

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

TIANQI LITHIUM

Tianqi Lithium Corporation

天齊鋰業股份有限公司

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 9696)

INSIDE INFORMATION ANNOUNCEMENT

ENTERING INTO A SIGNIFICANT AGREEMENT BY A MAJOR INVESTEE OF THE COMPANY

This announcement is made by Tianqi Lithium Corporation (the “**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), regarding the signing of the Partnership Agreement (the “**Partnership Agreement**”) between the Company’s major investee Sociedad Química y Minera de Chile S.A. (“**SQM**”) and Corporación Nacional del Cobre de Chile (“**Codelco**”).

BACKGROUND INFORMATION

The Company invested USD4.066 billion to purchase a 23.77% equity interest in SQM in 2018, becoming its second-largest shareholder. As of the date of this announcement, the Company holds approximately 22.16% equity interest in SQM. SQM is an investee of the Company.

SQM is a key global producer of potassium and lithium, with its headquarters in Santiago, Chile, and is currently listed on the New York Stock Exchange in the United States of America and the Santiago Stock Exchange in Chile. SQM owns the mining concessions of the Salar de Atacama in Chile, which has high lithium concentration, abundant reserves, established mining conditions coupled with low operating costs, and is equipped with excellent salt lake resource in the world, serving as an important global production area for lithium products. In January 2018, Corporación de Fomento de la Producción de Chile (“**Corfo**”), a department under the Ministry of Economy of the Chile Government, authorised SQM to develop, process and sell a total quota of lithium resources equivalent to around 2.2 million tons of lithium carbonate equivalent (“**LCE**”) within the term of the lease (i.e., prior to 31 December 2030).

THE MOU

On 27 December 2023, SQM announced that it reached a non-legally binding Memorandum of Understanding (“**MoU**”) with Codelco with respect to the operation and development of the Salar

de Atacama during the period from 2025 to 2060. The MoU is a framework agreement upon which both companies hope to build a partnership to produce high-quality lithium products in the Salar de Atacama in a sustainable manner and in harmony with the communities (the "**Transaction**"). In order to achieve that, SQM and Codelco will establish a joint venture based on their partnership. The joint venture will be responsible for the production quota for lithium extraction on the properties that are currently leased by SQM from Corfo in the Salar de Atacama and will be responsible for the execution of projects and the sales of lithium worldwide. SQM mentioned in the announcement that this partnership will permit an efficient transition between "the current SQM lease contracts with Corfo, which expire in 2030", and "the lease contracts that Codelco has from 2031 to 2060". In addition, the partnership of related parties is subject to the satisfaction of a number of conditional precedents, including: 1) obtaining authorisations from the Comisión Chilena de Energ ía Nuclear that are necessary for the exploitation of the leased concessions, 2) notification to and approval of antitrust authorities in Chile and certain other countries, 3) conclusion of the indigenous communities consultation process, 4) satisfaction of each of the parties with the technical and legal due diligence review process of SQM Salar S.A. ("**SQM Salar**") and Minera Tarar SpA ("**Minera Tarar**"). Based on previous consultations with the Chilean Financial Market Commission ("**CMF**"), the board of directors of SQM has agreed that the Transaction contemplated in the MoU will not be proposed for a vote at the shareholders' meetings and was scheduled to sign a formal agreement with Codelco at the end of March 2024.

On 20 March 2024, SQM announced that it would enter into negotiations in good faith with Codelco in order to further amend the MoU signed by the two parties as announced on 27 December 2023, and postpone the signing of the document that specifies the partnership from 31 March 2024 to 31 May 2024. For further details, please refer to the announcement published by the Company on 28 April 2024, on the HKEXnews website of the Hong Kong Exchanges and Clearing Limited (<https://www.hkexnews.hk>).

After the signing and disclosure of the MoU, in order to obtain more open, transparent and sufficient information, the Company requested SQM to convene an extraordinary shareholders' meeting for information, and SQM held an extraordinary shareholders' meeting on 21 March 2024 and made a public announcement concerning the content of this shareholders' meeting. On 28 March 2024, the Company once again requested SQM to convene a new extraordinary shareholders' meeting to discuss and vote on the Transaction contemplated in the MoU. On 24 April 2024, SQM held an extraordinary shareholders' meeting to discuss the Transaction contemplated in the MoU. Besides, SQM published an announcement on 10 April 2024, stating that the board of directors of SQM agreed not to submit to shareholders the voting on the approval of the partnership with Codelco, given that: (1) up to the date, there was neither a partnership agreement nor a final legal structure on the Transaction with Codelco to be approved; and (2) according to a previous consultation made by SQM to the CMF, which indicated in the letter (No. 27980) dated 29 February 2024 that it would be appropriate to approve the partnership Transaction with Codelco by the board of directors of the SQM and not by the shareholders.

In addition, regarding the proposed establishment of a joint venture between SQM and Codelco, the Company has consistently adhered to the position of seeking more open, transparent, and comprehensive information. The Company aims to responsibly and reasonably assess the financial, commercial, and governance impacts of the Partnership Agreement to ensure that the Company's

rights as one of SQM's shareholders are fully protected. The Company engaged three local Chilean law professors/legal experts to discuss the compliance of the relevant deliberation procedures concerning the proposed joint venture between SQM and Codelco with relevant laws and regulations. Upon their analysis, the three law professors/legal experts all concluded that, according to relevant Chilean laws and regulations, the aforementioned Transaction between SQM and Codelco should be approved by an extraordinary shareholders' meeting of SQM.

On 21 May 2024, the Company entrusted Chilean lawyers to submit an application to the CMF requesting that SQM be required to convene an extraordinary shareholders' meeting or take any other preventive or corrective measures deemed necessary by the CMF regarding the aforementioned Transaction with Codelco, and attached relevant reports from the aforementioned law professors/legal experts. The CMF has notified SQM of the Company's application and the request to convene a shareholders' meeting, and has asked SQM to respond by 3 June 2024. As of now, the Company has not yet received any response or feedback.

THE PARTNERSHIP AGREEMENT

On 31 May 2024, SQM entered into the Partnership Agreement with Codelco. The Partnership Agreement established the rights and obligations of the parties to form their partnership for the development of mining and production activities aimed at the production of lithium, potassium and other products from the properties of Corfo in the Salar de Atacama and their subsequent marketing (directly or through its subsidiaries or representative offices), through the merger by incorporation of Codelco's subsidiary, Minera Tarar, into the company's subsidiary, SQM Salar S.A. (the "**Joint Venture**"), subject to the terms and conditions set forth in the Partnership Agreement. The Partnership Agreement includes forms of agreements and documents to be entered into prior to the completion of the Transaction, including the Shareholders' Agreement, the sales agreement for SQM's properties in the Salar de Maricunga, the license that SQM will grant to the Joint Venture over certain industrial property rights, the by-laws and powers of attorney of the Joint Venture, and the manner in which SQM will contribute to SQM Salar those assets and contracts of the Business that are not currently owned by SQM Salar, among others.

Pursuant to the Partnership Agreement disclosed by SQM, a number of conditions precedent remain to be satisfied for the formation of the partnership, including, among others, (i) obtaining governmental approvals in Chile and abroad, (ii) the completion of the indigenous communities consultation process and, (iii) that the request filed by Inversiones TLC SpA ("**Tianqi Chile**") to the CMF that the Transaction be approved at a shareholders' meeting of SQM by two-thirds of shares with right to vote is not accepted. The Partnership Agreement also established as a condition precedent that the Joint Venture and Corfo enter into the contracts to (i) increase of the authorized production quota of lithium that the Joint Venture can exploit from the Salar de Atacama between 2025 and 2030, and (ii) to establish the right to exploit lithium from the Salar de Atacama between 2031 and 2060. Pursuant to the announcement made by SQM, the parties believe that the conditions precedent may be met during the first half of 2025.

SUMMARY OF THE PARTNERSHIP AGREEMENT

The Partnership Agreement was signed between SQM, a investee of the Company, and Codelco. The summary of the Partnership Agreement is as follows:

1. Conditions for the Partnership to Become Effective:

Subject to the satisfaction of the conditions precedent hereinafter set forth, on the closing date (the "**Effective Date**"):

- (a) Minera Tarar will merge into SQM Salar S.A. with a new name to be defined and in the form of a joint stock company (the aforementioned "**Joint Venture**"). For these purposes, the parties must ensure that the shareholders of both companies adopt the shareholders' resolutions (whether at a meeting or otherwise) necessary to, among other things, approve the merger and the new by-laws of the Joint Venture;
- (b) the parties shall execute the Shareholders' Agreement, in the form annexed to the Partnership Agreement;
- (c) SQM will sell to Codelco its properties in the Salar de Maricunga at their book value (approximately USD18,000) according to terms of the sale contract annexed to the Partnership Agreement;
- (d) SQM will grant to the Joint Venture a license over certain industrial property related to the Business and existing at the signing of the Partnership Agreement, which will be non-exclusive, non-transferable, perpetual and irrevocable. The same right, plus additional rights related to know-how and advisory service, will be granted by the Joint Venture to Codelco and its subsidiaries and by the Joint Venture to SQM and its subsidiaries;
- (e) the Joint Venture and SQM will sign an off-take contract for potassium on such terms as the parties negotiate in good faith in accordance with the basic principles annexed to the Partnership Agreement; and
- (f) the Joint Venture and SQM shall execute the transitional services and supply agreement under the terms of the document annexed to the Partnership Agreement.

2. Conditions Precedent:

Regarding the formation of the Partnership, the Partnership Agreement contemplates a series of conditions precedent, including, among others, the following:

- (a) That the injunction request made by Tianqi Chile dated 21 May 2024, to the CMF that the Transaction be approved at a shareholders meeting of the company by two-thirds of the shares with right to vote has not been accepted and that no authority has issued an order preventing the Partnership from becoming effective;
- (b) Representations and warranties made by the parties to the Partnership Agreement are true as of the dates defined by the Partnership Agreement;
- (c) Absence of a Material Adverse Effect;
- (d) The conclusion of the indigenous communities consultation process regarding certain aspects of the CORFO-SQM Contracts, the Amendments to the CORFO-SQM Contracts and the CORFO-Tarar Contracts (each as defined below);
- (e) The subscription by SQM and the Chilean Production Development Corporation ("**CORFO**") of the amendments (the "**Amendments to the CORFO-SQM Contracts**") that SQM and

Codelco want to introduce to the existing contracts between CORFO and the company (the "**CORFO-SQM Contracts**") and that regulate the exploitation of the Salar de Atacama until the year 2030, especially with respect to the increase of the production quota by 300,000 metric tons of lithium carbonate equivalent. The Amendments to the CORFO-SQM Contract have been agreed to by CORFO, Codelco and SQM and can only be modified with their consent;

- (f) The execution by Minera Tarar and CORFO of the new contracts that will regulate the exploitation of the Salar de Atacama from 2031 to 2060 (the "**CORFO-Tarar Contracts**"). The CORFO-Tarar Contracts have been agreed to by CORFO, Codelco and SQM and can only be modified with their consent;
- (g) The approval of the Amendments to the CORFO-SQM Contracts and the CORFO-Tarar Contracts by the General Comptroller of the Republic of Chile;
- (h) Obtaining authorizations from the Chilean Nuclear Energy Commission ("**CCHEN**") in connection with the execution of the Amendments to the CORFO-SQM Contracts and the CORFO-Tarar Contracts on terms acceptable to both parties;
- (i) The notification and approval without conditions, or with mitigation measures acceptable to SQM and Codelco, by antitrust authorities in Chile and abroad;
- (j) The notification and approval without conditions, or with mitigation measures acceptable to SQM and Codelco, by foreign authorities that regulate foreign investment in those countries, if necessary;
- (k) The conclusion of the internal reorganization process of SQM Salar, whereby SQM contributes to SQM Salar those assets, contracts, employees and resources related to the Business that do not belong to SQM Salar as of this date, in order to concentrate in such company all assets, contracts, subsidiaries, employees and other resources necessary for the full development of the Business; and
- (l) The termination of the SEC's ongoing investigation of SQM on the terms defined in the Partnership Agreement.

3. Actions after the Closing:

The Partnership Agreement also regulates certain acts that must take place after the Effective Date, in particular, the application for Chinese Governmental approvals to contribute the shares of company which owns the Sichuan plant to the Joint Venture.

4. Other Stipulations:

The Partnership Agreement includes:

- (a) obligations of the parties in connection with the satisfaction of the conditions precedent to the occurrence of the Effective Date;
- (b) representations and warranties made by SQM with respect to itself, SQM Salar and its subsidiaries, including their assets, liabilities and businesses;
- (c) representations and warranties of Codelco with respect to itself and Minera Tarar, including

its assets, liabilities and business;

- (d) affirmative and negative covenants of the parties with respect to themselves and the management of SQM Salar and Minera Tarar between the signing and the Effective Date;
- (e) obligations of each party to indemnify the other party for any damages caused by (i) certain inaccuracies in the representations and warranties, (ii) some breaches of the obligations (iii) certain risks that SQM and Codelco take upon themselves. These indemnification obligations are subject to certain limitations; and
- (f) regulation of the development of the Salar Futuro Project.

5. Economic Aspects of the Partnership:

The Partnership Agreement established the economic conditions of the Partnership during the First Period (2025-2030) and the Second Period (2031-2060) in relation to (a) the lithium profit quota assigned to Codelco during the First Period, (b) the additional lithium production quota of 300,000 metric tons LCE for the First Period, (c) the exploitation of the Business during the Second Period, (d) the working capital as of the last day of the calendar year prior to the Effective Date (Account Payable to SQM), (e) the specific tax on mining activity (IEAM) (including Retained Receivables), (f) projected Capex between the signing of the Partnership Agreement and the Effective Date and (g) the results of operations of the owner of the Sichuan facility from the Effective Date to the date such facility is contributed to the Joint Venture or sold.

1. Profit Distribution During the First Period, profits will be distributed:

for the First Period

a) Codelco (as holder of Series A Shares) will receive an amount equal to the proportion of the adjusted financial profit of the lithium business equivalent to 33,500 metric tons of lithium carbonate equivalent ("**MT of LCE**"), with respect to the total tons of LCE sold in each fiscal year. This profit does not include the benefit of the fixed 6.8% mentioned in paragraph b) below.

b) SQM (as holder of Series B Shares) will receive an amount equal to the proportion of the adjusted financial profit of the lithium business not distributed to holders of Series A Shares, corresponding to the remainder of the MT of LCE of the current quota and the 165,000 MT of LCE of the additional quota, plus the benefit generated by the reduced lease fee payment of 6.8% fixed for a determined number of MT of LCE per year as established in the Corfo-SQM Contracts, plus the total financial profit related to non-lithium products.

c) In the event that the remaining 135,000 MT of LCE of the additional quota is partially or totally sold to third parties, the financial profits corresponding to such tons will be distributed to Series A and Series B Shares in proportion to the total number of shares.

2. Participation in the additional quota The financial profit associated with the additional quota will be distributed as follows:
- a) The profit from the first 165,000 MT of LCE will be used to compensate SQM for the annual production that will be attributed to Codelco in the First Period.
 - b) The profit from the remaining 135,000 MT of LCE will be distributed to Series A and Series B Shares in proportion to the total number of shares.
3. Profit sharing in the first half of 2031 During the first half of 2031, the profits corresponding to the First Period that have not been distributed as of 31 December 2030 will be determined and distributed.
- Additionally, and if applicable, an amount will be distributed against retained earnings or fiscal 2031 income to Series B Shares to recognize those tons produced attributable to its quota that are in foreign subsidiaries and have not been sold to third parties at the end of the First Period subject to a maximum limit.
4. Profit Distribution in the Second Period Except as indicated for the first half of the year 2031, considering that the Series A and B Shares are transformed into a single series of common shares, with equal economic rights paid as the dividend indicated in the previous number, from that date, dividends are distributed in proportion to the number of shares, except for the dividends to Series C, D and E Shares.
5. Working Capital The Joint Venture's consolidated working capital (i.e., operating assets less operating liabilities) as of the Effective Date will be transformed into a debt of the Joint Venture to SQM.
6. IEAM and retained receivables Certain asset accounts of SQM Salar are classified as Retained Receivables that are not part of the Partnership and must be paid to SQM. Likewise, any collection rights that SQM Salar has, or in the future will have, for the application of the IEAM in years ended on or before the Reference Date are not considered part of the Partnership, nor will any drawings after the Reference Date that were made with reference to amounts accrued in years prior to this date (which must be indemnified) be part of the Partnership. The associated recoveries for purposes of the IEAM will be distributed between SQM and Codelco as holders of the Series D and C Shares according to the participations in the fiscal years in which the amount drawn by the SII was accrued.
7. Capex and Capex Adjustment SQM will instruct SQM Salar and the Business Subsidiaries to make investments in fixed assets (CAPEX) in accordance with the investment budget for the years 2024 and 2025. If the total amount invested in 2024 is more or less than the amount specified in the Partnership Agreement, the adjustments will be made in accordance with the terms of the

Partnership Agreement.

The Partnership Agreement becomes effective on the closing date. The parties to the Partnership shall sign the Shareholders' Agreement in accordance with the format of the annex to this Partnership Agreement. The summary of the Shareholders' Agreement is as follows:

1. Stocks and Series

During the First Period (2025-2030), the capital of the Joint Venture will be divided into 100,000,004 shares, distributed in five series of shares: 50,000,001 Series A Shares, 49,999,999 Series B Shares, 2 Series C Shares, 1 Series D Share and 1 Series E Share.

Codelco will own all of the 50,000,001 Series A Shares and 2 Series C Shares. SQM will own all of the 49,999,999 Series B Shares, the Series D Share and the Series E Share.

The Series A Shares and Series B Shares will have distinct voting rights until 31 December 2030 when each share, whether Series A or Series B, will have one vote. The economic rights of the Series A Shares and Series B Shares will last until the distribution of the dividend corresponding to the 2030 fiscal year, during 2031. After that date, the Series A Shares and Series B Shares will become common shares on a 1:1 ratio.

Series C, Series D and Series E Shares have no voting rights except with respect to modifications or cancellations of their preference and are cancelled at the end of the cause that originated their preference. Shares of these series are not transferable.

Series C and Series D Shares are created solely for the purpose of distributing the benefits associated with the recovery of the specific tax on mining activity (IEAM); Series E, on the other hand, is created solely for the purpose of contributing the Sichuan Plant or the price received for its sale, and the reimbursement of taxes payable as a consequence of such contribution or sale. The respective shares will be cancelled without further notice when the circumstances giving rise to each of these series cease to exist.

2. Board of Directors

(a) First Period Board of Directors (2025-2030)

Composed of 6 members, 3 of which will be appointed by Codelco and the remaining 3 will be appointed by SQM.

The Chairman shall be elected from among the directors elected by Codelco and the Vice Chairman shall be elected from among the directors elected by SQM. None of them shall have a tie-breaking vote.

In the event of a tie in matters submitted to the decision of the Board of Directors that are not Reserved Matters of the Board of Directors, the majority of votes of the directors elected by SQM present at the meeting will determine the matter.

(b) Second Period Board of Directors (2031-2060)

Composed of 7 members elected according to the general shareholder voting rules.

The Chairman shall be appointed by Codelco and the Vice Chairman shall be appointed by SQM. None of them shall have a tie-breaking vote.

Decisions shall be adopted by the affirmative vote of a majority of the directors entitled to vote, except for Reserved Matters of the Board of Directors, which shall require the approval of at least 5 directors entitled to vote.

3. *Reserved Matters of the Board of Directors*

Reserved Matters of the Board of Directors require the approval of at least 5 directors entitled to vote. Reserved Matters of the Board of Directors include:

- (a) Formation of subsidiaries and the disposal of subsidiary shares of the Joint Venture;
- (b) Partnerships with third parties;
- (c) Development of new businesses (whether or not included in the corporate purpose);
- (d) The cessation of the production of any of the Products of the Business sold by the Joint Venture at that time;
- (e) The granting of real or personal guarantees to secure obligations (i) of third parties when such obligations are not the subject of a shareholders' meeting or (ii) of the Joint Venture or its subsidiaries;
- (f) Execution of acts or execution of contracts free of charge;
- (g) Acquisition of fixed assets with an individual or annual value greater than the amount established in the Shareholders' Agreement, except in the case of replacement of plant and equipment to be replaced and contemplated in the budget;
- (h) Disposal of assets included in the fixed assets with an individual or annual value greater than the amount established in the Shareholders' Agreement except in the case of sales of obsolete assets or assets that the Joint Venture no longer uses and that are contemplated in the budget;
- (i) Execution of acts or execution, modification or early termination of contracts that imply payments to or by the Joint Venture for amounts greater annually or during the life of the contract, than those established in the Shareholders' Agreement or contracts with a term greater than that established in the Shareholders' Agreement and that cannot be terminated early by the Joint Venture without penalty with an advance notice of no more than three months, except for contracts under market conditions and subject to maximum terms or volumes;
- (j) The approval of the request for liquidation or reorganization of the Joint Venture or of any of its subsidiaries;
- (k) The issuance of shares and the approval of the minimum placement price of the shares representing a capital increase of the Joint Venture or its subsidiaries, including for workers' compensation plans;
- (l) The filing of claims against third parties or the acceptance of claims filed against the Joint

Venture or its subsidiaries, as well as transactions in respect of disputes, judicial or extrajudicial, in each case when the dispute is for undetermined amounts or equal to or greater than the amount agreed upon by the parties in the Shareholders' Agreement;

- (m) Any action that has the effect or purpose of obtaining, modifying or terminating the authorizations granted by CCHEN to the Joint Venture;
- (n) Matters relating to technical definitions with respect to the Salar Futuro Project that have some degree of relevance according to criteria to be defined in the Shareholders' Agreement;
- (o) The approval of acts or contracts with companies controlled by the State of Chile for relevant amounts or terms to be agreed upon in the Shareholders' Agreement;
- (p) The execution, modification or early termination of the CORFO-SQM Contracts or CORFO-Tarar Contracts, as well as the waiver of any right or the exercise of any option set forth therein;
- (q) The approval of customary transaction policies, or other general exceptions to the approval procedures for related party transactions; and
- (r) The granting of powers of attorney to enter into any of the acts or contracts listed above.

4. Liability of the Parties for the Acts of Their Directors

In the event that any of the directors elected by a party fails to comply with the rules of the Shareholders' Agreement, the shareholder who appointed them shall be deemed to have failed to comply with their obligations under the Shareholders' Agreement, without prejudice to the shareholder's obligation to replace such director as soon as possible.

5. Shareholders' Meeting

- (a) Decisions of shareholders' meetings during the First Period

Except for those matters in which the law requires, or the shareholders have agreed, a supermajority, decisions shall be adopted with the affirmative vote of shares representing an absolute majority of the voting shares of the Joint Venture.

For the calculation of quorums and majorities during the First Period, the special rules of the Shareholders' Agreement shall be followed, under which Series B has a majority of the votes in the Joint Venture.

- (b) Decisions of shareholders' meetings during the Second Period

Except for those matters in which the law requires, or the shareholders have agreed, a supermajority, decisions shall be adopted with the affirmative vote of the majority of the voting shares of the Joint Venture.

6. Reserved Matters of Shareholders' Meetings

They shall require the approval of two-thirds of the voting shares of the Joint Venture.

- (s) Amendments to the bylaws of the Joint Venture or its subsidiaries;
- (t) Issuance of securities convertible into shares of the Joint Venture or its subsidiaries;

- (u) The approval of non-cash contributions (except for the one established to pay the Series E Share) and the payment of non-cash dividends or distributions;
- (v) The acquisition of own shares issued by the Joint Venture or any of its subsidiaries; and
- (w) Matters listed in Article 67 of the Corporations Law of Chile with respect to the Joint Venture or any of its subsidiaries.

7. Management

- (a) First Period: SQM directors will appoint the Chief Executive Officer and Codelco directors will appoint the Chief Financial Officer.
- (b) Second Period: The Chief Executive Officer and the Chief Financial Officer shall be appointed by a majority vote of the Board of Directors.
- (c) Compliance Manager: appointed at the recommendation of the Audit Committee.

8. Dividend Policy

The Joint Venture will have as its dividend policy during the First Period, the distribution of the total profit of the company (adjusted as detailed in the Shareholders' Agreement), according to the following rules:

- (a) Codelco will receive an amount equal to the proportion of the adjusted financial profit of the lithium business equivalent to 33,500 MT of LCE, with respect to the total MT of LCE sold each year. This profit does not include the benefit of the fixed 6.8% mentioned in (b) below.
- (b) SQM will receive an amount equal to the proportion of the adjusted financial profit of the lithium business not distributed to the Series A Shares corresponding to the remainder of the MT of the current quota and the 165,000 MT of LCE of the additional quota, plus the benefit of the fixed 6.8% lease fee of a determined number of tons per year as established in the CORFO-SQM Agreements, plus the total financial profit of the non-lithium products business.
- (c) In the event that the remaining 135,000 MT of LCE of the additional quota is partially or totally sold to third parties, the financial profits corresponding to such MT will be distributed to Series A and Series B Shares in proportion to the total number of shares.
- (d) Additionally, and if applicable, an amount will be distributed against retained earnings or fiscal 2031 income to Series B Shares to recognize those tons produced attributable to its quota that are in foreign subsidiaries and have not been sold to third parties at the end of the First Period, subject to a maximum.

In the Second Period, a distribution policy of 100% of each year's profit will be established subject to (i) compliance with the Joint Venture's financial policy, and (i) that the Joint Venture has paid in full to SQM the Account Payable to SQM referred to in the following paragraph.

The Joint Venture shall pay SQM the working capital adjustment referred to in the Joint Venture Agreement through a Series B dividend, payable in installments (the "Account Payable to SQM"), which will accrue interest at a rate to be agreed upon by the parties.

9. Put and Call for Termination for a Material Breach

If the Shareholders' Agreement is terminated due to a material breach by SQM, Codelco may purchase SQM's shares at fair value with a discount. Similarly, if the Shareholders' Agreement is terminated due to a material breach by Codelco, SQM may sell its shares to Codelco at fair value with a premium.

10. Accounting Consolidation

- (a) First Period: consolidation of the Joint Venture in SQM.
- (b) Second Period: consolidation of the Joint Venture in Codelco.

11. Lithium Off-take Contract

Commencing on the later of (i) 1 January 2034 and (ii) the first anniversary of the estimated date of commencement of the Salar Futuro Project, each Shareholder that owns more than 30% of the Joint Venture's equity may annually purchase from the Joint Venture up to a percentage of the lithium products sold by the Joint Venture equal to its equity interest in the Joint Venture at the market price, which is the average quarterly price of large volume customers.

Note: The summary of the above Partnership Agreement and Shareholders' Agreement are extracted and translated from the English announcement released by SQM and are for reference only. The specific contents shall be subject to the announcement in English and Partnership Agreement in Spanish released by SQM.

INFORMATIONS ON THE PARTIES

SQM

Company Name	Sociedad Química y Minera de Chile S.A.
Main Businesses	Iodine, lithium, potassium, agricultural fertilizers, and chemical raw materials
Place of Registration	Santiago, Chile
Principle Place of Business	El Trovador 4285, Las Condes, Santiago, Chile
Connections with the Company	SQM is an investee of the Company: the Company holds 62,556,568 series A shares of SQM through its wholly-owned subsidiary Inversiones TLC SpA; and 748,490 series B shares of SQM through its wholly-owned subsidiary Tianqi Lithium HK Co., Limited, with a total shareholding ratio of 22.16%.

Codelco

Company Name	Corporación Nacional del Cobre de Chile
Main Businesses	Exploration, development, and mining of copper ore; processing and sales of refined copper and its by-products
Address	Hu érfanos 1270, Santiago, Chile
Connections with the Company	None
Similar Transactions	The Company did not have any similar transactions with Codelco in the past three years.
Contract Performance Capability	Codelco is one of the world's largest copper production companies, with a strong credit profile, operational status, and payment capability. It has a good reputation and performance ability.

IMPACTS ON THE COMPANY AND RISKS

1. Impacts on the Company

According to the announcement of the Partnership Agreement signed between SQM and Codelco disclosed by SQM on 31 May 2024, the financial impact of executing the Partnership Agreement cannot be determined at this time. The transactions related to the Partnership Agreement are expected to be completed on or after 1 January 2025. Therefore, they are not expected to have a significant impact on the Company's financial condition or operating results for the year 2024.

If the Partnership Agreement becomes effective after the conditions precedent contemplated in the Partnership Agreement are met, on the one hand, the Joint Venture's production quota for lithium extraction in the Salar de Atacama may increase and the operational rights for lithium extraction in the Salar de Atacama may be extended. On the other hand, Codelco will receive the distribution of the Joint Venture's profits in accordance with the Partnership Agreement. Due to the limited information available, the Company is currently unable to determine the impact of the aforementioned factors on the investment returns and dividend amounts that the Company is entitled to receive from its shareholdings in SQM.

In preparing the 2023 annual report, the Company conducted an impairment test on SQM based on the information and assumptions available at that time, and the results showed no impairment of SQM as of the date of the 2023 annual report. Based on the currently available details of the Partnership Agreement, the results of the impairment test for the Company's long-term equity investment in SQM as of 31 December 2023 have not undergone significant changes compared to

those reflected in the Company's 2023 annual report, according to the information and assumptions available at that time. Furthermore, the Partnership Agreement does not affect the Company's continued application of the equity method for accounting and subsequent measurement of its long-term investment in SQM. The Company will continue to closely monitor updates from SQM and conduct timely and prudent evaluations from a financial perspective.

2. Risks

The following risks may be associated with the signing of the Partnership Agreement and the establishment of a Joint Venture between SQM, an investee of the Company, and Codelco:

(1) The decision-making procedures that this Transaction should follow are yet to be further confirmed

The Company consistently maintains a stance of seeking more open, transparent, and sufficient information. Based on the relevant information previously disclosed by SQM, the Company believes that the formal agreement should be submitted to the SQM shareholders' meeting for consideration and approval before signing, or it should be set as a precondition for the Transaction. The Company has entrusted Chilean lawyers to submit an application to the CMF requesting that SQM be required to convene an extraordinary shareholders' meeting or take any other preventive or corrective measures deemed necessary by the CMF regarding the aforementioned Transaction with Codelco. The CMF has notified SQM of the Company's application and the request to convene a shareholders' meeting, and has asked SQM to respond by 3 June 2024. According to SQM's announcement, that the above-mentioned request made by the Company will not be accepted and that no authority has issued an order preventing the Partnership from becoming effective are one of the precedent conditions for the Partnership Agreement to become effective. As of now, the Company has not yet received any response or feedback. The Company will continue to follow up SQM's response to the requests submitted to the CMF and for the CMF's final decision. The Company will conduct a comprehensive assessment within the legal framework and may consider actions to ensure the protection of its shareholder interests.

(2) Risk of Failure to Complete the Transaction

According to SQM's announcement, the establishment of the Joint Venture is subject to the fulfilment of a number of conditional precedents, including approval of antitrust authorities in Chile and certain other countries, conclusion of the indigenous communities consultation process, and the request submitted by the Company's wholly-owned subsidiary Tianqi Chile before the CMF that the Transaction be approved at the SQM shareholders' meeting by two-thirds of shares with right to vote is not accepted. In addition, the Joint Venture and Corfo must sign the following contracts as preconditions of the Partnership Agreement: (i) increase of the authorized production quota of lithium that the Joint Venture can exploit from the Salar de Atacama between 2025 and 2030, and (ii) to establish the right to exploit lithium from the Salar de Atacama between 2031 and 2060. Therefore, there is still some uncertainty as to whether the Transaction can be completed. Since SQM's mining and operational rights for the lithium business in Salar de Atacama will expire in 2030, if the Transaction cannot be completed and there is no better alternative and if SQM fails to obtain new quotas for lithium extraction from the Salar de Atacama in time, SQM will be unable

to continue its lithium business in Salar de Atacama. Given the proportion of revenue and profit this part of the business represents in its overall operating income and profit, SQM's operational performance will be significantly impacted, thereby negatively affecting the Company's investment returns from SQM. The Company will continue to monitor the progress of the relevant Transaction, dynamically assess its impact, take timely risk control measures, strengthen communication and coordination with relevant parties, and proactively respond to various possible situations to safeguard the Company's legitimate rights and interests as one of the shareholders of SQM and protect the interests of the Company and all shareholders from being harmed.

(3) Risk of Losing Control by SQM Over its Core Lithium Business

Currently, SQM holds control over its lithium business operations in Chile. The partnership between SQM and Codelco is anticipated to take effect in 2025 upon the satisfaction of the aforementioned conditions precedent. Although SQM's operational rights for lithium extraction in the Salar de Atacama are proposed to be extended from 2030 to 2060, and the authorized production quota for lithium extraction in the Salar de Atacama is set to increase from 2025 to 2030, the majority ownership of the core lithium business in the Salar de Atacama will transition to Codelco through the Joint Venture from 2025 onwards, and it will be consolidated into Codelco's financial statements in the second period. Consequently, it is expected that from 2031, SQM will no longer have control over its core lithium operations in the Salar de Atacama, potentially leading to adjustments in SQM's strategic planning or hindering the effective implementation of existing strategies. Additionally, the loss of control may impact SQM's ongoing development due to differences in decision-making efficiency and starting points.

(4) Risk of Impact on the Company's Investment Returns and Economic Interests Due to Affected Revenue from SQM's Lithium Business

According to the announcement made by SQM, although the Partnership Agreement stipulates that SQM will sign the Amendments to the Corfo-SQM contract with Corfo to increase the production quota of lithium carbonate equivalent by 300,000 metric tons before 2030, there is a certain degree of uncertainty regarding whether this production quota can be fully achieved and the potential economic benefits it may bring. Additionally, there is uncertainty regarding the costs associated with the Joint Venture's future lithium business quota increase from 2031 to 2060, following the completion of the Transaction. Furthermore, Codelco will have an equity interest of over 50% in SQM's operations at the Salar de Atacama in Chile. Changes in future returns from SQM may reduce the Company's investment income and dividends from SQM, potentially requiring the Company to establish impairment provisions for this investment. The Company will closely monitor updates from SQM and will promptly conduct prudent assessments from financial, commercial, legal and governance perspectives.

(5) Risk of Impact on the Company's Rights in Participating in SQM's Corporate Governance

SQM is one of the Company's significant investees. According to the previous investment agreement, the Company is entitled to appoint three independent directors to the SQM Board. As per the Partnership Agreement disclosed by SQM, SQM plans to transfer assets, contracts, employees, and resources related to the business, which are currently not part of SQM Salar, to

SQM Salar, forming a Joint Venture with Codelco at the subsidiary level and establishing related governance arrangements for the Joint Venture. In this scenario, it is possible that the Company's appointed directors may see their legitimate rights and supervisory capacity at the SQM corporate level diminished, thus the Company's interests as the second-largest shareholder, as well as those of other minority shareholders, cannot be effectively protected. The Company will closely monitor changes in the situation, timely adjust its strategies and measures, and take appropriate actions within the legal framework to protect its legitimate rights and interests.

THE COMPANY'S FOLLOW-UP ACTIONS

Previously, the Company has twice proactively requested SQM to convene a shareholders' meeting to review and approve the relevant Transaction. On 21 May 2024, the Company entrusted Chilean lawyers to submit an application to the CMF requesting that SQM be required to convene an extraordinary shareholders' meeting or take any other preventive or corrective measures deemed necessary by the CMF regarding the aforementioned Transaction with Codelco, and attached relevant reports from the aforementioned legal experts. The CMF has notified SQM of the Company's application and the request to hold a shareholders' meeting and has required a response by 3 June 2024. As of now, the Company has not received any feedback or response. The Company will continue to follow up the relevant responses from SQM and CMF and actively seek to have the Partnership Agreement Transaction reviewed at an SQM shareholders' meeting. This will allow the Company to thoroughly assess the financial, commercial, and governance impacts of the Partnership Agreement and participate in the decision-making process. Meanwhile, the Company will conduct a comprehensive evaluation within legal boundaries and remains open to taking any necessary actions to ensure the protection of its rights as a shareholder.

Following up, the Company will closely monitor the progress of this matter, actively exercise its shareholder rights, and carefully conduct relevant analyses and evaluations. Should there be any significant updates or major developments, the Company will promptly fulfill its disclosure obligations in accordance with relevant laws and regulations.

Shareholders and potential investors of the Company are advised to exercise caution when dealing with the shares of the Company.

By order of the Board
Tianqi Lithium Corporation
Jiang Anqi
Chairlady of the Board and Executive Director

Hong Kong, 3 June 2024

As at the date of this announcement, the Board of the Company comprises Ms. Jiang Anqi, Mr. Jiang Weiping, Mr. Ha, Frank Chun Shing and Mr. Zou Jun as executive directors, and Mr. Xiang Chuan, Ms. Tang Guoqiong, Ms. Huang Wei and Ms. Wu Changhua as independent non-executive directors.