

29 July 2025

Dear Optionholder

PATAGONIA LITHIUM LTD – NON-RENOUNCEABLE ENTITLEMENT OFFER

As announced on 29 July 2025, Patagonia Lithium Ltd (**ASX:PL3**) (**Patagonia**) is undertaking a fully underwritten pro-rata non-renounceable entitlement offer of one (1) new fully paid ordinary share (**Share**) for every two (2) Shares held at the Record Date at an issue price of A\$0.045 per new Share (**Entitlement Offer**).

Patagonia lodged a prospectus for the Entitlement Offer (**Prospectus**) with ASIC on 29 July 2025 which was released on Patagonia's ASX announcement platform on the same day. Patagonia intends to apply the funds raised from the Entitlement Offer (after expenses) to complete the current drill program in Argentina, expand the Mineral Resource Estimate to a higher percentage of indicated and measured and for general working capital purposes.

Following completion of the Entitlement Offer, as the Entitlement Offer is fully underwritten, Patagonia will have issued approximately 59,705,180 new Shares.

From 29 July 2025, the Prospectus will be available to download from both www.asx.com.au and www.patagonialithium.com.au and will subsequently be despatched to eligible shareholders on 6 August 2025.

You currently hold options to acquire Shares (**Options**). Accordingly, you will only be entitled to participate in the Entitlement Offer if you exercise those Options before the Record Date by following the process set out below.

Exercise of Options

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

1. specifies the number of vested Options being exercised; and
2. provides an electronic funds transfer for the exercise price for the number of Options being exercised, so that it is received prior to the Record Date.

Patagonia will allot and issue Shares to you after receiving a valid exercise notice and cleared funds and will endeavour to do so before the Record Date if a valid notice and cleared funds are received by 1 August 2025. You should take this timing into

Capital structure

119.4m - PL3 shares
14.6m - PL3O quoted options
14.2m - unquoted options

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

Board

Phil Thomas - Exec Chair
Rick Anthon - NED
Pablo Tarantini - NED
Jarek Kopias - Co Sec

consideration to ensure that you are recorded on Patagonia's register as the holder of Shares as at 7:00pm (Sydney time) on the Record Date.

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

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

Jarek Kopias
Company Secretary
Patagonia Lithium Ltd