

Farm-In Joint Venture Agreements executed at Yinnetharra to grow prospective tenure

Highlights:

- Binding Farm-in Joint venture Agreements executed with both Voltaic Strategic Resources Ltd (ASX: VSR) and Reach Resources Limited (ASX: RR1) to Earn-In ownership of tenement packages in the exciting Yinnetharra region.
- The tenement packages in total cover an additional 413km² and are located adjacent to and along strike from the emerging resource already defined at Malinda, within the 100% owned Yinnetharra Lithium Project.
- As a result of these transactions Delta's footprint in the emerging Gascoyne lithium province has increased by over 30% to 1,769km².
- Earn-in Agreements for up to 80% of the following tenement packages:
 - Voltaic's Ti Tree Project (243km²) which overlays extensive Leake Springs mafic-sediment package that hosts mineralised pegmatites at Delta's Malinda Lithium deposit (25.7Mt @ 1.0% Li₂O)¹.
 - Reach Resources' Morrissey Hill and Camel Hill (170km²) Projects, which overlays extensive Lithium prospective host stratigraphy and Lithium soil anomalies.

Delta Lithium Limited (ASX: DLI) ("Delta" or the "Company"), is pleased to announce the execution of binding Farm in Joint Venture Agreements with both Voltaic Strategic Resources Ltd (ASX: VSR) and Reach Resources Limited (ASX: RR1) for tenements surrounding the Yinnetharra project area in the Gascoyne region of Western Australia.

For ~\$4.5 million upfront, Delta has secured the right to earn-in to three projects that are adjacent to the existing Yinnetharra Lithium Project. Earn-ins for equity positions of up to 80% in each project can be achieved with various deferred spending commitments.

Commenting on the transactions Managing Director, James Croser said;

"Delta is pleased to enter this strategic collaboration concurrently with Voltaic Strategic Resources and Reach Resources, simultaneously gaining access to the expanded prospective stratigraphy in addition to our existing Yinnetharra tenure, that has already delivered an impressive maiden resource at Malinda. The combined land package significantly boosts the potential for a long-life lithium operation in the region. Both Voltaic and Reach shareholders are poised to directly benefit from Delta's existing on-site presence at Yinnetharra and the expertise that our team will apply to our expanded footprint starting immediately."

"With such a dominant footprint in the region, particularly across the highly prospective Leake Springs metamorphic unit adjacent to the Thirty Three suite granite, this deal increases the likelihood of a regional scale project which all shareholders can now benefit from. We look forward to working with our new partners and delivering on this potential."

1. Refer ASX Announcement 27 December 2023 titled 'Yinnetharra Lithium Project Maiden Mineral Resource Estimate'

Yinnetharra Expansion

Delta has signed binding agreements with both Voltaic Strategic Resources Ltd (ASX: VSR) and Reach Resources Limited (ASX: RR1) to secure access to the following project areas. Each agreement has two stages that allow for Delta to earn-in to up to 80% of the mineral rights within the projects.

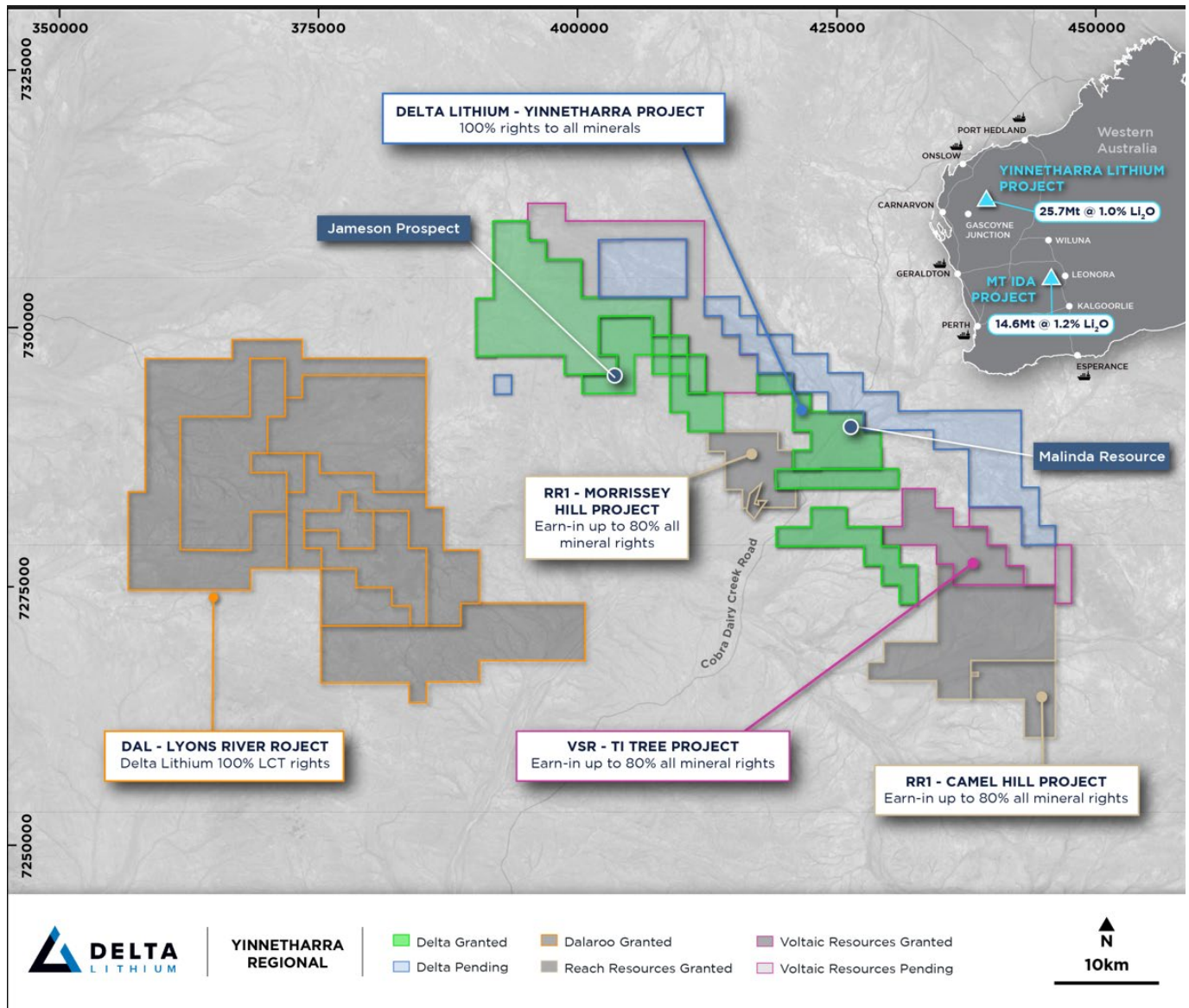


Figure 1: Expanded Delta Lithium footprint in the Yinnetharra region

Voltaic Strategic Resources

The agreement with VSR includes the Ti Tree Project area, located to the south of the existing Yinnetharra Project and approximately 10km south-east of the Malinda Resource. The tenement covers 243km² and overlays extensive Leake Spring mafic-sediment package, similar to the geological setting that hosts the Malinda Resource. The details of the agreement are summarised in the two stages below.

Stage 1

1. DLI to pay VSR \$1.25M cash upon commencement.
2. DLI can earn-in 51% of the Project by spending \$3M over initial 2 years from commencement.
3. DLI to manage the Project, in consultation with VSR.

- DLI may withdraw from the project at any time during the Stage 1 Earn-in Phase with 0% interest, however DLI must incur a minimum expenditure of \$1M before withdrawing from Stage 1.
- Cash/shares at DLI's election to VSR to the value of \$500,000 in DLI upon satisfying the Stage 1 51% Participating Interest requirements.

Stage 2

- DLI can earn a further 29%, taking equity to 80% upon further spend of \$6.25M over the next 2 years or delivery of MRE >10Mt @ 0.8% Li₂O (at 0.5% cutoff).
- On completion of Stage 2, VSR can elect to either maintain its 20% by co-contributing; or dilute its 20% interest. DLI and VSR may agree to the purchase by DLI of VSR's 20% interest for a fair market value as agreed.
- If VSR dilutes to <5% Participating Interest, DLI will have the option to purchase VSR's interest at fair market value (as agreed or determined by an expert).
- Cash/shares at DLI's election to VSR to the value of \$1,000,000 in DLI upon satisfying the Stage 2 80% Participating Interest requirements.
- The Deal is subject to usual warranties relating to an agreement of this nature.

Reach Resources

The agreement with RRL includes two project areas, the Morrissey Hill Project and the Camel Hill Project. Morrissey Hill is located approximately 8km south-west of Malinda and 12km south-east of the Jameson Prospect. Camel Hill is located due south and directly adjacent to the Ti Tree Project area which is subject to the agreement with VSR.

Morrissey Hill and Camel Hill 170km². Both have demonstrated prospectivity as indicated by strong Li soil geochemical anomalies, extensive host stratigraphy and extensive historical mines for lithium related minerals.

The details of the agreement with Reach are summarised in the two stages below.

Stage 1

- DLI to pay RRL \$3.2M cash upon commencement.
- DLI to manage the Project, with an agreed reporting framework, and in consultation with RRL.
- DLI can earn 51% of the Project by spending \$3M on exploration over initial 2 years from commencement, with at least 50% of expenditure to be attributed to drilling.

Stage 2

- DLI can earn a further 29%, taking equity to 80%, upon further spend of \$6M over the next 2 years from Stage 1 completion, with at least 50% of expenditure to be attributed to drilling.
- On completion of Stage 2, RRL can elect to either maintain its 20% by co-contributing; or dilute its 20% interest. DLI and RRL may agree to the purchase by DLI of RRL's 20% interest for a fair market value as agreed by the parties negotiating in good faith.
- Cash/shares at DLI's election to RRL to the value of approximately \$10M in DLI upon discovering a mineral resource estimate (as that term is defined in the JORC Code) of equal to or greater than 7.5Mt at 0.8% Li₂O (at a 0.5% cut off grade).
- The Deal is subject to usual warranties relating to an agreement of this nature.

These agreements have significantly increased Delta's footprint in the region by 30.5%. Our team of expert geologists strongly believes that the broader Yinnetharra region has potential to become a new Western Australian lithium province. These agreements provide Delta with important potential growth avenues for the future.

The next steps for these projects involves detailed planning of explorations activities. This will contribute to the minimum spend requirements for each agreement but also prioritise targets for upcoming drilling programs.

ENDS

Release authorised by the Board of Delta Lithium Limited.

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About Delta Lithium

Delta Lithium (ASX: DLI) is an exploration and development company focused on bringing high-quality, lithium-bearing pegmatite deposits, located in Western Australia, into production. With current global JORC compliant resources of 40.4Mt@1.1%Li₂O, strong balance sheet and an experienced team driving the exploration and development workstreams, Delta Lithium is rapidly advancing its Lithium Projects. The Mt Ida Lithium Project holds a critical advantage over other lithium developers with existing Mining Leases and an approved Mining Proposal. Delta Lithium is pursuing a development pathway to unlock maximum value for shareholders.

Delta Lithium also holds the highly prospective Yinnetharra Lithium Project that is already showing signs of becoming one of Australia's most exciting lithium regions. The Company is continuing exploration activities at Yinnetharra, and an extensive multi-rig campaign will be ongoing throughout 2024 to test additional targets and build on the Maiden Resource released in December 2023.

Competent Person's Statement

Information in this Announcement that relates to exploration results is based upon work undertaken by Mr. Charles Hughes, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy (AUSIMM). Mr. Hughes has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a 'Competent Person' as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code). Mr. Hughes is an employee of Delta Lithium Limited and consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

Refer to www.deltalithium.com.au for past ASX announcements.

Past Exploration results and Mineral Resource Estimates reported in this announcement have been previously prepared and disclosed by Delta Lithium in accordance with JORC 2012. The Company confirms that it is not aware of any new information or data that materially affects the information included in these market announcements. The Company confirms that the form and content in which the Competent Person's findings are presented here have not been materially modified from the original market announcement, and all material assumptions and technical parameters underpinning Mineral Resource Estimates in the relevant market announcement continue to apply and have not materially changed. Refer to www.deltalithium.com.au for details on past exploration results and Mineral Resource Estimates.

Disclaimer

This release may include forward-looking and aspirational statements. These statements are based on Delta Lithium management's expectations and beliefs concerning future events as of the time of the release of this announcement. Forward-looking and aspirational statements are necessarily subject to risks, uncertainties and other factors, some of which are outside the control of Delta Lithium, which could cause actual results to differ materially from such statements. Delta Lithium makes no undertaking to subsequently update or revise the forward looking or aspirational statements made in this release to reflect events or circumstances after the date of this release, except as required by applicable laws and the ASX Listing

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Delta Lithium Group Mineral Resource estimate						
	Resource category	Cut-off grade (Li ₂ O%)	Li ₂ O		Li ₂ O (Kt)	Ta ₂ O ₅ Grade (Ta ₂ O ₅ ppm)
			Tonnes (Mt)	Grade (% Li ₂ O)		
Yinnetharra	Measured	0.5	-	-	-	-
	Indicated		6.7	1.0	65	51
	Inferred		19.0	1.0	181	67
	Total Resource		25.7	1.0	246	62
Mt Ida	Measured	0.5	-	-	-	-
	Indicated		7.8	1.3	104	224
	Inferred		6.8	1.1	76	154
	Total Resource		14.6	1.2	180	191
Total Measured			-	-	-	-
Total Indicated			14.5	1.2	169	144
Total Inferred			25.8	1.0	257	90
Total			40.4	1.1	426	109

Notes:

Tonnages and grades have been rounded to reflect the relative uncertainty of the estimate. Inconsistencies in the totals are due to rounding.