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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 UPDATE ON THE SIGNIFICANT AGREEMENT ENTERED INTO 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).

Reference is made to the announcement of the Company dated 3 June 2024 (the “**Announcement**”) regarding the signing of the Partnership Agreement between the Company’s major investee SQM and Codelco. Unless otherwise indicated, capitalized terms used in this announcement shall have the same meanings as those defined in the Announcement.

PROGRESS UPDATE

On 18 June 2024, local time in Chile, the CMF publicly released the “CMF informa que publicó respuesta a presentación de Inversiones TLC SpA” (“**CMF’s Reply to the Submission by Tianqi Chile**”). The CMF believes that it is not appropriate for an extraordinary shareholders’ meeting to decide on the Partnership Agreement, so that this Transaction should be analyzed and resolved by SQM’s board of directors; the foregoing is without prejudice to the shareholders’ right, if applicable, to pursue the responsibilities of the directors in accordance with the general rules, in the event that damages are caused to SQM and shareholders. As such, the CMF does not accept Tianqi Chile’s request.

(Note: The above content is primarily based on the interpretation of the Spanish document released by CMF and is provided for reference purposes only. Please refer to the original Spanish document for specific details.)

IMPACT ON THE COMPANY

Based on the provisions of the Partnership Agreement, one of the conditions precedent for establishment of the Joint Venture was that “the injunction request made by Tianqi Chile (a wholly-owned subsidiary of the Company) dated 21 May 2024, to the CMF that the Transaction be approved at a shareholders’ meeting of SQM 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”. However, there remains uncertainty for the satisfaction of other conditions precedent in the Partnership Agreement. The Company will conduct a comprehensive assessment within the scope of law and does not rule out the possibility of taking actions to safeguard its interests as a SQM shareholder.

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

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, 19 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.