赣锋锂业
GanfengLithium

Ganfeng Lithium Group Co., Ltd.
江西贛鋒鋰業集團股份有限公司

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

(Stock Code: 1772)

DISCLOSEABLE AND CONNECTED TRANSACTIONS SUBSCRIPTION FOR CONVERTIBLE DEBENTURE OF LAR BY GFL INTERNATIONAL

SUBSCRIPTION FOR CONVERTIBLE DEBENTURE OF LAR

On August 24, 2026, GFL International and LAR entered into the Convertible Debenture Subscription Agreement, pursuant to which GFL International agreed to subscribe a 6-year term unsecured convertible debenture issued by LAR with its self-owned funds of USD180 million to support LAR's funding needs, including the repayment of its prior debts.

IMPLICATIONS OF THE LISTING RULES

As of the date of this announcement, LAR indirectly holds 44.8% of Exar, a non-wholly owned subsidiary of the Company. Accordingly, LAR is a connected person of the Company at subsidiary level, the Subscription for Convertible Debenture of LAR constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

On August 12, 2025, GFL International and Lithium Argentina mutually agreed to enter into a new debt facility (the "**New Debt Facility**") pursuant to which the Company or its subsidiary will make available to LAR an aggregate amount of US$130 million as financial assistance to support LAR's funding needs. As of the date of this announcement, the New Debt Facility has not yet been drawn down. Please refer to the announcement of the Company dated August 12, 2025 for details of the New Debt Facility.

As the highest percentage ratio (other than the profits ratio) of the Subscription and the New Debt Facility, on an aggregated basis, exceeds 1%, the Subscription for Convertible Debenture of LAR is subject to the reporting and announcement requirements but is exempt from the circular (including independent financial advice) and independent shareholders' approval requirements pursuant to Rule 14A.76(2) and 14A.101 of the Listing Rules. In addition, as the profits ratio of the Subscription and the New Debt Facility, on an aggregated basis, exceeds 5% but is less than 25%, the Subscription for Convertible Debenture of LAR constitutes a discloseable transaction under Chapter 14 of the Listing Rules.

SUBSCRIPTION FOR CONVERTIBLE DEBENTURE OF LAR

On August 24, 2026, GFL International and LAR entered into the Convertible Debenture Subscription Agreement, pursuant to which GFL International agreed to subscribe a 6-year term unsecured convertible debenture issued by LAR with its self-owned funds of USD180 million to support LAR's funding needs, including the repayment of its prior debts.

Principal amount	:	USD180 million
Parties	:	GFL International (as purchaser); LAR (as issuer)
Consideration and Payment Term	:	USD180 million. The consideration for the Subscription shall be paid in full in cash at Closing, and will be funded by the Group's self-owned funds.
Interest Rate	:	4.0% per annum
Maturity Date	:	the sixth anniversary of the Issue Date (the "**Maturity Date**")
Repayment of principal amount and interest	:	on the Maturity Date, LAR shall pay to GFL International an amount in cash representing all outstanding principal and any accrued and unpaid interest. Interest shall accrue daily from the Issue Date, shall be computed on the basis of a 360-day year, and shall be payable semiannually in arrears on July 15 and January 15 of each year following the Issue Date through the Maturity Date, with the first interest date being January 15, 2027. All accrued and unpaid Interest shall be payable in cash on each Interest Date to GFL International.

Conversion terms	:	GFL International may exercise its conversion rights at any time after they become effective and prior to the Maturity Date, to convert all or part of the then-outstanding and unpaid principal into common shares of Lithium Argentina, and the conversion rights become effective on the earlier of the date of the announcement of a change in control of LAR or the first anniversary of the Issue Date of the Convertible Debenture. The initial conversion price for this conversion is set at USD12.50 per share (the "**Conversion Price**"), and the Conversion Price will be subject to subsequent adjustments in accordance with anti-dilution and other provisions in the Convertible Debenture Subscription Agreement. Assuming the Convertible Debenture are fully converted at the initial conversion price, they will be convertible into 14.4 million common shares of LAR, representing approximately 7.7% of common shares of Lithium Argentina on a fully diluted basis.
Adjustments to conversion price	:	The conversion price will be subject to adjustment from time to time due to the following events: a) adjustment of Conversion Price based on certain distributions or events, such as changes in the face value of the common shares of LAR due to mergers, splits, or reclassifications, dividend or distributions, whether of cash, shares, assets or other property, to shareholders of LAR; b) voluntary adjustment by LAR: subject to the rules of the NYSE and TSX, LAR may at any time during the term of the Convertible Debenture, with the prior written consent of GFL International, reduce the then-current conversion price to any amount and for any period of time deemed appropriate by the board of directors; and

c) dilutive issuance adjustment: if, at any time on or after the Issue Date and until the date that is twelve (12) months after the Issue Date, LAR issues or sells, or is deemed to issue or sell, any common shares, or any securities convertible into, exchangeable for, or exercisable for common shares, in a private placement or other financing transaction, at an effective price per common share that is less than the Conversion Price then in effect, then the Conversion Price shall be decreased accordingly. The foregoing adjustments are intended to protect the holder's interests and to ensure that the conversion terms adjust fairly in line with LAR's capital actions.

Conversion limitation (Exchange Cap) : Without the approval of the shareholders of Lithium Argentina, if the issuance of common shares would exceed the maximum number of shares permitted under applicable listing rules or the laws of the jurisdiction pursuant to which Lithium Argentina is incorporated (the "**Exchange Cap**"), Lithium Argentina shall have no obligation to issue such common shares, and GFL International shall have no right to receive such excess common shares.

Mechanism for dealing with the common shares issuable exceeding the Exchange Cap:

a) Lithium Argentina shall issue to GFL International only the maximum number of common shares not exceeding the Exchange Cap.

b) Any amount that cannot be converted due to exceeding the Exchange Cap shall be deemed not to have been converted and as principal under the Convertible Debenture.

c) Any amount not converted due to conversion limitation shall be treated solely as principal only and not as interest.

d) Within sixty (60) days after the Exchange Cap is first reached or expected to be exceeded, Lithium Argentina shall use commercially reasonable efforts to obtain shareholder approval to waive the Exchange Cap.

e) The board of directors of Lithium Argentina shall recommend that shareholders vote in favor of the resolution in the proxy form/circular for the shareholders' meeting and use its best efforts to secure votes in favor. If the resolution is not approved at the first meeting, Lithium Argentina shall continue to seek approval at each subsequent annual shareholders' meeting and at a special shareholders' meeting convened at the request of the holders (within ninety (90) days of such request) until approval is obtained.

f) Following receipt of shareholder approval, the Exchange Cap shall cease to apply to the extent permitted by law and regulatory rules, and GFL International shall convert the remaining outstanding amount.

Conversion cap	:	To the extent that any conversion would result in GFL International holding more than 19.99% of the total number of issued and outstanding common shares immediately after the issuance, only the portion of the amount that would result in GFL International holding not more than 19.99% of the issued and outstanding common shares shall be converted. Any portion of the amount that exceeds the 19.99% limit and cannot be converted shall be deemed not to have been converted and shall remain as principal under the Convertible Debenture.
Debenture redemption provisions	:	if the stock price reaches 130% of the conversion price on at least twenty (20) of thirty (30) consecutive trading days one year after the date of issuance of the Convertible Debenture, LAR, may, at its option, issue a redemption notice to redeem all or part of the Convertible Debenture from the holder.
Use of proceeds	:	the proceeds will be used to fully repay the existing convertible notes of Lithium Argentina, which mature in January 2027.

Transfer rights	:	the Convertible Debenture shall be assigned or transferred only with the consent of Lithium Argentina, except for transfers to affiliates of GFL International. For the avoidance of doubt, nothing in the Convertible Debenture will restrict GFL International from sale or transfer the converted common shares upon conversion of the Convertible Debenture.
Closing	:	the transaction is expected to close in September 2026, subject to approval by the NYSE and TSX, as well as the satisfaction of customary closing conditions.
Conditions of closing in favor of LAR	:	The obligation of LAR to complete the sale of the Convertible Debenture to shall be conditional upon the fulfilment, or waiver at LAR's discretion, at or before the closing, of the following conditions: a) GFL International executing and delivering all documents and making all payments required, and at the time specified, in the Convertible Debenture Subscription Agreement； b) LAR obtaining all necessary regulatory consents, approvals and authorizations to permit the issuance of the Convertible Debenture and the underlying common shares in the capital of LAR (the "**Underlying Shares**"), including the approval of the TSX and NYSE for the offer, sale and issuance of the Convertible Debenture to the Purchaser and the listing of the Underlying Shares on the TSX and NYSE; and c) GFL International completing, executing and delivering a personal information form and such other documents that may be required in order for LAR to obtain the approval of the TSX and NYSE for the offer, sale and issuance of the Convertible Debenture to GFL International and the listing of the Underlying Shares on the TSX and NYSE.

Conditions of closing in favor of GFL International	:	The obligation of GFL International to complete the purchase of the Convertible Debenture from LAR shall be conditional upon the fulfilment, or waiver at the GFL International's discretion, at or before the closing, of the following conditions: (a) LAR executing and delivering the Convertible Debenture substantially in the form agreed in the Convertible Debenture Subscription Agreement to GFL International; and (b) LAR shall have obtained all necessary regulatory consents, approvals and authorizations to permit the issuance of the Convertible Debenture and the Underlying Shares, including the approval of the TSX and NYSE for the offer, sale and issuance of the Convertible Debenture to GFL International and the listing of the Underlying Shares on the TSX and NYSE.

As of the date of this announcement, none of the conditions of closing has been satisfied.

Pricing Policy and the Basis of Pricing Policy

The principal amount under the Subscription was determined based on Lithium Argentina's funding needs, including the repayment of its prior debts. The Company has conducted a credit assessment on Lithium Argentina with reference to its latest audited financial statements published on the websites of the TSX and the NYSE. Lithium Argentina ended Q2 2026 with USD 100 million in cash and equivalents and received an additional USD27 million in distributions from Cauchari-Olaroz in Q3 2026. With the proceeds of the strategic investment and cash available, Lithium Argentina expects to fully repay the USD260 million convertible notes due January 2027. Based on the foregoing, the Company is satisfied that the risk exposure of the Group under the subscription for Convertible Debenture is acceptable and that the credit risk associated with the Convertible Debenture is adequately addressed. When setting the interest rate of the subscription for Convertible Debenture, the Company has considered, among other factors, the financing rates of three comparable NYSE listed uranium and gold mining companies with similar credit levels to Lithium Argentina, the Secured Overnight Finance Rate set by the Federal Reserve Bank of New York, applicable local regulations and funding costs, prevailing bank deposit interest rates, and recent interest rate trends. The initial conversion price takes into account LAR's volume-weighted average price (USD8.72) for the past 90 trading days as of August 20, 2026 with a premium rate of 43%, which is in line with the premium rate level of other comparable companies in the mining industry. The interest rate and conversion price were finally determined after arm's length negotiation between GFL International and Lithium Argentina. GFL International will finance the Subscription for Convertible Debenture by self-owned fund. For the avoidance of doubt, no unutilized proceeds from the issuance of H Share Convertible Bonds on September 2, 2025 will be utilized to finance the Subscription.

INFORMATION ON THE PARTIES

The Company and GFL International

The Company is principally engaged in the production of lithium hydroxide, lithium compound, lithium fluoride and butyl lithium, and the production, processing and sales of non-ferrous metals, batteries, instrumentation components, machinery and equipment, chemical products, chemical raw materials and chemical products.

GFL International is a private company limited by shares incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company. GFL International's principal businesses are the sales and procurement of lithium products and external investment.

Lithium Argentina

Lithium Argentina is an emerging producer of lithium carbonate for use primarily in lithium-ion batteries and electric vehicles. Lithium Argentina is formerly known as Lithium Americas Corp. and Lithium Americas (Argentina) Corp., and in partnership with the Company operates the Cauchari-Olaroz lithium salt lake project in Argentina and is advancing the development of additional lithium resources in the region. Lithium Argentina is a listed company incorporated in Switzerland, the shares of which are listed on the TSX (TSX: LAR) and on the NYSE (NYSE: LAR). To the best knowledge of the Directors, none of the shareholders holds more than 10% of the equity interest in Lithium Argentina. As of the date of this announcement, Lithium Argentina has a diverse shareholder structure and GFL International holds 9.7% of equity interest in Lithium Argentina. Assuming the Convertible Debenture is fully converted, GFL International will hold approximately 16.1% of the equity interests in Lithium Argentina on a fully diluted basis.

Financial information of Lithium Argentina

Set out below is the financial data of Lithium Argentina for the two years indicated:

Unit: thousand USD

	For the year ended December 31, 2024 (Audited)	2025 (Audited)
Total assets	1,131,223	1,099,780
Net assets	890,930	816,933
Revenue	–	–
Net profit/(loss) before taxation	(25,899)	(76,412)
Net profit/(loss) after taxation	(15,240)	(76,880)

REASONS FOR AND BENEFITS OF THE TRANSACTIONS

The Subscription for Convertible Debenture will further deepen the long-term strategic partnership between the Group and Lithium Argentina. It will enhance Lithium Argentina's capital deployment capacity and provide funding security for the joint projects developed by both parties. Meanwhile, as the Convertible Debenture carries both debt and equity attributes, the Group may obtain stable interest income during the holding period of the Convertible Debenture while enjoying the upside potential of Lithium Argentia's equity. If the conversion is implemented in the future, it will help to build a deeper strategic interest community, strengthen the stability and synergy of cooperation between the Group and Lithium Argentina.

Although the Subscription for Convertible Debenture will lead to a net cash outflow for the Group in the short term, it will not have a significant impact on the sufficiency of the Group's working capital. LAR holds multiple high-quality lithium mineral resources and has sound operating and debt-servicing capacity. The Directors are of the view that the investment risks are controllable and within the risk appetite of the Group's investment policies.

As none of the Directors has a material interest in the Subscription for Convertible Debenture and the transactions contemplated therein, none of them was required to abstain from voting on the Board resolutions approving the Subscription for Convertible Debenture. The Directors (including the independent non-executive Directors) consider that the terms of the Subscription for Convertible Debenture are fair and reasonable, on normal commercial terms or better, and in the interests of the Company and the Shareholders as a whole.

IMPLICATIONS OF THE LISTING RULES

As of the date of this announcement, LAR indirectly holds 44.8% of Exar, a non-wholly owned subsidiary of the Company. Accordingly, LAR is a connected person of the Company at subsidiary level, the Subscription for Convertible Debenture of LAR constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

On August 12, 2025, GFL International and Lithium Argentina mutually agreed to enter into the New Debt Facility pursuant to which the Company or its subsidiary will make available to LAR an aggregate amount of US$130 million as financial assistance to support LAR's funding needs. As of the date of this announcement, the New Debt Facility has not yet been drawn down. Please refer to the announcement of the Company dated August 12, 2025 for details of the New Debt Facility.

As the highest percentage ratio (other than the profits ratio) of the Subscription and the New Debt Facility, on an aggregated basis, exceeds 1%, the Subscription for Convertible Debenture of LAR is subject to the reporting and announcement requirements but is exempt from the circular (including independent financial advice) and independent shareholders' approval requirements under pursuant to Rule 14A.76(2) and 14A.101 of the Listing Rules,. In addition, as the profits ratio of the Subscription and the New Debt Facility, on an aggregated basis, exceeds 5% but is less than 25%, the Subscription for Convertible Debenture of LAR constitutes a notifiable transaction under Chapter 14 of the Listing Rules.

Upon completion of the Subscription for Convertible Debenture of LAR, if GFL International exercises its conversion rights with respect to the Convertible Debenture of LAR, the Company will comply with the requirements for notifiable/connected transactions under Chapter 14/14A of the Listing Rules and will issue further announcements as and when necessary.

DEFINITIONS

"Affiliate"	which means: (a) any other Person that directly or indirectly, through one or more intermediaries, controls such Person; and (b) any other Person that is Controlled by or under common Control with such Person.
"Board"	the board of Directors

"Company"	Ganfeng Lithium Group Co., Ltd. (江西贛鋒鋰業集團股份有限公司), a joint stock company established in the PRC on March 2, 2000 and converted from its predecessor Jiangxi Ganfeng Lithium Company Limited (江西贛鋒鋰業有限公司, formerly known as Xinyu Ganfeng Lithium Company Limited(新余贛鋒鋰業有限公司) into a joint stock company with limited liability under the PRC Company Law on December 18, 2007, the H shares and A shares of which are listed on the Hong Kong Stock Exchange (Stock Code: 1772) and the Shenzhen Stock Exchange (Stock Code: 002460)
"Conversion"	the conversion of the Convertible Debenture by GFL International into the equity interest of LAR pursuant to the terms and conditions of the Convertible Debenture Subscription Agreement
"Convertible Debenture"	the Convertible Debenture with a principal amount of USD180 million to be issued by the LAR under the Convertible Debenture Subscription Agreement
"Convertible Debenture Subscription Agreement"	the convertible debenture subscription agreement, dated August 24, 2026 entered into between the LAR and GFL International in relation to the Subscription and the Conversion
"Directors"	the directors of the Company
"Exar"	Minera Exar S. A., a mining and exploration company established in Argentina in 2006 and a non-wholly owned subsidiary of the Company
"GFL International"	GFL International Co., Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company
"Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Issue Date"	the issue date of the Convertible Debenture, on which GFL International pays the entire principal amount of the Convertible Debenture to the LAR in relation to the Subscription

"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"Lithium Argentina"or "LAR"	Lithium Argentina AG, a listed company incorporated in Switzerland, the shares of which are listed on the TSX (TSX: LAR) and on the NYSE (NYSE: LAR)
"NYSE"	the New York Stock Exchange
"Person"	means an individual, a limited liability company, a partnership, a joint venture, a corporation, a trust, an unincorporated organization, any other entity and any government or any department or agency thereof
"PRC"	the People's Republic of China
"Shareholder(s)"	the shareholder(s) of the Company
"Subscription"	the subscription of the Convertible Debenture pursuant to the Convertible Debenture Subscription Agreement
"TSX"	the Toronto Stock Exchange
"USD"	United States dollar, the lawful currency of the United States
"%"	per cent

By order of the Board
GANFENG LITHIUM GROUP CO., LTD.
LI Liangbin
Chairman

Jiangxi, the PRC
August 24, 2026

As at the date of this announcement, the Board comprises Mr. LI Liangbin, Mr. WANG Xiaoshen, Mr. SHEN Haibo, Ms. HUANG Ting and Mr. LI Chenglin as executive directors of the Company; Ms. LUO Rong as non-executive director of the Company; Mr. WANG Jinben, Mr. WONG Ho Kwan, Mr. XU Jianzhang and Mr. LIU Chongliang as independent non-executive directors of the Company; and Ms. LIAO Cui as employee director of the Company.