserves were estimated, the resources has only been depleted by historical production.*
4. *An elevated lithium cut-off grade of 300 mg/l was estimated based on a projected price of $20,000 per metric ton LCE over the entirety of the life-of-mine of 30 years. The average lithium grade of the measured and indicated mineral resources corresponds to 641 mg/l. Extracted grades at individual production wells and the average mineral resources concentration are well above the 300 mg/l cut-off grade, demonstrating that there are reasonable prospects for economic extraction.*
5. *The estimated economic cut-off grade estimated for resource reporting purposes is 300 mg/l lithium, based on the following assumptions:*
6. *A technical grade LCE price of $20,000/metric ton.*
7. *An estimated recovery factor for the salar operation over the span of life-of-mine is 62%, equivalent to the assumed process recovery factor of 62%.*
8. *An average annual brine pumping rate of 600 L/s is assumed.*
9. *Cost estimates are based on a combination of fixed brine extraction, G&A and plant costs and variable costs associated with raw brine pumping rate or lithium production rate and capital costs.*
10. *The resource has been depleted for the historical well production which is approximately 0.323 million tons of lithium carbonate equivalent (LCE), 0.314 million tonnes of LCE were depleted from measured resource and 0.009 million tons of LCE was depleted from indicated resources (associated with the accumulative production of well E-26). The accumulated production between 30 of June of 2023 and 31 December of 2023 was 0.031 million tons of LCE.*

Figure 20.2 Olaroz Project – Evaporation Ponds and Facilities



***Source**: (arcadiumlithium.com)*

Figure 20.3 Adjacent Properties Showing Boundary with the Exar Property



***Source**: (Exar, 2024)*

20.2. CAUCHARI PROJECT - ARCADIUM LITHIUM

Advantage Lithium Corp. (Advantage) held their Cauchari project at the south end of the Cauchari salar. Advantage was in a JV with Orocobre and in February of 2020, Orocobre announced the acquisition of 100% of the outstanding shares of Advantage. The subsequent changes in Orocobre are described in Section 20.1 and the Cauchari project is 100% owned by Arcadium. Exar's Cauchari-Olaroz Salars Project, the Project, is located between Arcadium's Cauchari project and its producing Olaroz project (Figure 20.3).

The Cauchari property consists of 22 mining concessions covering 28,906 ha. The Mineral Resource Estimate presented in Table 20.3 and Table 20.4 were taken from the Arcadium 2023 Annual Report.

TABLE 20.3
MINERAL RESOURCE ESTIMATE FOR ARCADIUM'S CAUCHARI JV PROJECT IN TONNES OF LITHIUM METAL (1-7)

Item	Mineral Resource Classification			
	Measured (M)	Indicated (I)	M+I	Inferred
Li Mean Concentration (mg/L)	581	494	519	473
Resource (tonnes)	302,000	321,000	623,000	285,000

1. *Mineral resources are reported exclusive of mineral reserves. Mineral resources are not mineral reserves and do not have demonstrated reasonable prospects for economic extraction.*
2. *Lithium metal is converted to lithium carbonate with a conversion factor of 5.323 (i.e., 5.323 metric tons of LCE per 1 metric ton of lithium metal).*
3. *The estimate is reported in-situ and exclusive of mineral reserves, where the lithium mass is representative of what remains in the reservoir after the life-of-mine. To calculate mineral resources exclusive of mineral reserves, a direct correlation was assumed between proven reserves and measured resources, as well as probable reserves and indicated resources. Proven mineral reserves (from the point of reference of brine pumped to the evaporation ponds) were subtracted from measured mineral resources, and probable mineral reserves (from the point of reference of brine pumped to the evaporation ponds) were subtracted from indicated mineral resources. The average grade for measured and indicated resources exclusive of mineral reserves was estimated based on the remaining brine volume and lithium mass.*
4. *An elevated lithium cut-off grade of 300 mg/l was estimated based on a projected price of \$20,000 per metric ton LCE over the entirety of the life-of-mine of 30 years. The average lithium grade of the measured and indicated mineral resources corresponds to 519 mg/l and represents the flux-weighted composite brine collected as brine is routed to the evaporation ponds. Extracted grades at individual production wells and the average measured and indicated resource concentration are well above the 300 mg/l cut-off grade, demonstrating that there are reasonable prospects for economic extraction.*
5. *The estimated economic cut-off grade estimated for resource reporting purposes is 300 mg/l lithium, based on the following assumptions:*
6. *A technical grade LCE price of \$20,000/metric ton.*
7. *An estimated recovery factor for the salar operation over the span of life-of-mine is 66%, lower than the estimated process recovery factor of 67%.*

Table 20.4 Mineral Reserve Estimate for Arcadium's Cauchari JV Project in Tonnes of Lithium Metal (1-7)			
Item	Mineral Resource Classification		
	Proven	Probable	Total
Li Mean Concentration (mg/L)	571	485	501
Reserves (tonnes)	43,000	169,000	212

1. *Lithium metal is converted to lithium carbonate with a conversion factor of 5.323 (i.e., 5.323 metric tons of LCE per 1 metric ton of lithium metal).*
2. *An elevated lithium cut-off grade of 300 mg/l was estimated based on a projected price of $20,000 per metric ton LCE over the entirety of the life-of-mine of 30 years. The average lithium grade of the Proven and Probable Reserves corresponds to 501 mg/l and represents the flux-weighted composite brine collected as brine is routed to the evaporation ponds. Extracted grades at individual production wells and the average Proven and Probable Reserves concentration are well above the 300 mg/l cut-off grade, demonstrating that there are reasonable prospects for economic extraction.*
3. *The estimated economic cut-off grade estimated for Mineral Reserve reporting purposes is 300 mg/l lithium, based on the following assumptions:*
4. *A technical grade LCE price of $20,000/metric ton.*
5. *An estimated recovery factor for the salar operation over the span of life-of-mine is 66%, lower than the estimated process recovery factor of 67%.*
6. *An average annual brine pumping rate of 480 L/s is assumed.*
7. *Cost estimates are based on a combination of fixed brine extraction, G&A and plant costs and variable costs associated with raw brine pumping rate or lithium production rate and capital costs.*

The information in this section has not been verified by the Qualified Person and it should be noted that the information is not necessarily indicative of the mineralization on the property that is the subject of this Technical Report.

21. OTHER RELEVANT DATA AND INFORMATION

There is no other data and information relevant to the report.

22. INTERPRETATION AND CONCLUSIONS

22.1. GEOLOGY AND RESOURCES

The Mineral Reserve Estimate for lithium incorporates the 2019 Mineral Resource Estimate for lithium using: 1) samples used from the prior, LAC (2012) Mineral Resource Estimate for lithium, and 2) an expanded Project database compiled from results of 2017 through 2018 exploration drilling, sampling, and testing campaigns, additional depth-specific sampling in early 2019 as part of data verification, and additional drilling and testing through the effective date of May 7, 2019. To obtain the 2019 Reserve Mineral Estimate, the prior geologic and numerical models and the expanded database were analyzed and updated by Montgomery using Leapfrog® 3D geologic and resource modeling software developed by Seequent (2018) and MODFLOW-USG developed by Panday and others (2013) coupled with the Groundwater Vistas interface (ESI, 2015).

The 2019 Mineral Reserve Estimate is based on an expanded numerical model domain incorporating the substantial amount of exploration drilling and exploration work completed through the effective date of this report. Montgomery evaluated the Updated Mineral Reserve Estimate using the following modeling criteria as specified by Exar:

- A 40-year wellfield extraction period. Recovery of a minimum of 17,500 tonnes per year or more of lithium carbonate equivalent (LCE) processed during the first year of production wellfield operation and during initial wellfield ramp-on stage (Year 1), a minimum of 36,000 tonnes of LCE processed during the second year of production wellfield operation and 40,000 tonnes of LCE processed during subsequent wellfield operations (Year 3 through Year 40).

- An average lithium concentration for the 40-year extraction period from the simulated wellfield at or above the current engineering estimate for processing of 590 mg/L.

- Brine production from simulated wells derived from Measured and Indicated Mineral Resource volumes.

- In consideration of current uncertainties and limitations in the numerical model, maximize overall wellfield extraction rate and optimize production well locations for predictive assessment of an Updated Mineral Reserve Estimate.

The simulated brine production wellfield for the basis of the 2019 Mineral Reserve Estimate uses a total of 56 production wells. The pumping schedule for the wellfield allowed for a ramping up during the initial year of production (Year 1) using 23 simulated wells, either completed or planned by Exar (Phase 1 Wells), required to achieve or exceed the 17,500 tonnes LCE process target. After Year 1, 33 wells are added to the wellfield (Phase 2 Wells) in order to meet or exceed the 36,000 tonnes LCE during second Year 2 and 40,000 tonnes LCE process target through Year 40.

The 2019 Mineral Reserve Estimate model is based on initial lithium concentrations incorporated in the HSU model used in the 2019 Mineral Resource Estimate (LAC, 2019), as well as representative aquifer parameters derived from aquifer testing and calibration for steady-state and transient hydraulic conditions.

Overall, the modeled wellfield shows the ability to exceed the minimum 40,000 tpa LCE process and 590 mg/L annual lithium concentration targets. The predicted results for the 40-year production period are as follows:

- Average production rate of 48,800 tpa LCE accounting for processing efficiency (53.7%) for the 40-year pumping period; the minimum of 25,600 tpa LCE occurs at the start-up of operations in Year 1; the maximum rate of 50,200 tpa LCE occurs at full-build in Years 2 and 3. At the end of the pumping period in Year 40 the rate averages 48,800 tpa LCE.

- Average lithium concentration of 607 mg/L for the 40-year pumping period; the maximum concentration of 617 mg/L occurs at the start-up of full-build in Year 2 and the minimum concentration of 598 mg/L occurs near the end of the pumping period in Year 40.

Without factoring processing efficiency, the Mineral Reserve Estimate for lithium is summarized as Proven and Probable for a 40-year production period as follows:

- Proven Mineral Reserves (without processing efficiency).
  - The Proven Mineral Reserves for lithium are 96,650 tonnes.
  - The Proven Mineral Reserves for LCE are 514,450 tonnes.

- Probable Mineral Reserves (without processing efficiency).
  - The Probable Mineral Reserves for lithium are 586,270 tonnes.
  - The Probable Mineral Reserves for LCE are 3,120,590 tonnes.

- Total Proven and Probable Mineral Reserves (without processing efficiency).
  - The Total Mineral Reserve for lithium is 682,920 tonnes.
  - The Total Mineral Reserve for LCE is 3,635,040 tonnes.

For comparative purposes, without factoring processing efficiency, approximately 20 percent of the 2019 Measured plus Indicated Mineral Resource Estimate reported in Burga et al. (2019) are converted to a total Proven and Probable Mineral Reserve Estimate as brine produced from wellfield and delivered to the brine evaporative ponds.

22.2. BRINE PRODUCTION

The location, design and assumed productivity of the brine extraction wells was determined using a hydrogeologic model supported by data collected from geologic logs, drill cores, chemistry analysis and long-term pumping test data.

22.3. PROCESS INFORMATION AND DESIGN

The implemented process is based on conventional brine extraction and processing methods including pumping brine from the salar, concentrating the brine through evaporation ponds, and taking the brine concentrate through a hydrometallurgical facility to produce high-grade lithium carbonate. Exar and its consultants have successfully tested the brine chemistry of the Cauchari deposit through process simulation using estimation methods and process simulation techniques. This work has been validated by the results of evaporation and process testing at the on-site pilot plant and evaporation ponds, in addition to other testing developed with universities and suppliers.

The facilities are operating in a ramp up period with good success. Production level has reached 70% of design capacity and it is expected to reach 100 % by in the third quarter of 2025.

22.4. ECONOMIC ANALYSIS

- Lithium Industry: Market studies indicate that the lithium industry has a promising future. The use of lithium ion batteries for electric vehicles and renewable energy storage applications are driving lithium demand rapidly to unprecedented levels.

- Project Capital Cost: The capital investment for the 40,000 tpa lithium carbonate Cauchari-Olaroz Project, including equipment, materials, indirect costs and contingencies during the construction period was defined at US$-980 million. Costs have been completed using consulting engineering services for facilities definition and supplier purchase order for all major items. The main cost drivers are the pond construction and process facilities, which represents 54% of total project capital expenditures.

- Operating Costs: The operating cost estimate (+/-15% accuracy) for the 40,000 tpa lithium carbonate facility is US$6,170 per tonne. This figure includes pond and plant chemicals, energy/fuel, labour, salt waste removal, maintenance, camp services and transportation.

- Sensitivity Analysis: The sensitivity analysis incorporates future product prices as projected by Benchmark organization. The Project is forecast to generate cash flow even under unfavourable conditions for key variables. Project economic sensitivity analysis shows that lithium carbonate price and production have the highest impact on Project results (NPV and IRR). Project results are somewhat less sensitive to capital expenditures and total operating costs.

- Viability of the Project: Project cash flow analysis for the base case and alternative cases indicates that, if assumptions that sustain the different cases materialize, the Project remains economically viable.

- Project Strength: Project fundamentals, such as the full completion of facilities construction, fully invested capital and a controlled operating cost, product demand and improved future price, and economics are all strong.

22.5. PROJECT RISKS

- Based on the conceptual hydrogeologic system and results of the numerical model, the authors believe it is appropriate to classify the Proven Mineral Reserve as what we believe is feasible to be pumped to the evaporation ponds and recovered at the end of the process during the first five years of operations as currently model for the 2019 Mineral Reserve Estimate. During the initial five years of operation and wellfield build-out, the numerical model should be recalibrated based on demonstrated results and new projections should be done for re-examination of the Proven Mineral Reserve and potential for conversion of part of Probable Mineral Reserve to Proven.

- Process risk: Problems may arise during detailed design, or later in scaling up to full production capacity. Reagents consumption may be higher than predicted and/or product yields may be lower than current estimates.

- Fluctuation in reagent costs: Soda ash supply is assumed to be imported. There is an existing soda ash manufacturer in Argentina, which currently operates at full capacity. Market pricing for other reagents may also fluctuate. However, the sensitivity analysis demonstrated that the economic performance of the Project is not highly sensitive to operating cost.

- Electricity and gas: Electricity for the Project is supplied via the provincial electrical network and is approximately 3.5% of the total operating costs. Cost escalation risk for grid power is relatively low and can be mitigated quickly and cost-effectively by exploiting the significant solar energy potential at site, if required. Natural gas is used mainly for camp operations and specific process applications and represents only 1.7% of the total operating costs. The current natural gas price is

US$4.8/MMBTU. As Argentina has become a net gas exporter to Chile and Brazil, due to successful gas production from the Vaca Muerta Formation, the risk for price increased has diminished due to the large availability of this commodity.

- Taxes: The Company operates under Federal Argentinian Mining Law N° 24.196. This law grants Exar a tax freeze, or protection against tax increases for a period of 30 years from the date when Exar files the Feasibility Study with the Federal Mining Authority.

- Inflation, exchange rate, and devaluation: Economic policies of the New Government are projecting a positive control in these important sectors of the economy.

- Location – elevation: The Project site is at a high elevation, approximately 4,000 m above sea level, which can result in difficult work conditions for individuals used to lower elevations. Medical oxygen tanks are readily available for staff travelling to, and working at, the mine site. The ramp up period allowed to identify the needs of the workforce to confront the elevation creating a safe environment.

- Brine composition: Relatively high contents of sulphate and magnesium in the brine make it necessary for a chemical treatment with lime to remove these components. This has been successfully implemented.

- Weather dependence: Weather variation, including higher than normal raining periods and long winter periods have occurred in recent years that those factors could impact in the performance of the evaporation cycle in the ponds.

- Process implementation: The Exar process is specialized to the type of brine in the salar and there is no other industrial operation running the same process configuration. Mitigation factors include implementation of dedicated stages for elimination of impurities and purification of the solution.

- Process system design - supplier expertise: The design and fabrication of process equipment/facilities are unique for the process and high-altitude location, considering the performance at high elevation and high wind environment. Test at different vendors and pilot plant were performed before placing some of the equipment orders. Operation during ramp up allowed to identify the suitability of the design and correction were made as necessary.

- The COVID-19 pandemic impacted the project schedule and indirect costs. Project schedule included in this report reflects the best understanding of the impact based on the known information.

23. RECOMMENDATIONS

The Qualified Persons involved in the Report make the following recommendations:

- Updates to models representing Mineral Resources and Mineral Reserves: conceptual and Mineral Resource and Reserve models should be updated. The domain of the Resource Evaluation Area should be evaluated so that additional areas can be included as potential new sources for Mineral Resource and Mineral Reserve Estimates. Future modeling activities should include:
  - Comparison of the model hydrostratigraphy against new borehole data;
  - Comparison of produced brine concentrations against predicted concentrations;
  - Comparison of measured production and monitor well drawdown levels against predicted levels; and
  - Update of measured production well flow rates against predicted rates; derivation of updated K (hydraulic conductivity), Ss (specific storage), and Sy (specific yield) estimates from analysis of pumping and drawdown information, and comparison with the values used in the model; and incorporation of third-party brine pumping from adjacent properties if appropriate and if any occurs in the future.
- New Well Testing: In addition to the long-term evaluation components recommended above, each new production well should undergo an initial pumping test, on the order of 7-10 days of constant-rate pumping, for assessment of long-term performance.
- Based on the conceptual hydrogeologic system and results of the numerical model, the authors believe it is appropriate to categorize the Proven Mineral Reserve as what we believe is feasible to be pumped to the evaporation ponds and recovered at the end of the first five years of operations as currently modeled for the Updated Mineral Reserve Estimate. During the initial five years of operation and wellfield build-out, the numerical model should be recalibrated based on demonstrated results and new projections should be done for re-examination of the Proven Mineral Reserve and potential for conversion of part of Probable to Proven classification.
- Improving the certainty of the Proven and Probable Mineral Reserves could be gained with scheduled water level measurements along with brine density measurements at production wells and nearby monitoring wells (representing shallow, intermediate, and deep monitoring of the brine aquifer), validation of the water balance and characterization of any changes in inflow to the salar, and additional controlled, long-term aquifer testing to more accurately represent aquifer parameters for calibrating hydraulic parameters in the numerical model. Changes to the hydrostratigraphic unit model based on additional exploration drilling and production well drilling should also be incorporated into future numerical flow and transport modeling.

- Additional certainty in predictive simulations of wellfield extraction and capture of lithium mass could be gained by re-examination of the water balance using measured data at aquifer boundaries, model sensitivity analysis for critical aquifer parameters such as hydraulic conductivity and specific yield, and potentially including effects of off-property production of lithium by adjacent mining operations. Furthermore, variable-density flow and transport should be considered in future model updates given the domain has expanded considerably compared to prior groundwater modeling efforts and now includes larger regions of freshwater inflow. Along with these recommended refinements to improve certainty of the predictive capabilities of the groundwater model, the numerical model should be used as an operational tool to optimize pumping rates at production wells, maximize lithium concentrations, and control the overall wellfield capture.

- Drainable porosity or Sy estimates relied upon the prior 2012 model estimates because the 2017 and 2018 exploration results lacked Sy estimates. In order to address the uncertainty of Sy estimates for the different stratigraphic groups, ongoing exploration work should include analysis of Sy by use of laboratory methods such as RBRC or similar techniques for core samples.

- Project capacity expansion: The level of Mineral Resources estimated in previous report supported a 40,000 tpa lithium carbonate production plant, it is recommended that a capacity expansion project for lithium carbonate above 40,000 tpa, be carried out at a Feasibility Study (FS) level to confirm resources and compare alternate lithium adsorption technologies with conventional evaporation concentration.

- Lime supply: We recommend that efforts to firm up lime supply source be pursued. The area producer will require support for increasing production capacity as other local producers are depending on the same source. Exar intends to obtain lime from this source and discussions for providing additional support are underway.

- QA/QC: The QA/QC program, using regular insertions of blanks, duplicates, and standards should be continued. All exploration samples should be analyzed at Alex Stewart when exploration activities resume.

- The on-site laboratory should obtain ISO 1705 certification for analytical laboratories.

- As a result of the ramp up period experience, it is recommended to implement a lessons learned program aimed at identify an optimization program for the plant.

- Align Closure Plan with New Legislation: Update the conceptual closure plan to meet the requirements of Decreto No. 7,751-DEyP-2023.

- Engage Stakeholders Early: Collaborate with indigenous communities, local governments, and relevant authorities to identify potential public or social uses for infrastructure and areas post-mining.

- Strengthen Financial Assurances: Establish and maintain the required financial guarantees.

- Quantify Financial Implications: Compare pre-2023 closure cost estimates with anticipated costs under the new legislation to provide a clearer understanding of financial impacts.

- Enhance Stakeholder Engagement: Ensure ongoing discussions or frameworks are in place to address environmental and social priorities and demonstrate proactive collaboration with affected parties.

The estimated cost for the recommendations is summarized in Table 23.1.

TABLE 23.1
RECOMMENDATIONS BUDGET

Item	Budget (US$)
Mineral Resource and Reserve Update	$200,000
ISO 17025 Accreditation	$20,000
Updated Technical Report	$80,000
Permitting and Social Community Work	$200,000
Total	**$500,000**

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25. RELIANCE ON INFORMATION PROVIDED BY THE REGISTRANT

Although copies of the tenure documents, operating licenses, permits, and work contracts were reviewed, an independent verification of land title and tenure was not performed. ACSI has not verified the legality of any underlying agreement(s) that may exist concerning the licenses or other agreement(s) between third parties but has relied on the client's law firm, Alfaro Abogados, to have conducted the proper legal due diligence for the claims discussed in Section 3.2. This was addressed in a Memorandum dated December 31, 2024.

Details on lithium market were obtained by iLiMarkets, who are global commodity experts, in a report titled iLi Markets Lithium Quarterly Market Review, dated October 2024, as well as the U.S. Geological Survey, Mineral Commodity Summaries from January 2024. This information was used in Section 16.0.

A draft copy of this Report has been reviewed for factual accuracy by LAR, and ACSI has relied on LAR's historical and current knowledge of the Property in this regard.

Any statements and opinions expressed in this document are given in good faith and in the belief that such statements and opinions are not false and misleading at the date of this Report.

APPENDIX 1. SUMMARY TABLES OF PUMPING TEST RESULTS FOR EXPLORATION AND PRODUCTION WELLS

TABLE 1
LOCATION AND CONSTRUCTION INFORMATION FOR EXPLORATION WELLS AND PUMPING TESTS

Well Identifier	Coordinatesa		Land Surface Elevation (m amsl)	Year Constructed	Total Depth of Well (m)	Depth Interval of Well Screen (m, bls)		HSU(s) Penetrated by Screened Interval of Well
	East (m)	North (m)				Top	Bottom	
PB-01	3423907.28	7380861.37	3939.95	2010	204	66	186	Halite with Sand
PB-03A	3425965.69	7383015.18	3940.3	2011	201	58	197	Interbedded Sand and Halite
PB-04	3421378.53	7381604.24	3946.67	2011	305	59	297	Clay/Silt with Sand Interbedded Sand and Halite
PB-06A	3419220.00	7377555.48	3942.00	2011	194	57	191	Interbedded Sand and Halite Lower Sand
PB-I	3422532.00	7385915.00	3962.30	2011	51	18	44	Alluvial Fan (Archibarca)
W17-06	3427261	7392988	3936.49	2018	455	94	437	Alluvial Fan (East)
W18-05	3424500	7382499	3943.12	2018	270	63	265	Alluvial Fan (East) Interbedded Sand and Halite
W18-06	3426650	7385299	3945.91	2018	460	63	440	Interbedded Sand and Halite Halite with Sand
W04-A	3422492	7379474	3937.97	2019	478	73	472	Halite with Sand Interbedded Sand and Halite Halite with Sand Lower Sand Basal Sand
W11-06	3424279	7383792	3945.95	2019	434	114	422	Alluvial Fan (Archibarca) Halite with Sand Interbedded Sand and Halite Lower Sand Basal Sand

TABLE 1
LOCATION AND CONSTRUCTION INFORMATION FOR EXPLORATION WELLS AND PUMPING TESTS

Well Identifier	Coordinatesa		Land Surface Elevation (m amsl)	Year Constructed	Total Depth of Well (m)	Depth Interval of Well Screen (m, bls)		HSU(s) Penetrated by Screened Interval of Well
W18-23	3423500	7381500	3941.25	2019	484	70	476	Clay/Silt with Sand Interbedded Sand with Halite Halite with Sand Lower Sand Basal Sand
CW-62	3425680	7388632	NA	2019	90	47	86	Alluvial Fan (East) Clay/Silt with Sand

a) coordinates of wells constructed after 2011 based on DEM; wells constructed in 2010 and 2011 are based on reported differential GPS survey (Posgar 94)
NA = not available

TABLE 2
HYDRAULIC RESULTS OF PUMPING TESTS AT EXPLORATION WELLS

Pumped Well Identifier	Month-Year of Test	Pumping Period (days)	Pre-pumping Water Level (m, bls)	Average Pumping Rate (L/s)	Drawdown (m)	Specific Capacity (L/s/m)	Data Source
PB-01	Mar-2011	8	4.80	4	41.27	0.097	LAC 2012
PB-03A	Aug-2011	27	6.36	12	31.78	0.38	LAC 2012
PB-03A	Oct-2016	12	7.79	13	64.57	0.20	SQM 2016
PB-04	May-2011	31	13.50	20	50.40	0.40	LAC 2012
PB-04	Sep-2016	15	10.94	25	55.28	0.45	SQM 2016

TABLE 2
HYDRAULIC RESULTS OF PUMPING TESTS AT EXPLORATION WELLS

Pumped Well Identifier	Month-Year of Test	Pumping Period (days)	Pre-pumping Water Level (m, bls)	Average Pumping Rate (L/s)	Drawdown (m)	Specific Capacity (L/s/m)	Data Source
PB-06A	Oct-2011	11	5.21	22	40.34	0.55	LAC 2012
PB-06A	Oct-2016	10	4.19	21	35.15	0.60	SQM 2016
PB-I	Sep-2011	4	18.99	23	3.84	6.0	LAC 2012
W17-06	Oct-2018	7	7.46	50	21.22	2.4	EXAR 2018
W18-05	Oct-2018	11	NA	31	42.47	0.73	Andina 2018
W18-06	Jan-2019	9	5.50	17	40.74	0.42	EXAR 2019
W04-A	May-2019	3	11.65	25	30.00	0.83	EXAR 2019
W11-06	Jan-2019	5	13.84	30	32.82	0.91	EXAR 2019
W18-23	May-2019	4	13.43	25	25.35	0.99	EXAR 2019
CW-62	Apr-2019	4	4.62	16.5	48.71	0.34	EXAR 2019

NA = not available

TABLE 3
SUMMARY OF COMPUTED AQUIFER PARAMETERS FOR EXPLORATION WELLS

Pumped Well Identifier	Observation Well Identifier	Distance from Pumped Well (m)	Average T (m^2/d)	Estimated Aquifer Thickness[a] (m)	Average K_r (m/d)	Ratio K_z/K_r	Average S	Ss (m^{-1})	Average S_y	Representative HSU(s)
PB-01[b]	PP-1B PP-1C	71.3 29.8	10	132	0.08	0.002	3.0E-05	2.2E-07	---	Halite with Sand
PB-03A	PB-03	24.0	60	131	0.46	---	2.6E-05	2.0E-07	---	Interbedded Sand and Halite
PB-04	DDH-12A	23.8	65	238	0.27	---	1.0E-04	4.2E-07	---	Clay/Silt with Sand Interbedded Sand and Halite
PB-06A	PE-15 PE-17	909 1118	125	121	1.0	---	3.0E-03	2.4E-05	---	Interbedded Sand and Halite Lower Sand
PB-I	PP-I	15	1,730	26	67	---	4.0E-02	1.0E-04	---	Alluvial Fan (Archibarca)
W17-06[c]	ML-006 DL-006	40.9 25.2	650	373	1.7	0.3	2.5E-03	7.0E-06	0.18[d]	Alluvial Fan (East)
W18-05	PE-14 DDH-11	1340 1690	90	202	0.45	---	4.0e-04	2.0E-06	---	Alluvial Fan (East) Interbedded Sand and Halite
W18-06	---	---	70	258	0.3	---	---	---	---	Interbedded Sand and Halite Halite with Sand
W04-A	---	---	170	399	0.43	---	---	---	---	Halite with Sand Interbedded Sand and Halite Halite with Sand Lower Sand Basal Sand
W11-06	---	---	200	308	0.65	---	---	---	---	Alluvial Fan (Archibarca) Halite with Sand Interbedded Sand and Halite Lower Sand Basal Sand

TABLE 3
SUMMARY OF COMPUTED AQUIFER PARAMETERS FOR EXPLORATION WELLS

Pumped Well Identifier	Observation Well Identifier	Distance from Pumped Well (m)	Average T (m^2/d)	Estimated Aquifer Thickness[a] (m)	Average K_r (m/d)	Ratio K_z/K_r	Average S	Ss (m^{-1})	Average S_y	Representative HSU(s)
W18-23	---	---	170	406	0.42	---	---	---	---	Clay/Silt with Sand Interbedded Sand with Halite Halite with Sand Lower Sand Basal Sand
CW-62	CM-62	8	220	65	3.5	0.1	3.5E-03	5.4E-05	0.2[d]	Alluvial Fan (East) Clay/Silt with Sand

a) thickness from top of tested unit to bottom of perforated interval of pumped well
b) 28-hour response prior to boundary effect
c) 3-day response prior to boundary effect
d) estimated; longer duration of pumping is required to confirm estimate

TABLE 4
UPDATED MINERAL RESERVE ESTIMATE

Well Information - OS4 (56 Wells)										Predicted Composite Drawdown (m)					Predicted Composite Lithium Concentration (mg/L)				
Simulated Production Well	Easting (m)	Northing (m)	Top of Model (masl)	Well Screen Top (masl)	Well Screen Bottom (masl)	Start (year)	End (year)	Pumping (L/s) Year 1	Pumping (L/s) Years 2 through 40	Year 1	Year 10	Year 20	Year 30	Year 40	Year 1	Year 10	Year 20	Year 30	Year 40
PB-3A	3425965	7383015	3939.83	3881.49	3749.95	1	40	9.5	9.5	92.30	99.14	103.56	107.41	110.72	813.95	801.33	797.26	791.61	785.15
PB4	3421378	7381604	3946.79	3902.67	3589.13	1	40	12.41	12.41	70.92	77.74	82.12	85.65	88.93	546.64	520.77	467.29	428.87	401.36
PB-6A	3419220	7377554	3941.44	3884.64	3749.28	1	40	14.97	14.97	9.40	24.82	32.24	37.54	42.85	503.85	499.85	489.26	480.97	476.83
W18-05	3424500	7382499	3943.12	3880.18	3678.18	1	40	22.61	22.61	33.32	42.05	46.68	50.54	53.85	797.30	750.32	723.85	709.05	701.94
W17-06	3427261	7392988	3936.49	3842.42	3499.42	1	40	29.58	29.58	5.35	6.07	7.39	9.26	11.31	559.90	559.57	559.19	558.51	557.84
W11-06	3424279	7383792	3945.95	3832.10	3524.10	1	40	22.5	22.5	7.38	12.39	15.95	19.02	21.94	720.04	678.38	629.89	584.57	545.64
W18-06	3426650	7385299	3945.91	3881.12	3504.12	1	40	15.81	15.81	25.56	31.74	34.91	37.78	40.54	566.78	555.28	540.23	525.07	510.50
W-02B	3427266	7396185	3937.76	3600.00	3435.00	1	40	20	17	2.59	7.32	8.86	10.40	12.03	527.09	530.72	532.38	534.32	536.84
W-04A	3422492	7379474	3937.97	3865.18	3466.18	1	40	25.3	25.3	7.83	24.28	30.92	35.38	39.18	679.11	680.91	679.86	674.44	666.50
WR-21	3425377	7386026	3945.40	3570.00	3423.80	1	40	25	17	3.61	8.30	11.33	14.09	16.74	574.17	573.41	578.36	582.96	586.57
WR-10	3420980	7380008	3943.39	3862.10	3596.10	1	40	20	15	9.86	24.55	31.72	36.59	41.05	567.89	568.62	560.73	553.11	546.94
WR-07	3420554	7378442	3941.95	3890.83	3682.23	1	40	21	21	8.09	24.83	32.38	37.63	42.72	552.62	558.64	551.48	543.47	536.84
WR-23	3426988	7387343	3941.00	3872.69	3482.69	1	40	15	10	19.62	16.97	19.52	22.06	24.58	492.26	495.39	497.56	499.26	500.43
WR-3	3420007	7376056	3940.29	3750.00	3683.09	1	40	21	21	7.72	21.22	28.50	33.47	38.14	602.60	615.09	619.23	618.49	618.01
W17-12	3433225	7405308	3938.41	3857.41	3489.04	1	40	17	17	14.43	15.59	15.91	16.07	16.18	661.45	655.44	650.46	643.99	636.71
W18-23	3423500	7381500	3941.25	3871.50	3467.47	1	40	26.9	26.9	5.28	18.22	23.39	27.24	30.60	697.68	685.51	677.29	675.55	681.13
WR-24	3425666	7388636	3944.99	3796.70	3462.72	1	40	20	10	3.56	4.57	7.00	9.43	11.84	555.58	558.42	561.74	561.39	560.15
W09-01	3428590	7398393	3935.62	3510.00	3368.58	1	40	21	21	3.16	8.01	9.57	10.91	12.31	583.03	578.09	575.97	574.30	572.56
W10-04	3421093	7377243	3940.06	3720.00	3666.45	1	40	21	21	8.77	23.51	30.79	35.76	40.30	654.73	635.52	620.24	605.18	598.65
WR-28	3427380	7391643	3938.59	3838.53	3488.53	1	40	23	23	3.13	3.84	5.29	7.20	9.21	615.35	614.99	613.55	611.53	609.25
W09-06	3425959	7381651	3939.34	3510.00	3422.20	1	40	28	28	4.84	17.36	22.39	26.14	29.44	632.84	632.18	631.63	629.99	627.63
W-1	3421632	7380788	3942.39	3810.00	3442.00	2	40	0	15	2.76	24.79	30.61	34.80	38.56	585.34	576.68	570.20	563.03	550.47
W-10	3421500	7375500	3940.37	3660.00	3340.00	2	40	0	13	0.57	11.16	17.73	22.35	26.21	569.95	578.25	587.07	579.32	510.26
W-11	3422500	7381500	3943.43	3810.00	3443.00	1	40	13	13	17.92	28.00	33.11	37.00	40.49	631.46	581.83	539.81	510.21	487.12
W-12	3426499	7383999	3938.61	3540.00	3438.00	2	40	0	15	2.57	17.44	21.43	24.71	27.74	586.20	590.95	592.41	591.88	589.14
W-13	3427303	7397557	3937.78	3600.00	3438.00	2	40	0	10	1.18	6.96	8.54	9.99	11.52	572.39	574.46	576.31	579.01	582.18
W-14	3427363	7395197	3937.57	3570.00	3337.00	2	40	0	8	1.16	6.44	7.94	9.55	11.27	544.28	540.59	540.89	540.93	540.42
W-15	3426283	7393711	3938.69	3570.00	3338.00	1	40	17	17	4.87	7.16	8.63	10.48	12.45	583.22	586.62	589.54	592.20	595.02
W-16	3427420	7394024	3937.06	3510.00	3337.00	2	40	0	15	1.01	6.18	7.63	9.36	11.22	584.34	577.18	574.40	570.88	566.93
W-17	3426523	7395459	3938.81	3600.00	3338.00	2	40	0	15	1.03	6.92	8.44	10.08	11.83	555.57	559.07	564.09	566.84	567.57

TABLE 4
UPDATED MINERAL RESERVE ESTIMATE

Well Information - OS4 (56 Wells)										Predicted Composite Drawdown (m)					Predicted Composite Lithium Concentration (mg/L)				
Simulated Production Well	Easting (m)	Northing (m)	Top of Model (masl)	Well Screen Top (masl)	Well Screen Bottom (masl)	Start (year)	End (year)	Pumping (L/s) Year 1	Pumping (L/s) Years 2 through 40	Year 1	Year 10	Year 20	Year 30	Year 40	Year 1	Year 10	Year 20	Year 30	Year 40
W-18	3427606	7396872	3937.08	3600.00	3337.00	2	40	0	8	1.33	6.89	8.45	9.92	11.48	537.57	538.97	539.28	539.67	540.68
W-19	3428178	7397594	3936.35	3570.00	3336.00	2	40	0	8	1.36	6.98	8.54	9.95	11.42	554.08	549.92	546.25	543.19	540.67
W-2	3423500	7382500	3945.92	3600.00	3445.00	2	40	0	15	2.51	14.07	18.54	22.05	25.21	666.81	663.73	669.63	684.43	698.12
W-20	3425179	7383375	3943.33	3600.00	3443.00	2	40	0	17	2.63	14.26	18.51	21.91	25.00	645.84	644.77	646.94	656.74	671.81
W-21	3425885	7384559	3941.04	3570.00	3441.00	2	40	0	15	2.50	13.12	16.78	19.87	22.77	613.70	609.42	604.10	601.21	601.88
W-22	3424513	7381491	3939.63	3540.00	3439.00	2	40	0	17	2.91	16.97	22.14	25.96	29.31	676.43	671.02	669.61	669.77	667.32
W-23	3422500	7380500	3940.97	3810.00	3341.00	2	40	0	17	2.72	25.36	31.55	35.83	39.50	674.35	677.50	678.00	675.81	672.52
W-24	3424030	7381949	3942.35	3570.00	3342.00	2	40	0	17	3.03	16.34	21.23	24.94	28.22	676.36	673.45	669.70	683.52	710.52
W-25	3421551	7379038	3940.34	3840.00	3340.00	2	40	0	17	2.60	30.89	38.36	43.29	47.69	709.73	675.94	673.92	672.82	673.28
W-26	3422500	7377500	3939.09	3570.00	3338.00	2	40	0	17	0.85	16.72	23.48	28.08	31.94	657.74	646.80	637.12	629.49	624.23
W-27	3420119	7377453	3940.77	3840.00	3340.00	2	40	0	13	2.93	20.25	27.69	32.90	37.96	567.41	556.72	551.62	548.11	548.34
W-28	3426257	7386139	3941.78	3510.00	3342.00	2	40	0	18	2.61	17.30	20.30	23.06	25.71	547.51	552.93	551.98	550.51	549.40
W-29	3427532	7398121	3937.63	3600.00	3337.00	2	40	0	10	1.22	7.21	8.80	10.21	11.69	577.01	579.82	582.67	585.29	587.80
W-3	3427237	7386343	3942.28	3841.00	3441.00	2	40	0	18	2.05	39.99	42.70	45.35	47.96	524.92	515.92	505.16	495.43	486.63
W-30	3430861	7404476	3936.33	3835.00	3335.00	2	40	0	12	0.07	13.88	15.04	15.75	16.26	762.90	762.99	761.91	760.78	759.61
W-31	3425454	7382449	3940.98	3570.00	3341.00	2	40	0	17	3.05	16.14	20.86	24.47	27.70	643.38	644.40	645.71	647.98	650.77
W-32	3424814	7384921	3946.45	3600.00	3346.00	2	40	0	13	1.90	9.48	12.85	15.78	18.56	611.46	617.61	624.17	630.32	633.89
W-4	3428167	7399343	3936.52	3836.00	3336.00	2	40	0	10	1.10	6.79	8.41	9.74	11.10	621.16	623.48	625.27	625.35	621.69
W-5	3426260	7394546	3939.03	3600.00	3339.00	2	40	0	15	0.98	6.91	8.40	10.15	12.03	571.42	575.03	579.64	581.23	585.09
W-6	3423500	7380500	3937.92	3600.00	3338.00	2	40	0	15	2.59	18.21	23.99	28.08	31.60	718.36	712.66	704.74	697.86	691.54
W-7	3422182	7376598	3940.15	3600.00	3340.00	2	40	0	13	0.77	13.54	20.25	24.87	28.75	552.82	543.16	538.97	537.26	536.81
W-8	3419086	7376655	3940.72	3810.00	3340.00	2	40	0	13	1.99	18.04	25.37	30.52	35.56	544.58	540.81	533.96	535.14	529.97
W-9	3422500	7378500	3938.00	3570.00	3338.00	2	40	0	15	1.63	21.44	28.22	32.77	36.61	627.63	627.80	619.24	607.73	596.86
R64	3424476	7378150	3938.74	3390.00	3354.60	2	40	0	17	1.03	15.67	22.00	26.35	29.99	580.62	628.56	623.14	613.49	583.96
R66	3424918	7379262	3938.99	3450.00	3374.90	2	40	0	17	1.63	16.45	22.43	26.59	30.13	635.03	631.03	627.57	624.56	621.61
R67	3425499	7380396	3939.50	3480.00	3398.30	2	40	0	17	2.40	16.83	22.35	26.30	29.72	583.53	632.46	630.18	627.58	625.17

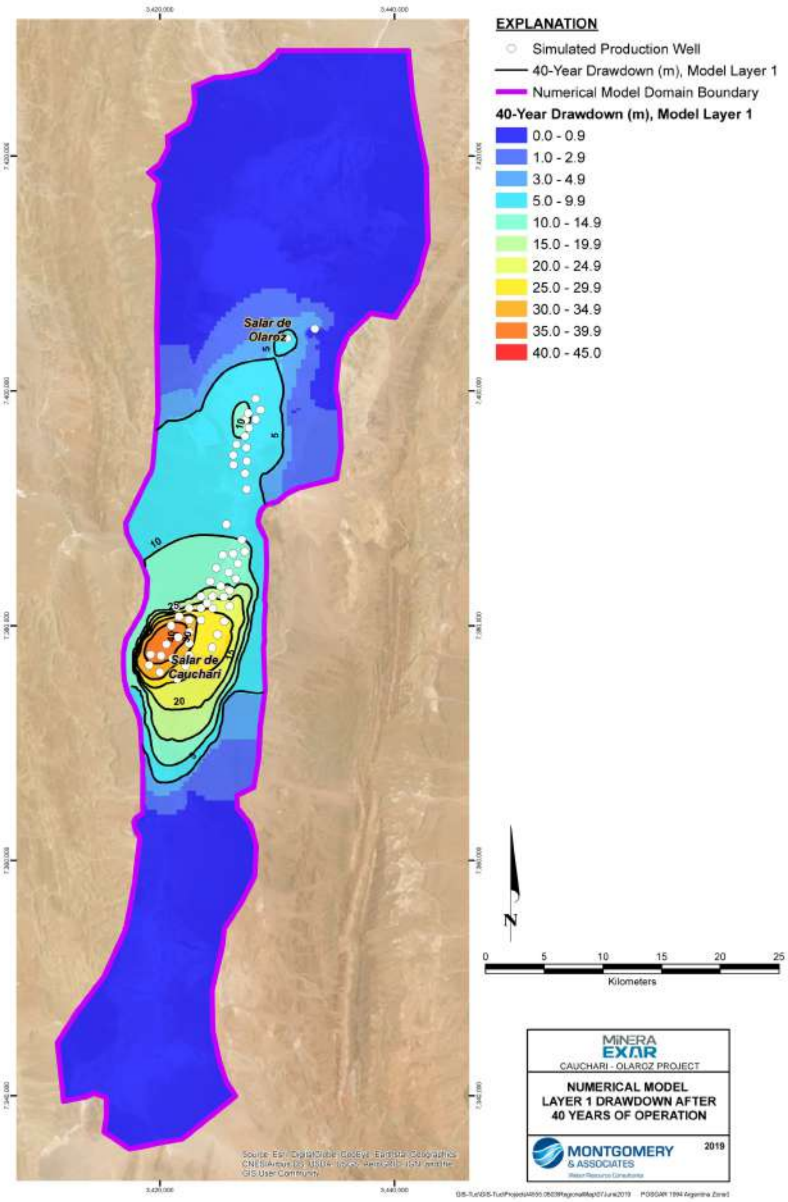
EXPLANATION
Simulated Production Well
40-Year Drawdown (m), Model Layer 1
Numerical Model Domain Boundary
40-Year Drawdown (m), Model Layer 1
0.0 - 0.9
1.0 - 2.9
3.0 - 4.9
5.0 - 9.9
10.0 - 14.9
15.0 - 19.9
20.0 - 24.9
25.0 - 29.9
30.0 - 34.9
35.0 - 39.9
40.0 - 45.0
Salar de Olaroz
Salar de Cauchari
N
0 5 10 15 20 25
Kilometers
MINERA EXAR
CAUCHARI - OLAROZ PROJECT
NUMERICAL MODEL LAYER 1 DRAWDOWN AFTER 40 YEARS OF OPERATION
MONTGOMERY & ASSOCIATES
2019

Exhibit 15.3

CONSENT OF DAVID BURGA

March 28, 2025

VIA EDGAR

United States Securities and Exchange Commission

Re: Lithium Argentina AG (the "Company")
Annual Report on Form 20-F of the Company for the year ended December 31, 2024 (the "Form 20-F")

I, David Burga, hereby consent to the use of my name in connection with reference to my involvement in the preparation and review of the following:

- Technical Report titled "S-K 1300 Technical Report - Operational Technical Report at the Cauchari-Olaroz Salars, Jujuy Province, Argentina", effective December 31, 2024 (the "**Technical Report**"); and

- the review and approval of all technical and scientific information contained in the Management's Discussion & Analysis for the year ended December 31, 2024 being filed by the Company as part of the Form 20-F (the "**MD&A**");

and to references to the Technical Report and MD&A, or portions thereof, included or incorporated by reference in the Form 20-F, which is being filed pursuant to the Securities Exchange Act of 1934, as amended, and to the inclusion or incorporation by reference of the information derived from the Technical Report and MD&A related to me in the Form 20-F. This consent extends to any amendments to the Form 20-F.

I also hereby consent to the use of my name in connection with reference to my involvement in the preparation of the Technical Report and the MD&A, to references to the Technical Report and the MD&A, or portions thereof, and to the inclusion or incorporation by reference of the information derived from the Technical Report and MD&A related to me in the registration statements (No. 333-238142, No. 333-227816, and No. 333-282163) on Form S-8. This consent extends to any amendments to the Form S-8s, including post-effective amendments, and any new Form S-8 registration statement filed by the Company incorporating by reference the Form 20-F.

I further consent to the filing of the Technical Report as an exhibit to the Form 20-F.

/s/David Burga

David Burga, P.Geo.

Exhibit 15.4

CONSENT OF DANIEL WEBER

March 28, 2025

VIA EDGAR

United States Securities and Exchange Commission

Re: Lithium Argentina AG (the "Company")
Annual Report on Form 20-F of the Company for the year ended December 31, 2024 (the "Form 20-F")

I, Daniel Weber, hereby consent to the use of my name in connection with reference to my involvement in the preparation of the following technical report (the "**Technical Report**"):

- Technical Report titled "S-K 1300 Technical Report - Operational Technical Report at the Cauchari-Olaroz Salars, Jujuy Province, Argentina", effective December 31, 2024;

and to references to the Technical Report, or portions thereof, included or incorporated by reference in the Form 20-F, which is being filed pursuant to the Securities Exchange Act of 1934, as amended, and to the inclusion or incorporation by reference of the information derived from the Technical Report related to me in the Form 20-F. This consent extends to any amendments to the Form 20-F.

I also hereby consent to the use of my name in connection with reference to my involvement in the preparation of the Technical Report, to references to the Technical Report, or portions thereof, and to the inclusion or incorporation by reference of the information derived from the Technical Report related to me in the registration statements (No. 333-238142, No. 333-227816, and No. 333-282163) on Form S-8. This consent extends to any amendments to the Form S-8s, including post-effective amendments, and any new Form S-8 registration statement filed by the Company incorporating by reference the Form 20-F.

I further consent to the filing of the Technical Report as an exhibit to the Form 20-F.

/s/Daniel Weber

Daniel Weber, P.G., RM-SME

Exhibit 15.5

CONSENT OF ANTHONY SANFORD

March 28, 2025

VIA EDGAR

United States Securities and Exchange Commission

Re: **Lithium Argentina AG (the "Company")**
Annual Report on Form 20-F of the Company for the year ended December 31, 2024 (the "Form 20-F")

I, Anthony Sanford, hereby consent to the use of my name in connection with reference to my involvement in the preparation of the following technical report (the "**Technical Report**"):

- Technical Report titled "S-K 1300 Technical Report - Operational Technical Report at the Cauchari-Olaroz Salars, Jujuy Province, Argentina", effective December 31, 2024;

and to references to the Technical Report, or portions thereof, included or incorporated by reference in the Form 20-F, which is being filed pursuant to the Securities Exchange Act of 1934, as amended, and to the inclusion or incorporation by reference of the information derived from the Technical Report related to me in the Form 20-F. This consent extends to any amendments to the Form 20-F.

I also hereby consent to the use of my name in connection with reference to my involvement in the preparation of the Technical Report, to references to the Technical Report, or portions thereof, and to the inclusion or incorporation by reference of the information derived from the Technical Report related to me in the registration statements (No. 333-238142, No. 333-227816, and No. 333-282163) on Form S-8. This consent extends to any amendments to the Form S-8s, including post-effective amendments, and any new Form S-8 registration statement filed by the Company incorporating by reference the Form 20-F.

I further consent to the filing of the Technical Report as an exhibit to the Form 20-F.

/s/Anthony Sanford

Anthony Sanford, Pr.Sci.Nat

Exhibit 15.6

CONSENT OF MAREK DWORZANOWSKI

March 28, 2025

VIA EDGAR

United States Securities and Exchange Commission

Re: Lithium Argentina AG (the "Company")
Annual Report on Form 20-F of the Company for the year ended December 31, 2024 (the "Form 20-F")

I, Marek Dworzanowski, hereby consent to the use of my name in connection with reference to my involvement in the preparation of the following technical report (the "**Technical Report**"):

- Technical Report titled "S-K 1300 Technical Report - Operational Technical Report at the Cauchari-Olaroz Salars, Jujuy Province, Argentina", effective December 31, 2024;

and to references to the Technical Report, or portions thereof, included or incorporated by reference in the Form 20-F, which is being filed pursuant to the Securities Exchange Act of 1934, as amended, and to the inclusion or incorporation by reference of the information derived from the Technical Report related to me in the Form 20-F. This consent extends to any amendments to the Form 20-F.

I also hereby consent to the use of my name in connection with reference to my involvement in the preparation of the Technical Report, to references to the Technical Report, or portions thereof, and to the inclusion or incorporation by reference of the information derived from the Technical Report related to me in the registration statements (No. 333-238142, No. 333-227816, and No. 333-282163) on Form S-8. This consent extends to any amendments to the Form S-8s, including post-effective amendments, and any new Form S-8 registration statement filed by the Company incorporating by reference the Form 20-F.

I further consent to the filing of the Technical Report as an exhibit to the Form 20-F.

/s/Marek Dworzanowski

Marek Dworzanowski, C.Eng., Pr.Eng.

Exhibit 15.7

CONSENT OF ANDEBURG CONSULTING SERVICES, INC.

March 28, 2025

VIA EDGAR

United States Securities and Exchange Commission

Re: Lithium Argentina AG (the "Company")
Annual Report on Form 20-F of the Company for the year ended December 31, 2024 (the "Form 20-F")

Andeburg Consulting Services, Inc. hereby consents to the use of its name in connection with reference to its involvement in the preparation of the following technical report ("the **Technical Report**"):

- Technical Report titled "S-K 1300 Technical Report - Operational Technical Report at the Cauchari-Olaroz Salars, Jujuy Province, Argentina", effective December 31, 2024;

and to references to the Technical Report, or portions thereof, included or incorporated by reference in the Form 20-F, which is being filed pursuant to the Securities Exchange Act of 1934, as amended, and to the inclusion or incorporation by reference of the information derived from the Technical Report related to the undersigned in the Form 20-F. This consent extends to any amendments to the Form 20-F.

The undersigned also hereby consents to the use of its name in connection with reference to its involvement in the preparation of the Technical Report, to references to the Technical Report, or portions thereof, and to the inclusion or incorporation by reference of the information derived from the Technical Report related to the undersigned in the registration statements (No. 333-238142, No. 333-227816, and No. 333-282163) on Form S-8. This consent extends to any amendments to the Form S-8s, including post-effective amendments, and any new Form S-8 registration statement filed by the Company incorporating by reference the Form 20-F.

The undersigned further consents to the filing of the Technical Report as an exhibit to the Form 20-F.

Andeburg Consulting Services, Inc.

/s/David Burga

Name: David Burga, P.Geo
Title: Senior Geologist

Exhibit 15.8

CONSENT OF LRE WATER

March 28, 2025

VIA EDGAR

United States Securities and Exchange Commission

Re: Lithium Argentina AG (the "Company")
Annual Report on Form 20-F of the Company for the year ended December 31, 2024 (the "Form 20-F")

LRE Water hereby consents to the use of its name in connection with reference to its involvement in the preparation of the following technical report ("the **Technical Report**"):

- Technical Report titled "S-K 1300 Technical Report - Operational Technical Report at the Cauchari-Olaroz Salars, Jujuy Province, Argentina", effective December 31, 2024;

and to references to the Technical Report, or portions thereof, included or incorporated by reference in the Form 20-F, which is being filed pursuant to the Securities Exchange Act of 1934, as amended, and to the inclusion or incorporation by reference of the information derived from the Technical Report related to the undersigned in the Form 20-F. This consent extends to any amendments to the Form 20-F.

The undersigned also hereby consents to the use of its name in connection with reference to its involvement in the preparation of the Technical Report, to references to the Technical Report, or portions thereof, and to the inclusion or incorporation by reference of the information derived from the Technical Report related to the undersigned in the registration statements (No. 333-238142, No. 333-227816, and No. 333-282163) on Form S-8. This consent extends to any amendments to the Form S-8s, including post-effective amendments, and any new Form S-8 registration statement filed by the Company incorporating by reference the Form 20-F.

The undersigned further consents to the filing of the Technical Report as an exhibit to the Form 20-F.

LRE Water

/s/Daniel Weber

Name: Daniel Weber, P.G., RM-SME
Title: PG – Senior Scientist

Exhibit 15.9

CONSENT OF ENVIROPROTECH-T

March 28, 2025

VIA EDGAR

United States Securities and Exchange Commission

Re: Lithium Americas (Argentina) Corp. (the "Company")
Annual Report on Form 20-F of the Company for the year ended December 31, 2024 (the "Form 20-F")

EnviroProTech-t hereby consents to the use of its name in connection with reference to its involvement in the preparation of the following technical report (the "**Technical Report**"):

- Technical Report titled "S-K 1300 Technical Report - Operational Technical Report at the Cauchari-Olaroz Salars, Jujuy Province, Argentina", effective December 31, 2024;

and to references to the Technical Report, or portions thereof, included or incorporated by reference in the Form 20-F, which is being filed pursuant to the Securities Exchange Act of 1934, as amended, and to the inclusion or incorporation by reference of the information derived from the Technical Report related to the undersigned in the Form 20-F. This consent extends to any amendments to the Form 20-F.

The undersigned also hereby consents to the use of its name in connection with reference to its involvement in the preparation of the Technical Report, to references to the Technical Report, or portions thereof, and to the inclusion or incorporation by reference of the information derived from the Technical Report related to the undersigned in the registration statements (No. 333-238142, No. 333-227816, and No. 333-282163) on Form S-8. This consent extends to any amendments to the Form S-8s, including post-effective amendments, and any new Form S-8 registration statement filed by the Company incorporating by reference the Form 20-F.

The undersigned further consents to the filing of the Technical Report as an exhibit to the Form 20-F.

EnviroProTech-t S.A.C.

/s/Anthony Sanford

Name: Anthony Sanford, Pr.Sci.Nat
Title: Principal Consultant

Exhibit 15.10

CONSENT OF CSU PROJECTS

March 28, 2025

VIA EDGAR

United States Securities and Exchange Commission

Re: Lithium Argentina AG (the "Company")
Annual Report on Form 20-F of the Company for the year ended December 31, 2024 (the "Form 20-F")

CSU Projects hereby consents to the use of its name in connection with reference to its involvement in the preparation of the following technical report (the "**Technical Report**"):

- Technical Report titled "S-K 1300 Technical Report - Operational Technical Report at the Cauchari-Olaroz Salars, Jujuy Province, Argentina", effective December 31, 2024;

and to references to the Technical Report, or portions thereof, included or incorporated by reference in the Form 20-F, which is being filed pursuant to the Securities Exchange Act of 1934, as amended, and to the inclusion or incorporation by reference of the information derived from the Technical Report related to the undersigned in the Form 20-F. This consent extends to any amendments to the Form 20-F.

The undersigned also hereby consents to the use of its name in connection with reference to its involvement in the preparation of the Technical Report, to references to the Technical Report, or portions thereof, and to the inclusion or incorporation by reference of the information derived from the Technical Report related to the undersigned in the registration statements (No. 333-238142, No. 333-227816, and No. 333-282163) on Form S-8. This consent extends to any amendments to the Form S-8s, including post-effective amendments, and any new Form S-8 registration statement filed by the Company incorporating by reference the Form 20-F.

The undersigned further consents to the filing of the Technical Report as an exhibit to the Form 20-F.

CSU Projects

/s/Jonathan Gibson

Name: Jonathan Gibson, P.Eng.
Title: Senior Mining and Mineral Processing Engineer

Exhibit 15.11

CONSENT OF FREDERIK REIDEL

March 28, 2025

VIA EDGAR

United States Securities and Exchange Commission

Re: Lithium Argentina AG (the "Company")
Annual Report on Form 20-F of the Company for the year ended December 31, 2024 (the "Form 20-F")

I, Frederik Reidel, hereby consent to the use of my name in connection with my involvement in the following:

- the review and approval of the scientific and technical information relating to the Pastos Grandes Salar contained in the Form 20-F (the "**Pastos Grandes Information**");

and to references to the Pastos Grandes Information, or portions thereof, included or incorporated by reference in the Form 20-F, which is being filed pursuant to the Securities Exchange Act of 1934, as amended, and to the inclusion or incorporation by reference of the information derived from the Pastos Grandes Information related to me in the Form 20-F. This consent extends to any amendments to the Form 20-F.

I also hereby consent to the use of my name in connection with reference to my involvement in the preparation of the Pastos Grandes Information, to references to the Pastos Grandes Information, or portions thereof, and to the inclusion or incorporation by reference of the information derived from the Pastos Grandes Information related to me in the registration statements (No. 333-238142, No. 333-227816, and No. 333-282163) on Form S-8. This consent extends to any amendments to the Form S-8s, including post-effective amendments, and any new Form S-8 registration statement filed by the Company incorporating by reference the Form 20-F.

/s/Frederik Reidel

Frederik Reidel, CPG

EXHIBIT 97.1

LithiumArgentina

Incentive Compensation Recovery Policy

January 2025

I. Introduction

The Board of Directors of Lithium Argentina AG (the "**Company**") believes that it is in the best interests of the Company and its shareholders to create and maintain a culture that emphasizes integrity and accountability and that reinforces the Company's compensation philosophy. The Board has therefore adopted this policy, which provides for the recovery of erroneously awarded incentive compensation in the event that the Company is required to prepare an accounting restatement due to material noncompliance of the Company with any financial reporting requirements under the United States securities laws (the "**Policy**"). This Policy is designed to comply with Section 10D of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), related rules and the listing standards of the New York Stock Exchange ("**NYSE**") or any other securities exchange on which the Company's shares are listed now and in the future.

II. Administration

This Policy shall be administered by the Board or, if so designated by the Board, the Governance, Nomination, Compensation and Leadership Committee (the "**Committee**"), in which case, all references herein to the Board shall be deemed references to the Committee. Any determinations made by the Board shall be final and binding on all affected individuals.

III. Covered Executives

Unless and until the Board determines otherwise, for purposes of this Policy, the term "**Covered Executive**" means a current or former employee who is or was identified by the Company as the Company's president, principal financial officer, principal accounting officer (or if there is no such accounting officer, the controller), any vice-president of the Company in charge of a principal business unit, division, or function (such as sales, administration, or finance), any other officer who performs a policy-making function, or any other person who performs similar policy-making functions for the Company. Executive officers of the Company's subsidiaries are deemed "Covered Executives" if they perform such policy-making functions for the Company. "Policy-making function" is not intended to include policy-making functions that are not significant. For the avoidance of doubt, "Covered Executives" will include at least the following Company officers: (a) Chief Executive Officer ("**CEO**"), (b) Chief Financial Officer ("**CFO**"), and (c) the three most highly compensated executive officers of the Company (including any of its subsidiaries) or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, as determined in accordance with applicable securities laws, rules or regulations, and (d) each individual who would be a "Covered Executive" under (c) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of the applicable financial year.

This Policy covers Incentive Compensation received by a person after beginning service as a Covered Executive and who served as a Covered Executive at any time during the performance period for that Incentive Compensation.

IV. Recovery: Accounting Restatement

In the event of an Accounting Restatement, the Company will recover reasonably promptly any excess Incentive Compensation received by any Covered Executive during the three completed fiscal years immediately preceding the date on which the Company is required to prepare an Accounting Restatement, including transition periods resulting from a change in the Company's fiscal year as provided in Rule 10D-1 of the Exchange Act. Incentive Compensation is deemed **"received"** in the Company's fiscal period during which the Financial Reporting Measure specified in the Incentive Compensation award is attained, even if the payment or grant of the Incentive Compensation occurs after the end of that period.

(a) Definition of Accounting Restatement.

For the purposes of this Policy, an "**Accounting Restatement**" means the Company is required to prepare an accounting restatement of its financial statements filed with the Securities and Exchange Commission (the "**SEC**") due to the Company's material noncompliance with any financial reporting requirements under United States securities laws (including any required accounting restatement to correct an error in previously issued financial statements that is material to the previously issued financial statements, or that would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period).

The determination of the time when the Company is **"required"** to prepare an Accounting Restatement shall be made in accordance with applicable SEC and securities exchange rules and regulations.

An Accounting Restatement does not include situations in which financial statement changes did not result from material non-compliance with financial reporting requirements, such as, but not limited to retrospective: (i) application of a change in accounting principles; (ii) revision to reportable segment information due to a change in the structure of the Company's internal organization; (iii) reclassification due to a discontinued operation; (iv) application of a change in reporting entity, such as from a reorganization of entities under common control; (v) adjustment to provision amounts in connection with a prior business combination; and (vi) revision for stock splits, stock dividends, reverse stock splits or other changes in capital structure.

(b) Definition of Incentive Compensation.

For purposes of this Policy, "**Incentive Compensation**" means any compensation that is granted, earned, or vested based wholly or in part upon the attainment of a Financial Reporting Measure, including, for example, bonuses or awards under the Company's short and long-term incentive plans, grants and awards under the Company's equity incentive plans, and contributions of such bonuses or awards to the Company's deferred compensation plans or other employee benefit plans. Incentive Compensation does not include awards which are granted, earned and vested without regard to attainment of Financial Reporting Measures, such as time-vesting awards, discretionary awards and awards based wholly on subjective standards, strategic measures or operational measures.

(c) Financial Reporting Measures.

"Financial Reporting Measures" are those that are determined and presented in accordance with the accounting principles used in preparing the Company's financial statements (including non-GAAP financial measures) and any measures derived wholly or in part from such financial measures. For the avoidance of doubt, Financial Reporting Measures include stock price and total shareholder return. A measure need not be presented within the financial statements or included in a filing with the SEC or other applicable securities regulators to constitute a Financial Reporting Measure for purposes of this Policy.

(d) Excess Incentive Compensation: Amount Subject to Recovery.

The amount(s) to be recovered from the Covered Executive will be the amount(s) by which the Covered Executive's Incentive Compensation for the relevant period(s) exceeded the amount(s) that the Covered Executive otherwise would have received had such Incentive Compensation been determined based on the restated amounts contained in the Accounting Restatement. All amounts shall be computed without regard to taxes paid.

For Incentive Compensation based on Financial Reporting Measures such as stock price or total shareholder return, where the amount of excess compensation is not subject to mathematical recalculation directly from the information in an Accounting Restatement, the Board will calculate the amount to be reimbursed based on a reasonable estimate of the effect of the Accounting Restatement on such Financial Reporting Measure upon which the Incentive Compensation was received. The Company will maintain documentation of that reasonable estimate and will provide such documentation to the applicable securities exchange.

(e) Method of Recovery.

The Board will determine, in its sole discretion, the method(s) for recovering reasonably promptly excess Incentive Compensation hereunder. Such methods may include, without limitation:

(i) requiring reimbursement of Incentive Compensation previously paid;

(ii) forfeiting any Incentive Compensation contribution made under the Company's deferred compensation plans;

(iii) offsetting the recovered amount from any compensation or Incentive Compensation that the Covered Executive may earn or be awarded in the future;

(iv) taking any other remedial and recovery action permitted by law, as determined by the Board; or

(v) some combination of the foregoing.

Before the Board makes a final determination as to whether an Accounting Restatement is required and any recovery of excess Incentive Compensation is payable under the Policy from a Covered Executive, the Board shall provide the Covered Executive with written notice thereof and the opportunity to be heard at a duly held meeting of the Board, which may take place either in person or by way of a conference or video call, as determined by the Board.

If the Board makes a final determination that an Accounting Restatement is required and recovery of excess Incentive Compensation is payable under the Policy, the Board shall reasonably promptly make a written demand for recovery from the Covered Executive, and in the event that the Covered Executive does not, within a reasonably prompt period thereafter, tender repayment and/or reimbursement in response to such demand, the Board shall be entitled to pursue such other actions or remedies, including, without limitation, legal recourse against the Covered Executive to obtain such repayment and/or reimbursement of excess Incentive Compensation under this Policy, as applicable.

To the extent practicable and as permitted by all applicable laws, including, without limitation, securities legislation and stock exchange rules, all investigations and related findings under this Policy shall be conducted, undertaken and treated in a confidential manner.

V. No Indemnification

Subject to applicable law, the Company shall not indemnify, including by paying or reimbursing for premiums for any insurance policy covering any potential losses, any Covered Executives against the loss of any erroneously awarded Incentive Compensation.

VI. Interpretation

The Board is authorized to interpret and construe this Policy and to make all determinations necessary, appropriate or advisable for the administration of this Policy. It is intended that this Policy be interpreted in a manner that is consistent with the requirements of Section 10D of the Exchange Act and any applicable rules or standards adopted by the SEC or any securities exchange on which the Company's securities are listed.

VII. Effective Date

The effective date of this Policy, as amended, is January 23, 2025 (the "**Effective Date**"). This Policy applies to Incentive Compensation received by Covered Executives on or after the Effective Date. Without limiting the scope or effectiveness of this Policy, Incentive Compensation granted or received by Covered Executives prior to the Effective Date remains subject to the Company's prior Incentive Compensation Recovery Plan dated October 2, 2023. In addition, this Policy is intended to be and will be incorporated as an essential term and condition of any Incentive Compensation agreement, plan or program that the Company establishes or maintains on or after the Effective Date.

VIII. Amendment and Termination

The Board may amend this Policy from time to time in its discretion, and shall amend this Policy as it deems necessary to reflect changes in regulations adopted by the SEC under Section 10D of the

Exchange Act and to comply with any rules or standards adopted by NYSE or any other securities exchange on which the Company's shares are listed in the future.

IX. Other Recovery Rights

The Board intends that this Policy will be applied to the fullest extent of the law. Upon receipt of this Policy, each Covered Executive is required to complete the Receipt and Acknowledgement attached as Schedule A to this Policy. The Board may require that any employment agreement or similar agreement relating to Incentive Compensation received on or after the Effective Date shall, as a condition to the grant of any benefit thereunder, require a Covered Executive to agree to abide by the terms of this Policy. Any right of recovery under this Policy is in addition to, and not in lieu of, any (i) other remedies or rights of compensation recovery that may be available to the Company pursuant to the terms of any similar policy in any employment agreement, or similar agreement relating to Incentive Compensation, unless any such agreement expressly prohibits such right of recovery, and (ii) any other legal remedies available to the Company. The provisions of this Policy are in addition to (and not in lieu of) any rights to repayment the Company may have under Section 304 of the Sarbanes-Oxley Act of 2002 and other applicable laws.

X. Impracticability

The Company shall recover any excess Incentive Compensation in accordance with this Policy, except to the extent that certain conditions are met and the Board has determined that such recovery would be impracticable, all in accordance with Rule 10D-1 of the Exchange Act and any rules or standards adopted by NYSE or any other securities exchange on which the Company's shares are listed in the future.

XI. Successors

This Policy shall be binding upon and enforceable against all Covered Executives and their beneficiaries, heirs, executors, administrators or other legal representatives.

Effective Date:	January 23, 2025
Approved by:	Board of Directors of the Company