



ASX ANNOUNCEMENT

3 April 2025

Cleansing Notice – Issue of Convertible Notes

This cleansing notice (“**Cleansing Notice**”) is given by Chariot Corporation Ltd (ASX: CC9; “**Chariot**” or the “**Company**”) under section 708A(12C)(e) of the *Corporations Act 2001* (Cth) (“**Corporations Act**”) as amended by *ASIC Corporations (Sale Offers: Securities Issued on Conversion of Convertible Notes) Instrument 2016/82*.

The Company hereby confirms that:

- (a) the convertible notes described below have been issued without disclosure to an investor under Part 6D.2 of the Corporations Act; and
- (b) this Cleansing Notice has been given in accordance with section 708A(12C)(e) of the Corporations Act.

The issue of this Cleansing Notice enables the fully paid ordinary shares in the capital of the Company (“**Shares**”) issued on the conversion of the convertible notes issued by the Company on the terms described below, to be on-sold to retail investors without further disclosure.

This Cleansing Notice is important and should be read in its entirety.

1. Background

As announced on 27 March 2025, the Company has entered into a convertible securities and share placement agreement (“**Convertible Securities Agreement**”) and secured commitments for up to A\$2,000,000 through the issuance of convertible notes (“**Convertible Notes**”) to Obsidian Global GP LLC (“**Obsidian**”) comprising an initial drawdown of A\$600,000 plus any subsequent drawdowns as agreed between the Company and Obsidian.

In accordance with the Convertible Securities Agreement, the first drawdown of A\$600,000 is to be provided to the Company in exchange for the issue of 379,378 Convertible Notes (each with a face value of US\$1.15) (“**Initial Notes**”).

Subject to mutual agreement and the satisfaction of other standard conditions precedent, the Company may drawdown up to an additional A\$1,400,000 in exchange for the issue of up to an additional A\$1,400,000 worth of convertible notes (each with a face value of US\$1.15) (“**Subsequent Notes**”).

In addition, the Company has agreed to issue a total of 20,000,000 Shares to Obsidian in consideration for entering into the Convertible Securities Agreement (“**Placement Shares**”).



The Placement Shares function essentially as collateral and will be issued at the request of Obsidian (in one or more requests) no earlier than 1 June 2025. During the term of the Convertible Securities Agreement, Obsidian may elect to purchase the Placement Shares at a price based on a volume weighted average price (“**VWAP**”) formula over a specified period, elect to acquire Placement Shares in exchange for Convertible Notes or use the Placement Shares to offset the Company's obligation to issue Shares under the Convertible Securities Agreement. At maturity, any unpaid Placement Shares will either be paid for at a discounted VWAP, sold on-market with a portion of the proceeds remitted to the Company, or transferred to a nominee of the Company for no consideration.

The Initial Notes and 18,500,000 of the Placement Shares are being issued utilising the Company's available placement capacity under ASX Listing Rule 7.1.

The remaining 1,500,000 Placement Shares will be issued subject to Shareholder approval, which the Company will seek to obtain at a general meeting on or before 1 June 2025.

The Company will issue Obsidian 1,500,000 options to acquire Shares exercisable at A\$0.21 on or before the date that is two years from the date of issue (“**Investor Options**”), subject to Shareholder approval. If Shareholder approval is not obtained for the Investor Options at the Company's next general meeting, the Company must pay Obsidian A\$50,000 in lieu of issuing them. The Company will also issue Obsidian 150,000 Investor Options per additional A\$100,000 drawn down under the Convertible Securities Agreement, subject to Shareholder approval.

At each drawdown of Convertible Notes, the Company will pay Obsidian a commitment fee equal to 2.5% of the funds advanced at each drawdown (“**Commitment Fee**”), payable either in cash or in Shares (based on a 5-day VWAP), at the Company's election. If the Company elects to pay the Commitment Fee for the initial drawdown in Shares (“**Commitment Shares**”), the issue of those Commitment Shares will be subject to Shareholder approval.

For further information in relation to the Convertible Securities Agreement, please refer to the Company's announcement dated 27 March 2025 and Schedule 1 below.

A broad summary of the rights, privileges and restrictions attaching to the Initial Notes is set out in Schedule 1 of this Cleansing Notice. The summary is not exhaustive and does not constitute a definite statement of the rights and liabilities of the holder of Initial Notes (“**Noteholder**”).

This Cleansing Notice is in respect of the Initial Notes only. Any additional issues of Subsequent Notes (if any) will be cleansed under separate cleansing notices or cleansing prospectuses.

2. **Contents of this Cleansing Notice**

This Cleansing Notice sets out the following:

- (a) in relation to the Initial Notes:
 - (i) the effect of the issue on the Company;



- (ii) a summary of the rights and liabilities attaching to the Initial Notes; and
 - (iii) a summary of the rights and liabilities attaching to the Shares that will be issued on the conversion of the Initial Notes; and
- (b) any information that:
- (i) has been excluded from continuous disclosure notices in accordance with the ASX Listing Rules; and
 - (ii) is information that investors and their professional advisors would reasonably require for the purpose of making an informed assessment of:
 - (A) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
 - (B) the rights and liabilities attaching to the Shares; and
- (c) other information relating to the Company's status as a disclosing entity.

3. The effect of the issue on the Company

3.1 Effect of the issue on the Company

The principal effect of the issue of the Initial Notes on the Company is as follows:

- (a) increases the Company's cash reserves by A\$600,000 (before costs associated with the Initial Notes);
- (b) increases the number of unquoted convertible notes on issue from nil to 379,378;
- (c) the Company incurring an unsecured liability for the aggregate face value of the Initial Notes (being US\$436,285); and
- (d) if the Initial Notes are converted, either wholly or in part to Shares, increase the number of Shares on issue as a consequence of the issue of Shares on such conversion.

3.2 Pro-forma Consolidated Statement of Financial Position

To illustrate the effect of the issue of the Initial Notes on the Company, a pro-forma Consolidated Statement of Financial Position ("**Pro-forma Accounts**") which is set out below has been prepared based on the financial position in the Company's 31 December 2024 audited annual report.

The Pro-forma Accounts shows the effect of the issue of the Initial Notes as if they had been issued on 31 December 2024, and no other transactions, in addition to the issue of the Initial Notes, have occurred. In particular the Pro-Forma Accounts do not show the effect of the issue of any subsequent issue of Convertible Notes.

The accounting policies adopted in the preparation of the Pro-forma Accounts are the same as those used in the preparation of the 31 December 2024 audited accounts. The historical and Pro-forma Accounts are presented in an abbreviated form, insofar as they do not include all of the disclosures required by Australian Accounting Standards applicable to annual



financial statements. The Pro-forma Accounts have not been subject to independent audit or review.

The Pro-forma Accounts have been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities on the basis that the issue of the Initial Notes were issued on 31 December 2024. The Company advises that the Pro-forma Accounts is not the current financial position of the Company as at the date of this Cleansing Notice, and that the information is provided for illustrative purposes only.

The Pro-forma Accounts show the impact that the issue of the Initial Notes and associated securities would have had on the Company's financial position as at 31 December 2024, if these securities were issued on that date, taking into account funds of A\$600,000 received (before costs) on the issue of the Initial Notes to Obsidian and the conversion of the Initial Notes to shares.

Consolidated Statement of Financial Position	Audited 31-Dec-24 (\$)	Effect of Issue of Convertible Notes (\$)	Costs of Issue of Convertible Notes (\$)	Pro-forma 31-Dec-24 (\$)
Assets				
Current Assets				
Cash and Cash Equivalents	673,164	600,000	(20,000) ¹	1,253,164
Trade and Other Receivables	227,997	-	-	227,997
Other Assets	228,014	-	-	228,014
Total Current Assets	1,129,175	600,000	(20,000)	1,709,175
Non-Current Assets				
Capitalised exploration expenditure	9,718,683	-	-	9,718,683
Financial assets	213,139	-	-	213,139
Plant and equipment	163,443	-	-	163,443
Total Non-Current Assets	10,095,264	-	-	10,095,264
Total Assets	11,224,439	600,000	(20,000)	11,804,439
Liabilities				
Current Liabilities				
Trade and Other Payables	3,509,010	-	20,000 ²	3,529,010
Total Current Liabilities	3,509,010	-	20,000	3,529,010
Non-Current Liabilities				
Borrowings	-	690,000	-	690,000
Less borrowing costs	-	(90,000) ³	(105,000)	(195,000)
Provisions	36,152	-	-	36,152
Total Non-Current Liabilities	36,152	600,000	(105,000)	531,152
Total Liabilities	3,545,161	600,000	(85,000)	4,060,161
Net Assets	7,679,278	-	65,000	7,744,278
Equity				
Issued Capital	39,954,396	-	15,000 ⁴	39,969,396



Consolidated Statement of Financial Position	Audited 31-Dec-24 (\$)	Effect of Issue of Convertible Notes (\$)	Costs of Issue of Convertible Notes (\$)	Pro-forma 31-Dec-24 (\$)
Reserves	2,747,584	-	50,000 ⁵	2,797,584
Accumulated Losses	(36,710,653)	-	-	(36,710,653)
Equity attributable to equity holders of the Parent	5,991,326	-	65,000	6,056,326
Non-controlling interests	1,687,952	-	-	1,687,952
Total Equity	7,679,278	-	65,000	7,744,278

Note:

1. Reimbursement of legal fees incurred by Obsidian.
2. Estimate of legal fees incurred by Chariot.
3. Adjustment for face value of Notes.
4. Commitment fee of 2.5% of the funds advanced paid in shares (based on a 5-day VWAP).
5. 1,500,000 First Purchase Options valued at amount agreed in cash if not approved by shareholders.

3.3 Potential effect on capital structure

- (a) As at the date of this Cleansing Notice, the total number of issued Shares is 159,053,816 Shares.
- (b) The capital structure of the Company will be affected by the conversion of Initial Notes by the Noteholder.
- (c) Subject to limits on the conversion/redemption under the Convertible Securities Agreement, the Initial Notes:
 - (i) prior to the date that is 12 months from the issue of the Initial Notes ("**Maturity Date**"), can be converted into Shares in whole or in part at the Noteholder's election at any time after 1 June 2025 at:
 - (A) the fixed price of A\$0.14 ("**Fixed Price**"); or
 - (B) in the event of an unremedied event of default and the Noteholder issuing the Company a conversion notice, the lesser of:
 - (I) 80% of the lowest daily VWAP during the 10 trading days prior to the date of the conversion notice; and
 - (II) the Fixed Price.
 - (ii) can be redeemed prior to the Maturity Date at the request of the Company;
 - (iii) can be redeemed prior to the Maturity Date at the request of Obsidian in the event the Company raises funds of more than A\$1,000,000 from any source (other than from Obsidian); or
 - (iv) must be redeemed by the Company on the Maturity Date.
- (d) The effect on the capital structure of the Company upon the issue and conversion of the Initial Notes is as follows:



Upon issue:

Convertible Notes	Number
Convertible notes on issue at the date of this Cleansing Notice, before the issue of the Initial Notes	Nil
Initial Notes issued under the Convertible Securities Agreement	379,378
Total convertible notes on issue following issue of the Initial Notes	379,378

Upon conversion:

Shares	Number
Shares on issue as at the date of this Cleansing Notice ¹	159,053,816
Maximum number of Placement Shares	20,000,000
Maximum number of Shares that may be issued on conversion of Initial Notes ²	4,928,259
Total Shares on issue following conversion of Initial Notes	183,982,075

Note:

1. Includes 160,455 Commitment Shares issued on 28 March 2025.
2. Based on an AUD:USD exchange rate of 1:0.63.

Other securities currently on issue:

The Company currently has the following securities on issue:

- (v) 17,120,764 unquoted options (exercisable at various prices and expiring on or before various dates); and
- (vi) 5,550,000 performance rights (various classes).

There will be no resulting change to the number of options or performance rights on issue upon the issue or conversion of the Initial Notes.

4. Rights and liabilities attaching to Shares issued on conversion of the Initial Notes

The Shares issued to the Noteholder on the conversion of the Initial Notes under the Convertible Securities Agreement will rank equally in all respects with all of the Company's existing Shares.

Under the Convertible Securities Agreement, the Company is required to apply to ASX for quotation of the Shares issued on conversion of any Initial Notes.



Full details of the rights and liabilities attaching to Shares are set out in the Company's constitution, a copy of which can be inspected free of charge, at the Company's registered office during normal business hours.

The following is a broad summary of the rights, privileges and restrictions attaching to all Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders.

(a) **General meetings**

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company. The Company's constitution permits the use of technology at general meetings of shareholders (including wholly virtual meetings) to the extent permitted under the Corporations Act, ASX Listing Rules and applicable law.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the constitution of the Company (**Constitution**).

(b) **Voting rights**

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) **Dividend rights**

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the directors of the Company (**Directors**) may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company.



The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

(d) **Winding-up**

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

(e) **Shareholder liability**

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(f) **Transfer of shares**

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

(g) **Future increase in capital**

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

(h) **Variation of rights**



Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(i) **Alteration of constitution**

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

5. **Compliance with disclosure obligations**

The Company is a “**disclosing entity**” under the Corporations Act and, as such, is subject to regular reporting and disclosure obligations under both the Corporations Act and the ASX Listing Rules.

These obligations require the Company to notify ASX of information about specific events and matters as they arise. In particular, the Company is obliged to continuously disclose to the market immediately any information which a reasonable person would expect to have a material effect on the price or the value of the Shares.

The Company is also required to prepare and lodge with ASIC yearly and half-yearly financial statements accompanied by a directors’ statement and report, and an audit report or review. Copies of documents lodged with ASIC in relation to the Company may be obtained from, or inspected at, an ASIC office.

The Company will provide a copy of each of the following documents, free of charge, to any person on request:

- (a) the annual financial report most recently lodged by the Company with ASIC, being the financial report of the Company for the year ended 31 December 2024;
- (b) any half-year financial report lodged by the Company with ASIC after the lodgement of the annual financial report referred to in paragraph (a) and before the lodgement of this Cleansing Notice with ASX, being the half-year financial report of the Company for the half year ended 30 June 2025; and
- (c) any continuous disclosure notices given by the Company to ASX after the lodgement of the annual financial report referred to in paragraph (a) and before the lodgement of this Cleansing Notice with ASX.



A list of the continuous disclosure notices given by the Company to ASX after lodgement of the annual financial report referred to in paragraph (a) above and before the date of lodgement of this Cleansing Notice with ASX is set out in the table below.

Date	Description of Announcement
31/03/2025	Proposed issue of securities - CC9
28/03/2025	Appendix 4G and Corporate Governance Statement
28/03/2025	Annual Report to shareholders
28/03/2025	Cleansing Notice
28/03/2025	Application for quotation of securities - CC9
28/03/2025	Second Amendment to Black Mountain Purchase Option
27/03/2025	Proposed issue of securities - CC9
27/03/2025	Proposed issue of securities - CC9
27/03/2025	Proposed issue of securities - CC9
27/03/2025	Convertible Note Financing of up to A\$2.0 Million
25/02/2025	Change of Director's Interest Notice
25/02/2025	Cleansing Notice
25/02/2025	Notification regarding unquoted securities - CC9
25/02/2025	Application for quotation of securities - CC9
25/02/2025	Application for quotation of securities - CC9
19/02/2025	High-Potential WA Lithium & Gold Tenements Secured
11/02/2025	Results of Meeting
31/01/2025	Quarterly Activities/Appendix 5B Cash Flow Report
10/01/2025	Letter to Shareholders - General Meeting
10/01/2025	Notice of General Meeting/Proxy Form
8/01/2025	Notification of cessation of securities - CC9
13/12/2024	Proposed issue of securities - CC9
13/12/2024	Amendment to Black Mountain Purchase Option
27/11/2024	Black Mountain Phase 2 Program has Commenced
5/11/2024	Investor Presentation
5/11/2024	Retraction of Comparisons in Investor Presentation
5/11/2024	Notification regarding unquoted securities - CC9
1/11/2024	Notification regarding unquoted securities - CC9
31/10/2024	Quarterly Activities/Appendix 5B Cash Flow Report
28/10/2024	Cleansing Notice
28/10/2024	Application for quotation of securities - CC9
23/10/2024	Change of Director's Interest Notice
21/10/2024	Application for quotation of securities - CC9
21/10/2024	Change of Director's Interest Notice
21/10/2024	Investor Presentation
21/10/2024	Proposed issue of securities - CC9
21/10/2024	Successful Placement



Date	Description of Announcement
17/10/2024	Trading Halt
14/10/2024	Change of Director's Interest Notice
9/10/2024	Restricted securities to be released from escrow
8/10/2024	Change of Director's Interest Notice
3/10/2024	Black Mountain - Strategy & Drilling Plans
12/09/2024	Half Year Accounts
4/09/2024	Clarification to ASX Announcement dated 30 August 2024
2/09/2024	Trading Halt
30/08/2024	Change of Company Secretary and Registered Office
30/08/2024	Chariot & Mustang Lithium LLC Update
20/08/2024	Highly Fractionated Pegmatites Confirmed at Black Mountain
31/07/2024	Quarterly Activities/Appendix 5B Cash Flow Report
24/07/2024	Liquid Assets & Future Proceeds from Divestments
1/07/2024	Notification of cessation of securities - CC9
24/06/2024	Application for quotation of securities - CC9
19/06/2024	Wyoming Summer Exploration Programs
18/06/2024	Notification regarding unquoted securities - CC9
17/06/2024	Application for quotation of securities - CC9
14/06/2024	Restricted securities to be released from escrow
6/06/2024	Restricted securities to be released from escrow
3/06/2024	Application for quotation of securities - CC9
24/05/2024	Restricted securities to be released from escrow
22/05/2024	Results of Meeting
21/05/2024	Final Director's Interest Notice
21/05/2024	Notification of cessation of securities - CC9
21/05/2024	Chairman Resignation and Withdrawal of Resolution at AGM
16/05/2024	Application for quotation of securities - CC9
8/05/2024	Restricted securities to be released from escrow
3/05/2024	Black Mountain Drilling Results
26/04/2024	Quarterly Activities/Appendix 5B Cash Flow Report
19/04/2024	Letter to Shareholders - Notice of Annual General Meeting
19/04/2024	Notice of Annual General Meeting/Proxy Form
18/04/2024	Restricted securities to be released from voluntary escrow
2/04/2024	Date of AGM & Closing Date for Director Nominations
2/04/2024	Notification of cessation of securities - CC9
27/03/2024	Appendix 4G and Corporate Governance Statement
27/03/2024	Annual Report to shareholders



6. Information excluded from continuous disclosure notices

As at the date of this Cleansing Notice, the Company advises that it has fully complied with its disclosure obligations under the ASX Listing Rules and the Corporations Act, and, in particular, there is no information which the Company has excluded from any of its continuous disclosure notices given in accordance with the ASX Listing Rules and the Corporations Act as at the date of this Cleansing Notice which it would be reasonable for investors and their professional advisors to require for the purpose of making an informed assessment of:

- (a) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
- (b) the rights and liabilities attaching to the Initial Notes and the Shares.

Authorised on behalf of the Board of Directors.

Shanthar Pathmanathan
Managing Director
Chariot Corporation Ltd

Important Notice

Statements in this announcement are made only as of the date of this announcement unless otherwise stated and the information in this announcement remains subject to change without notice.

To the maximum extent permitted by law, neither Chariot nor any of its affiliates, related bodies corporate, their respective officers, directors, employees, advisors and agents or any other person accepts any liability as to or in relation to the accuracy or completeness of the information, statements, opinions or matters (express or implied) arising out of, contained in or derived from this announcement or any omission from this announcement or of any other written or oral information or opinions provided now or in the future to any person.

This announcement may contain some references to forecasts, estimates, assumptions and other forward-looking statements. Although the Company believes that its expectations, estimates and projected outcomes are based on reasonable assumptions, it can give no assurance that they will be achieved.



About Chariot

Chariot Corporation Limited is a mineral exploration company focused on discovering and developing high-grade and near surface lithium opportunities in the United States. Chariot has twelve (12) lithium projects, including two core projects (the “**Core Projects**”) and a number of exploration pipeline projects which Chariot majority owns and operates. The Core Projects include Chariot’s flagship Black Mountain Project (which is prospective for hard rock lithium) in Wyoming, USA and the Resurgent Project (which is prospective for claystone lithium) in Nevada and Oregon, USA. Initial survey results from the Core Projects indicate high-grade lithium mineralisation at surface.

Chariot holds an interest in six exploration pipeline projects located in Wyoming, USA, including, the Copper Mountain Project, the South Pass Project and four other hard rock lithium projects.

Chariot also holds an interest in applications for seven (7) exploration licences in the highly prospective Southern Cross Greenstone Belt, Western Australia. The Southern Cross Greenstone Belt, one of Western Australia’s most significant gold-producing regions with over 150 mines, is now emerging as a key region for LCT pegmatites.

Chariot holds an interest in a hard rock lithium project in Zimbabwe. The Zimbabwe project licences are in the process of being relinquished.

In addition, Chariot holds a portfolio interest in certain properties prospective for claystone hosted lithium located in the State of Nevada in the United States through its interest in Mustang Lithium LLC.



Schedule 1 - Terms and conditions of Initial Notes

Issue of Convertible Notes	The Company may create and issue convertible notes convertible into fully paid ordinary shares in the Company (Shares) under the Convertible Securities Agreement (Convertible Notes) and Obsidian agrees to subscribe for the Convertible Notes in accordance with the Convertible Securities Agreement.
Commitment Limit	A\$2,000,000 (Commitment Value).
Face Value	US\$1.15 per Convertible Note (Face Value).
Maturity Date	12 months after each Purchase (defined below) (each, a Maturity Date).
Purchases	<p>On each Purchase Date (set out below) Obsidian must pay the Company the relevant Purchase Price (set out below) and in consideration the Company must issue the relevant number of Convertible Notes, on the following Purchases:</p> <p>(a) First Purchase: A\$600,000, within 5 business days after the execution date of the Convertible Securities Agreement (Execution Date); and</p> <p>(b) Subsequent Purchases: such amount as Obsidian and the Company may agree in respect of the relevant subsequent purchase, provided that the aggregate Purchase Price under all Purchases cannot exceed the Commitment Limit, at such time as agreed between the Company and Obsidian.</p> <p>The Company will issue the number of Convertible Notes that is equivalent to the actual amount paid in US\$ by Obsidian. The number of Convertible Notes that may be issued may change depending on the prevailing AUD:USD exchange rate at the time that the Convertible Notes are issued under the Convertible Securities Agreement.</p>
Number of Initial Notes	The Company has issued 379,378 Initial Notes to Obsidian under the First Purchase.
Placement Shares	<p>(a) In consideration for Obsidian entering into the Convertible Securities Agreement, the entering into the Convertible Obsidian a total of 20,000,000 Shares ("Placement Shares").</p> <p>(b) During the term of the Convertible Securities Agreement, Obsidian may elect to:</p> <p>(i) purchase the Placement Shares at a price based on the average of the 7 lowest daily VWAPs during the 15 trading days prior to Obsidian notifying the Company its intention to purchase Placement Shares, rounded down to the lowest A\$0.01 (Purchase Price);</p> <p>(ii) elect to apply the Purchase Price to the redemption of outstanding Convertible Notes at 100% of their Face Value; or</p> <p>(iii) at any time the Company is required to issue Shares to Obsidian under the Convertible Securities Agreement, use the Placement Shares to wholly or partially offset the Company's obligation to issue those Shares.</p> <p>(c) If any Placement Shares remain outstanding following full repayment of the Convertible Notes and termination of the Convertible Securities Agreement, Obsidian must either (at its election):</p> <p>(i) pay the Company an amount per Placement Share equal to 90% of the average of the 3 daily volume weighted average prices on ASX during</p>



	<p>the 15 trading days immediately prior to the date upon which Obsidian makes the payment, rounded down to the lowest \$0.01;</p> <p>(ii) sell the Placement Shares on market and pay the Company 95% of the net sale proceeds to the Company; or</p> <p>(iii) transfer the Placement Shares to the Company's nominee for no consideration.</p>
Options	<p>(a) The Company will issue Obsidian 1,500,000 options exercisable at A\$0.21 on or before the date that is two years from the date of issue (Investor Options), subject to shareholder approval. If Shareholder approval is not obtained for the options at the Company's next general meeting, the Company must pay Obsidian A\$50,000 in lieu of issuing them</p> <p>(b) The Company will issue Obsidian 150,000 Investor Options per additional A\$100,000 drawn down under the Convertible Securities Agreement, subject to Shareholder approval.</p>
Commitment Fee	<p>At each drawdown of Convertible notes, the Company will pay Obsidian a commitment fee equal to 2.5% of the funds advanced at each drawdown ("Commitment Fee"), payable either in cash or in Shares (based on a 5-day VWAP), at the Company's election. If the Company elects to pay the Commitment Fee for the initial drawdown in Shares, the issue of such Shares will be subject to Shareholder approval.</p>
Conditions to First Purchase	<p>Obsidian has no obligation in respect of the First Purchase unless and until the following conditions are satisfied:</p> <p>(a) the Company has delivered to Obsidian:</p> <p>(i) a duly passed board resolution entering into the Convertible Securities Agreement;</p> <p>(ii) a certificate executed by the Company's CEO, managing director or chairman; and</p> <p>(iii) an executed purchase statement;</p> <p>(b) all of:</p> <p>(i) the Company has announced the Company's entry into the Convertible Securities Agreement on ASX which contains a statement that based on legal advice from a suitably qualified and experienced lawyer, that the Company confirms that the terms of the Convertible Securities Agreement are market standard and that none of the features noted in section 5.9 of ASX Guidance Notice 21 are present; and</p> <p>(ii) ASX has not advised the Company that it considers the terms of Obsidian's securities are not both appropriate and equitable for the purposes of Listing Rule 6.1; and</p> <p>(c) the Company has released this cleansing statement in respect of the issue of the Initial Notes; and</p> <p>(d) the Company has either paid the Commitment Fee in respect of the First Purchase or issued the Commitment Shares in respect of the First Purchase to Obsidian.</p>
Conditions to Subsequent Purchases	<p>Obsidian has no obligation in respect of the Subsequent Purchases unless and until the following conditions are satisfied:</p> <p>(a) the Company has obtained shareholder approval to the issue of the Convertible Notes to be issued at the Subsequent Purchase which remains valid at the time of the Subsequent Purchase;</p>



	<p>(b) the Company and Obsidian have agreed the Purchase Price and Purchase Date in respect of the Subsequent Purchase;</p> <p>(c) the Purchase Price, when aggregated with all Purchase Prices from prior Purchases, will not exceed the Commitment Limit;</p> <p>(d) the Company has given a cleansing statement in accordance with <i>ASIC Corporations (Sale Offers: Securities Issued on Conversion of Convertible Notes) Instrument 2016/82</i> in respect of the issue of the Convertible Notes to be issued at the relevant Additional Purchase;</p> <p>(e) the Company has either paid the Commitment Fee in respect of the relevant Additional Purchase or issued the Commitment Shares in respect of the relevant Additional Purchase to Obsidian; and</p> <p>(f) the Company has issued to Obsidian all Placement Shares requested to be issued by Obsidian under the Convertible Securities Agreement.</p>
Interest	No interest is payable on the Convertible Notes except if an event of default occurs, interest will be payable on the Amount Outstanding and any other amounts payable under the Convertible Securities Agreement, at a rate of 15% per annum accruing daily and compounded monthly.
Conversion Prices	<p>Obsidian can convert one or more Convertible Notes on issue to them at any time at:</p> <p>(a) A\$0.14 (Fixed Price); or</p> <p>(b) in the event of an unremedied event of default and the Noteholder issuing the Company a conversion notice, the lesser of:</p> <p>(i) (I) 80% of the lowest daily VWAP during the 10 trading days prior to the date of the conversion notice; and</p> <p>(ii) the Fixed Price.</p>
Limitations on Conversions	Obsidian may only give conversion notices on and after 1 June 2025, unless in an event of default occurs.
Redemption Amount	<p>The Convertible Notes are redeemable at:</p> <p>(a) 107.5% of the amount outstanding (being the Face Value plus any other amounts payable by the Company to Obsidian) in respect of the relevant Convertible Notes, prior to 1 June 2025; and</p> <p>(b) 110% of the amount outstanding in respect of the relevant Convertible Note Notes on or after 1 June 2025,</p> <p>(Redemption Amount).</p>
Early Redemption on raise	<p>Obsidian may at any time, subsequent to the date of the execution of the Convertible Securities Agreement, provide written notice to the Company, where the Company raises funds in aggregate of more than A\$1,000,000 from any source (other than from Obsidian), requiring the Company to apply the greater of:</p> <p>(a) 50% of the aggregate Face Value of the then outstanding Convertible Notes; and</p> <p>(b) 25% of the aggregate funds raised,</p> <p>to the redemption of outstanding Convertible Notes at the Redemption Amount.</p>
Early Redemption by Company	<p>The Company may, at any time prior to the Maturity Date, redeem some or all of the Convertible Notes at any time by giving notice to Obsidian and paying the Redemption Amount (Early Redemption Notice).</p> <p>The Company may not give an Early Redemption Notice in respect of any Convertible Notes the subject of an existing conversion notice, if an event of default has occurred or at any</p>



	time prior to the Company satisfying its obligations to issue Investor Options to Obsidian under the Convertible Securities Agreement.
Redemption on Maturity	On each Maturity Date, the Company must redeem all outstanding Convertible Notes that mature on that Maturity Date by paying Obsidian the Redemption Amount in respect of the relevant Convertible Notes.
Share Restrictions	<p>(a) No Shares will be issued under the Convertible Securities Agreement if it would result in Obsidian or any person holding a relevant interest in more than 19.99% of the Shares on issue. In this case, the Company must not issue the Shares to Obsidian but must instead repay to Obsidian the relevant Amount Outstanding.</p> <p>(b) If Obsidian sells any Shares issued to it under the Convertible Securities Agreement, Obsidian must not sell Shares on any trading day in excess of the greater of:</p> <ul style="list-style-type: none">(i) 20% of the daily trading volume on that trading day on ASX and Chi-X (as reported by IRESS); and(ii) A\$20,000, <p>which will cease to apply in an event of default under the Convertible Securities Agreement.</p>
Events of default	Events of default include, amongst others, the following: <ul style="list-style-type: none">(a) failure to pay an amount owed to Obsidian;(b) a material breach or failure to comply with any material obligation under the transaction documents (subsisting for 5 business days following notice to rectify such breach or failure);(c) the occurrence of a material adverse effect; or(d) the occurrence of a change of control in respect of the Company.
Termination	The Convertible Securities Agreement may be terminated by agreement of the Parties at any time and otherwise: <ul style="list-style-type: none">(a) by either party by notice to the other, effective immediately, if the First Purchase has not occurred within three business days of the Purchase Date or such later date as the parties agree in writing, however this right is not available to any party that is in material breach of or default under the Convertible Securities Agreement; or(b) by Obsidian in the case of an unremedied event of default or change of law.
Ranking on Conversion	Shares issued on conversion of the Convertible Notes will rank equally with existing Shares on issue.
Reconstruction of Capital	If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of the holder will be changed to the extent necessary to comply with the ASX Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.
No Voting Rights	Except as required by law, the Convertible Notes will not carry any right to attend or vote at general meetings of the Company.