
THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other independent professional adviser.

If you have sold or transferred all your shares in Tianqi Lithium Corporation, you should at once hand this circular to the purchaser(s) or transferee(s) or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, 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 circular.

This circular is for information purposes only and does not constitute an offer or invitation to acquire, purchase or subscribe for securities.

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)

**2023 ANNUAL REPORT
2023 PROFIT DISTRIBUTION PLAN
2024 FINANCIAL BUDGET REPORT
SPECIAL REPORT ON THE DEPOSIT AND
USE OF RAISED PROCEEDS IN 2023
PROPOSAL FOR RE-APPOINTMENT OF INTERNATIONAL
AUDITOR AND DOMESTIC AUDITOR FOR 2024
PROPOSAL FOR EXTENDING THE PERIOD OF THE NON-
COMPETITION UNDERTAKING BY TIANQI GROUP COMPANY
PROPOSAL FOR REVISING THE REMUNERATION MANAGEMENT
POLICY FOR DIRECTORS AND SUPERVISORS
PROPOSAL FOR DIRECTOR REMUNERATION ADJUSTMENT
PROPOSAL FOR PROVIDING GUARANTEE FOR THE
APPLICATION TO FINANCIAL INSTITUTIONS FOR CREDIT LINES
BY THE COMPANY AND ITS CONTROLLED SUBSIDIARIES
PROPOSAL FOR APPLYING FOR THE GENERAL MANDATE TO
ISSUE ADDITIONAL H SHARES OF THE COMPANY
PROPOSAL FOR AMENDMENTS TO THE
ARTICLES OF ASSOCIATION
AND
NOTICE OF THE ANNUAL GENERAL MEETING**

Capitalized terms used in this cover shall have the same meanings as those defined in the section headed "Definitions" in this circular.

A notice convening the AGM to be held by the Company at the conference room on the 2nd floor at the headquarters of Tianqi Lithium at No. 166, Hongliang West 1st Street, Tianfu New Area, Chengdu, Sichuan, the PRC at 2:45 p.m. on Tuesday, 28 May 2024 is set out on pages 28 to 30 of this circular.

Whether or not you are able to attend the AGM, you are requested to complete and return the proxy form in accordance with the instructions printed thereon and return it to the Company's H Share Registrar, Computershare Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as possible and in any event not less than 24 hours before the time appointed for holding of the AGM or any adjournment thereof. Completion and return of the proxy form of AGM will not preclude you from attending the AGM and voting in person if you so wish.

29 April 2024

CONTENTS

DEFINITIONS	1
LETTER FROM THE BOARD	5
(1) Introduction	6
(2) The 2023 Annual Report	6
(3) The 2023 Profit Distribution Plan	6
(4) The 2024 Financial Budget Report	10
(5) Special Report on the Deposit and Use of Raised Proceeds in 2023 ...	11
(6) Proposal for Re-Appointment of International Auditor and Domestic Auditor for 2024	12
(7) Proposal for Extending the Period of the Non-Competition Undertaking by Tianqi Group Company	12
(8) Proposal for Revising the Remuneration Management Policy for Directors and Supervisors	14
(9) Proposal for Director Remuneration Adjustment	15
(10) Proposal for Providing Guarantee for the Application to Financial Institutions for Credit Lines by the Company and Its Controlled Subsidiaries	17
(11) Proposal for Applying for the General Mandate to Issue Additional H Shares of the Company	23
(12) Proposal for Amendments to the Articles of Association	25
(13) AGM Arrangement	26
(14) Voting at the AGM	27
(15) Recommendations	27
(16) Responsibility Statement	27
NOTICE OF THE ANNUAL GENERAL MEETING	28

DEFINITIONS

In this circular, the following words and expressions shall, unless the context otherwise requires, have the following respective meanings:

“A Share(s)”	the domestically listed share(s) in the ordinary share capital of the Company with a par value of RMB1.00 each, listed on the SZSE (stock code: 002466), and traded in RMB
“A Shareholder(s)”	the holder(s) of A Share(s)
“AGM”	the annual general meeting of the Company to be held at the conference room on the 2nd floor at the headquarters of Tianqi Lithium at No. 166, Hongliang West 1st Street, Tianfu New Area, Chengdu, Sichuan, the PRC at 2:45 p.m. on Tuesday, 28 May 2024 and any adjournment thereof
“Articles of Association”	the articles of association of the Company, as amended from time to time
“Board” or “Board of Directors”	the board of directors of the Company
“Board of Supervisors”	the board of supervisors of the Company
“Chengdu Tianqi”	Chengdu Tianqi Lithium Co., Limited (成都天齊鋰業有限公司), a wholly-owned subsidiary of the Company
“China” or “PRC”	the People’s Republic of China, excluding, for the purpose of this circular, Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan, China
“Company” or “Tianqi Lithium”	Tianqi Lithium Corporation (天齊鋰業股份有限公司), a joint stock limited company incorporated in the PRC, the H Shares of which are listed on the SEHK and the A Shares of which are listed on the SZSE
“Director(s)”	the director(s) of the Company
“Final Dividend”	the final dividend to be distributed for the year ended 31 December 2023 of RMB13.50 (tax inclusive) for every 10 Shares, please refer to the annual results announcement of the Company dated 27 March 2024 for details
“Group”	the Company and its subsidiaries

DEFINITIONS

“H Share(s)”	the overseas listed share(s) in the ordinary share capital of the Company with a par value of RMB1.00 each, which are listed on the Main Board of SEHK (stock code: 9696)
“H Shareholder(s)”	the holder(s) of H Share(s)
“HK\$” or “Hong Kong dollars” or “HK dollars”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Jiangsu Tianqi”	Tianqi Lithium (Jiangsu) Co., Limited (天齊鋰業(江蘇)有限公司), a wholly-owned subsidiary of the Company held through Chengdu Tianqi
“Latest Practicable Date”	26 April 2024, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules” or “Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC Company Law”	the Company Law of the PRC (《中華人民共和國公司法》)
“RMB”	Renminbi, the lawful currency of the PRC
“Securities Law”	the Securities Law of the PRC (《中華人民共和國證券法》)
“SEHK” or “Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Share(s)”	A Share(s) and H Share(s)
“Shareholder(s)”	the holder(s) of the Share(s), including A Shareholder(s) and H Shareholder(s)
“Shehong Tianqi”	Tianqi Lithium (Shehong) Co., Limited (天齊鋰業(射洪)有限公司), a wholly-owned subsidiary of the Company

DEFINITIONS

“Shenghe Lithium”	Sichuan Tianqi Shenghe Lithium Co., Ltd. (四川天齊盛合鋰業有限公司), a controlled subsidiary of the Company, in which the Company holds 39.2% equity interest, Shehong Tianqi holds 40.8% equity interest with the remaining 20% equity interest held by Zijin Lithium (Hainan) Co., Ltd. (紫金鋰業(海南)有限公司) as at the Latest Practicable Date
“Shenzhen Listing Rules”	the Rules Governing the Listing of Stocks on Shenzhen Stock Exchange, as revised, supplemented or otherwise modified from time to time
“Supervisor(s)”	the supervisor(s) of the Company
“SZSE”	Shenzhen Stock Exchange
“Tianqi Australia Investments 1” or “TLAI 1”	Tianqi Lithium Australia Investments 1 Pty Ltd, a limited liability company incorporated in Australia on 4 May 2018, in which the Company holds a 97.557% equity interest through Tianqi Lithium Australia Investments 2 Pty Ltd with the remaining 2.443% equity interest held through TLH
“Tianqi Group Company”	Chengdu Tianqi Industrial (Group) Co., Limited (成都天齊實業(集團)有限公司), a company with limited liability incorporated in the PRC on 6 December 2003, which is a member of the Single Largest Group of Shareholders of the Company holding 416,316,432 A Shares, representing 25.37% of the total issued share capital of the Company as at the Latest Practicable Date
“Tianqi Lithium HK” or “TLHK”	Tianqi Lithium HK Co., Limited, a wholly-owned subsidiary of the Company held through Chengdu Tianqi
“TLEA”	Tianqi Lithium Energy Australia Pty Ltd, formerly known as Tianqi UK Limited (天齊英國有限公司), a limited liability company incorporated in the United Kingdom on 26 March 2014, in which the Company holds 51% equity interest and the remaining 49% equity interest is held by IGO Lithium
“TLH”	Tianqi Lithium Holdings Pty Ltd, a limited liability company incorporated in Australia on 9 November 2017, which is a wholly-owned subsidiary of the Company

DEFINITIONS

“U.S. dollars” or “US\$”	United States dollars, the lawful currency of the United States
“Windfield”	Windfield Holdings Pty Ltd, a limited liability company incorporated in Australia on 21 September 2012, a subsidiary of TLEA with 51% equity interest held by TLEA
“%”	percent

LETTER FROM THE BOARD

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)

Executive Directors:

Mr. Jiang Weiping
Ms. Jiang Anqi
Mr. Ha, Frank Chun Shing
Mr. Zou Jun

Place of registration:

North Taihe Town
Shehong County
Sichuan Province
the PRC

Independent non-executive Directors:

Mr. Xiang Chuan
Ms. Tang Guoqiong
Ms. Huang Wei
Ms. Wu Changhua

*Principal place of business
in the PRC:*

No. 166, Hongliang West 1st Street
Tianfu New Area Chengdu
Sichuan
the PRC

*Principal place of business
in Hong Kong:*

31/F Tower Two, Times Square
1 Matheson Street
Causeway Bay
Hong Kong

29 April 2024

To the Shareholders

Dear Sir or Madam,

**2023 ANNUAL REPORT
2023 PROFIT DISTRIBUTION PLAN
2024 FINANCIAL BUDGET REPORT
SPECIAL REPORT ON THE DEPOSIT AND
USE OF RAISED PROCEEDS IN 2023
PROPOSAL FOR RE-APPOINTMENT OF INTERNATIONAL
AUDITOR AND DOMESTIC AUDITOR FOR 2024
PROPOSAL FOR EXTENDING THE PERIOD OF THE NON-
COMPETITION UNDERTAKING BY TIANQI GROUP COMPANY
PROPOSAL FOR REVISING THE REMUNERATION MANAGEMENT
POLICY FOR DIRECTORS AND SUPERVISORS
PROPOSAL FOR DIRECTOR REMUNERATION ADJUSTMENT
PROPOSAL FOR PROVIDING GUARANTEE FOR THE
APPLICATION TO FINANCIAL INSTITUTIONS FOR CREDIT LINES
BY THE COMPANY AND ITS CONTROLLED SUBSIDIARIES
PROPOSAL FOR APPLYING FOR THE GENERAL MANDATE TO
ISSUE ADDITIONAL H SHARES OF THE COMPANY
PROPOSAL FOR AMENDMENTS TO THE
ARTICLES OF ASSOCIATION
AND
NOTICE OF THE ANNUAL GENERAL MEETING**

LETTER FROM THE BOARD

1. INTRODUCTION

The purpose of this circular is to provide you with, among other things, the notice of the AGM, and to provide relevant details for you to make informed decisions on certain ordinary and/or special resolutions proposed for voting at the AGM.

2. THE 2023 ANNUAL REPORT

An ordinary resolution will be proposed at the AGM to approve the annual report of the Company for the year ended 31 December 2023 (the “**2023 Annual Report**”), which includes (but not limited to) the Directors’ Report, the Report of the Board of Supervisors and the annual financial statements. The 2023 Annual Report was published on 29 April 2024 on the website of The Stock Exchange of Hong Kong Limited (<http://www.hkexnews.hk>) and the Company’s website (<http://www.tianqilithium.com>).

3. THE 2023 PROFIT DISTRIBUTION PLAN

An ordinary resolution will be proposed at the AGM to approve the proposed profit distribution plan for the year ended 31 December 2023 in accordance with the Articles of Association.

Having taken into consideration of the characteristics of the industry in which the Company operates, its stage of development, its own business model, profitability and other factors, as well as the reasonable demands of investors and allowing all Shareholders to share the operating results of the Company, according to the Articles of Association and the Shareholders’ Return Plan for the Next Three Years from 2023 to 2025 of the Company, the 2023 Profit Distribution Plan was approved at the Board meeting held on 27 March 2024 to recommend the 2023 Profit Distribution Plan as follows: to distribute cash dividend of RMB13.50 (tax inclusive) for every 10 Shares to all Shareholders, based on the total share capital of the Company as at the record date (the “**Record Date**”) of determining the entitlement for dividend (deducting the number of Shares held in the repurchase account of the Company). If the total share capital of the Company changes during the period from the promulgation to implementation of the 2023 Profit Distribution Plan, the aggregate distribution amount will be adjusted based on the total share capital as at the Record Date as determined by the implementation of the 2023 Profit Distribution Plan, with the distribution ratio unchanged.

As of 31 December 2023, the Company has a total share capital of 1,641,221,583 Shares, of which the 467,966 Shares held in the repurchase account of the Company are excluded from the profit distribution, and based on which, a total amount of proposed cash dividend of RMB2,215,017,382.95 will be distributed.

LETTER FROM THE BOARD

The Final Dividend will be declared and calculated in RMB, dividend for A Shareholders will be paid in RMB whereas dividend for H Shareholders will be paid in Hong Kong dollars. The exchange rate of dividend paid in Hong Kong dollars shall be determined by the rate of average benchmark exchange rate of HK\$ against RMB published by the People's Bank of China five business days before the date of declaring the distribution of dividend at the AGM.

The Board believes that the 2023 Profit Distribution Plan is in line with the Company's strategic planning and current development status. It is proposed under the premise of ensuring the Company's normal operation and long-term development, taking into full consideration the Company's operational needs. The proposed plan will not result in a shortage of the Company's liquidity or any other adverse effects.

Taxation in Relation to 2023 Final Dividend

Non-resident enterprise Shareholders

According to the Law of the People's Republic of China on Enterprise Income Tax and its implementation regulations implemented on 1 January 2008 and amended on 24 February 2017 and 29 December 2018, the Company is obligated to withhold and pay enterprise income tax at the rate of 10% from the cash dividend payable to non-resident enterprise Shareholders whose names appear on the H Shareholders' register of the Company on their behalf. Any H Shares registered under the name of non-individual Shareholder, including the H Shares registered under the name of HKSCC Nominees Limited, other nominees, agents or trustees, other organisations or entities, shall be deemed as Shares held by non-resident enterprise Shareholders, and therefore, enterprise income tax will be withheld from the dividend payable to such Shareholders. If holders of H Shares intend to change its Shareholder status, please enquire about the relevant procedures with your agents or trustees. The Company will strictly comply with the law or the requirements of the relevant government authority and withhold and pay enterprise income tax on behalf of the relevant Shareholders based on the register of members for H Shares as at the Record Date.

Non-resident individual Shareholders

Pursuant to the Notice on the Issues on Levy of Individual Income Tax after the Abolishment of Guoshuifa (1993) No. 045 Document (《關於國稅發(1993)045號文件廢止後有關個人所得稅徵管問題的通知》) (Guo Shui Han (2011) No. 348) issued by the State Administration of Taxation, the Company shall withhold and pay the individual income tax for dividend payable to its individual Shareholders and individual Shareholders are entitled to relevant tax preferential treatments according to the tax agreements between those countries where the individual Shareholders are residents and China and the provisions in respect of tax arrangements between the mainland China and Hong Kong (Macau). The Company would withhold and pay the individual income tax at the tax rates of 10% on behalf of the individual Shareholders who are Hong Kong residents, Macau residents or residents of those countries having agreements with China for individual income tax rates in respect of dividend of 10%. For individual Shareholders who are residents of those countries having agreements with China

LETTER FROM THE BOARD

for individual income tax rates in respect of dividend of lower than 10%, the Company may make applications on their behalf to seek entitlement of the relevant agreed preferential treatments pursuant to the Notice of the State Administration of Taxation in relation to the Administrative Measures on Preferential Treatment Entitled by Non-resident Taxpayers under Tax Treaties (SAT Notice [2019] No. 35) (《關於發佈<非居民納稅人享受協定待遇管理辦法>的公告》(國家稅務總局公告2019年第35號)). For individual Shareholders who are residents of those countries having agreements with China for individual income tax rates in respect of dividend of higher than 10% but lower than 20%, the Company would withhold the individual income tax at the agreed-upon effective tax rate. For individual Shareholders who are residents of those countries without any taxation agreements with China or having agreements with China for individual income tax in respect of dividend of 20% and other situations, the Company would withhold the individual income tax at a tax rate of 20%.

Shareholders are recommended to consult their tax advisor regarding the ownership and disposal of H Shares in the PRC and in Hong Kong and other tax effects.

The Company will have no liability in respect of any claims arising from any delay in, or inaccurate determination of the status of the Shareholders or any disputes over the mechanism of withholding.

Investors of Southbound Trading

For investors of the Shenzhen Stock Exchange and Shanghai Stock Exchange (including enterprises and individuals) investing in the H Shares of the Company listed on SEHK (the “**Southbound Trading**”), the Company has entered into the Agreement on Distribution of Cash Dividends of H Shares for Southbound Trading (《港股通H股股票現金紅利派發協議》) with China Securities Depository and Clearing Corporation Limited, pursuant to which China Securities Depository and Clearing Corporation Limited, as the nominee of holders of H Shares for Southbound Trading, will receive all cash dividends distributed by the Company and distribute the cash dividends to the relevant investors of H Shares of Southbound Trading through its depository and clearing system.

The cash dividends for the investors of H Shares of Southbound Trading will be paid in RMB. Pursuant to the relevant requirements under the Notice on the Tax Policies Related to the Pilot Program of the Shenzhen-Hong Kong Stock Connect (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知》) (Caishui [2016] No. 127) and the Notice on the Tax Policies Related to the Pilot Program of the Shanghai-Hong Kong Stock Connect (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知》) (Caishui [2014] No. 81) and, for dividends received by domestic individual investors from investing in H Shares listed on SEHK through Southbound Trading, the company of such H Shares shall withhold individual income tax at the rate of 20% on behalf of the relevant investors. Individual investors who have paid withholding taxes overseas, with effective taxation certificates, can apply to competent taxation authorities of China Securities Depository and Clearing Corporation Limited for tax credit. For dividends received by domestic securities investment funds from investing in shares

LETTER FROM THE BOARD

listed on SEHK through Southbound Trading, the tax payable shall be the same as that for individual investors. The company of such H Shares shall not withhold income tax of dividends for domestic enterprise investors and those domestic enterprise investors shall report and pay the relevant tax themselves.

Investors of Northbound Trading

For investors (including enterprises and individuals) investing in the A Shares listed on the SZSE through SEHK (the “**Northbound Trading**”), their dividends will be distributed in RMB by the Company through the Shenzhen Branch of China Securities Depository and Clearing Corporation Limited to the account of the nominees holding such Shares. The Company will withhold and pay income taxes at the rate of 10% on behalf of those investors and will report to the competent tax authorities for such withholding. For investors of Northbound Trading who are tax residents of other countries and whose country of domicile is a country which has entered into a tax treaty with the PRC stipulating a dividend tax rate of lower than 10%, those enterprises and individuals may apply to the competent tax authorities for the entitlement of the rate under such tax treaty by themselves. Upon approval by the tax authorities, the paid amount in excess of the tax payable by such enterprises and individuals based on the tax rate according to such tax treaty will be refunded.

The Record Date and the distribution date of cash dividends and other arrangements for the investors of Northbound Trading will be the same as those for the A Shareholders.

Shareholders are recommended to consult their tax advisor regarding the tax effects of ownership and disposal of the Shares in the PRC, Hong Kong and other countries (regions).

The cheques for the profit distribution will be despatched by ordinary post to the H Shareholders who are entitled to the profit distribution at their own risk. In case of joint shareholding, the cheques for the profit distribution will be posted to the first named person on the H Shareholders’ register in respect of such joint shareholding.

Explanation of Profit Distribution

The 2023 Profit Distribution Plan was considered and approved by the Board on 27 March 2024 and will be submitted to the Shareholders for consideration and approval at the AGM as an ordinary resolution. If approved by the Shareholders, the Final Dividend is expected to be paid within 2 months after the convention of the AGM (i.e. before 28 July 2024).

LETTER FROM THE BOARD

4. THE 2024 FINANCIAL BUDGET REPORT

Based on the summary of the business operations in 2023 and the analysis on the business situation in 2024, the Board prudently formulated the 2024 Financial Budget Report of the Company after conducting comprehensive analysis on the market and business expansion plans of the Company and considering the impacts of the economic environment, policy changes, industry situation, market demand and other factors on the expectations. Major budget targets in 2024 are as follows:

1. To steadily promote the capacity construction and ramp-up of the Company in the upper and middle streams, further improve the product quality and capacity utilization, continuously explore new markets and achieve operation targets;
2. To continuously improve operational management level and operational efficiency, enhance the synergistic effect of domestic and overseas industries, reduce cost and increase efficiency, so as to respond rapidly to market changes;
3. To actively explore new business and new market, continuously expand the Company's global business layout and enhance the competitiveness of the Company.

To ensure the achievement of the budget, the Company proposes to adopt the following major measures:

1. Strengthening the management on production operation and project operation to ensure the orderly progress of production as scheduled;
2. Enhancing market development and customer maintenance and actively exploring domestic and overseas markets;
3. Boosting the strategic cooperation with companies in the upstream and downstream of the value chain;
4. Optimizing supply chain management to ensure stable supply while reducing procurement costs;
5. Intensifying regulation on capital operation, reducing financial risk, reasonably arranging and using capitals and improving the fund utilization rate;
6. Reinforcing the research and development strength, highlighting the cultivation and introduction of technical talents and constantly improving the product competitiveness of the Company;
7. Strengthening performance evaluations and facilitating the achievement of targets;
8. For other guarantee measures to be adopted by the Company, please refer to the section headed "Outlook" in the 2023 Annual Report of the Company.

LETTER FROM THE BOARD

The above production and operation targets do not represent the Company's profit forecast for 2024. Whether the above targets can be achieved or not depends on the market, policies and other various factors and is subject to uncertainties. Investors are advised to make investments rationally and pay attention to investment risks.

The 2024 Financial Budget Report of the Company was considered and approved by the Board on 27 March 2024 and will be submitted to the Shareholders for consideration and approval at the AGM as an ordinary resolution.

5. SPECIAL REPORT ON THE DEPOSIT AND USE OF RAISED PROCEEDS IN 2023

An ordinary resolution will be proposed at the AGM to approve the Special Report on the Deposit and Use of Raised Proceeds in 2023, the contents of which are about the use of the funds raised in the placement of A Shares to all Shareholders in December 2017 and December 2019 by the Company.

With the record date for rights issue on 15 December 2017, based on the total share capital on the record date being 994,356,650 Shares, the Company allotted A Shares to all Shareholders according to the ratio of 1.5 Shares for every 10 Shares held. The actual number of Shares allotted was 147,696,201 Shares, raising a total of RMB1,633,519,983.06. After deducting certain issuance expenses, the net proceeds amounted to RMB1,604,468,927.16, which were deposited into the Company's bank account (Account No. 7412610182200027161) at China CITIC Bank Chengdu Guanghua Branch on 26 December 2017. The proceeds from this offering have been utilized as committed for the Company's lithium hydroxide monohydrate project in Australia, with an annual production capacity of 24,000 tons. Any remaining funds after project completion have been allocated for permanent working capital supplementation. As of 31 December 2023, the balance of proceeds from this offering amounted to RMB20,086.20 (including interest income of RMB45.5).

With the record date for rights issue on 17 December 2019, based on the total share capital on the record date being 1,141,987,945 Shares, the Company allotted A Shares to all Shareholders according to the ratio of 3 Shares for every 10 Shares held. The actual number of Shares allotted was 335,111,438 Shares, raising a total of RMB2,932,225,082.50. After deducting various issuance expenses, the net proceeds amounted to RMB2,905,054,300.45. The total proceeds from this offering, after deducting registration fees of RMB335,111.44 and the underwriting and sponsorship fees payable, amounted to RMB2,908,378,300.45 (including unreimbursed issuance expenses of RMB3,324,000.00), plus interest income from the placement period of RMB112,888.73, totaling RMB2,908,491,189.18, were deposited into the Company's bank account (Account No. 8111001013000613963) at China CITIC Bank Chengdu Galaxy Dynasty Branch on 26 December 2019. The proceeds from this offering have been utilized as committed for the partial repayment of acquisition loans for the purchase of 23.77% equity interest in SQM. As of 31 December 2023, the remaining balance of proceeds from this offering amounted to RMB310,632.25 (including interest income of RMB703.54).

LETTER FROM THE BOARD

For the full text of the above report, please refer to the announcement published by the Company on 27 March 2024 on the websites of the SZSE and Cninfo (巨潮資訊網).

The Special Report on the Deposit and Use of Raised Proceeds in 2023 was considered and approved by the Board on 27 March 2024 and will be submitted to the Shareholders for consideration and approval at the AGM as an ordinary resolution.

6. PROPOSAL FOR RE-APPOINTMENT OF INTERNATIONAL AUDITOR AND DOMESTIC AUDITOR FOR 2024

The Company intends to put forward to the Shareholders an ordinary resolution to re-appoint KPMG and KPMG Huazhen LLP as the international auditor and domestic auditor of the Company for 2024 respectively for a term of office of one year from the date on which this resolution is considered and approved at the AGM, or until the revocation or variation of such re-appointment by any general meeting of the Company. In addition, the Board proposes that Shareholders to authorize the Board at the AGM, and then the Board to authorize the management of the Company, to determine their remuneration based on the audit workload and a fair and reasonable pricing principle within a range of not exceeding 20% of the 2023 audit service remuneration, and to implement matters relating to the re-appointment of the international and domestic auditor for the year 2024.

7. PROPOSAL FOR EXTENDING THE PERIOD OF THE NON-COMPETITION UNDERTAKING BY TIANQI GROUP COMPANY

The Company has received the Letter from Tianqi Group Company in relation to the “Application for Extension of the Term of Non-Competition Undertakings”. Tianqi Group Company has applied to extend the term for non-competition undertakings, adjusting the expiration date from 24 June 2024 to 36 months commencing from the date of considering and approving such issue at the AGM.

Original Undertakings in 2019

To avoid competition or potential competition with the Company, Tianqi Group Company, the shareholder of the Company, issued a “Non-Competition Undertakings” on 25 June 2019, the undertakings are as follows:

“(1) Regarding Ganzi Tibetan Autonomous Prefecture Tianqi Silicon Co., Limited (“Tianqi Silicon”)

1. When Tianqi Silicon obtains mining rights and Tianqi Lithium deems these rights to have commercial value for exploitation, Tianqi Lithium has the right to unilaterally request the company to sell all the shares of Tianqi Silicon or the mining rights and related assets of Tianqi Silicon to Tianqi Lithium or its designated company within its scope of consolidation at a fair and reasonable price;

LETTER FROM THE BOARD

2. Within five years from the date of issuance of the undertaking, and under the premise of ensuring Tianqi Lithium's priority purchase rights under equal conditions, the company guarantees to sell all the shares of Tianqi Silicon or the mining rights and related assets of Tianqi Silicon at a fair and reasonable price within five years from the date of issuance of the undertaking, through asset sales, equity transfers, or other feasible solutions to Tianqi Lithium or unrelated third parties;
3. From the date of issuance of the undertaking until the final completion of the transaction, Tianqi Silicon, as a wholly-owned subsidiary of the Company, will not engage in the exploitation of lithium mines it holds.

(2) *Regarding Yajiang County Runfeng Minerals Co., Ltd. ("Runfeng Minerals")*

1. When Tianqi Lithium deems the mining rights of Runfeng Minerals to have commercial value for exploitation, Tianqi Lithium has the right to unilaterally request the company to sell all the shares of Runfeng Minerals or the mining rights and related assets of Runfeng Minerals to Tianqi Lithium or its designated company within its scope of consolidation at a fair and reasonable price;
2. Within five years from the date of issuance of the undertaking, and under the premise of ensuring Tianqi Lithium's priority purchase rights under equal conditions, the company guarantees to sell all the shares of Runfeng Minerals or the mining rights and related assets of Runfeng Minerals at a fair and reasonable price within five years from the date of issuance of the undertaking, through asset sales, equity transfers, or other feasible solutions to Tianqi Lithium or unrelated third parties;
3. From the date of issuance of the undertaking until the final completion of the transaction, Runfeng Minerals, as a subsidiary of the company, will not engage in the exploitation of lithium mines it holds."

Performance of Undertaking and Reasons for Extending the Undertaking Period

Since making the above undertakings, Tianqi Group Company has been actively fulfilling its promises, with no occurrences of competition. Given that the exploration of mineral resources and reserves for the projects related to the spodumene and silica mines in Shangdubu, Yajiang County, as well as the vein quartz and spodumene mines in Shaotangou, have not been completed, and the market environment and objective factors are not yet mature, it is anticipated that the undertaking cannot be fulfilled by 24 June 2024. Specifically, regarding the spodumene and silicon ore in Shangdubu, Tianqi Group Company plans to complete the corresponding reserve exploration work by the end of 2024 and needs to further assess whether the standard for converting exploration rights into mining rights and the value for subsequent commercial development are met based on the exploration results of 2024. As for the vein quartz and spodumene mines in Shaotangou, the time for extending the mining license exceeds

LETTER FROM THE BOARD

the original plan. Considering this situation, it is uncertain how long it will take to proceed with the process for changing the reserve volume after the ongoing exploration work to prove the reserve volume is completed. Therefore, the conditions for commercial mining are not yet met before the original undertaking expires on 24 June 2024. As a result, the extension of the period for the fulfillment of the undertakings while the relevant conditions are not yet matured is conducive to safeguarding the interests of the Company and all Shareholders, especially minority Shareholders.

For details on the resolution regarding the extension of the period for non-competition undertakings of Tianqi Group Company, please refer to the announcement published by the Company on 27 March 2024 on the websites of the Hong Kong Stock Exchange, the SZSE and Cninfo (巨潮資訊網).

In accordance with the relevant provisions of “No. 4 Guideline for the Supervision of Listed Companies – the Commitments by Listed Companies and Related Parties”, this proposal is required to be submitted to a Shareholders’ meeting for approval. An ordinary resolution will be proposed at the AGM to approve such matter.

8. PROPOSAL FOR REVISING THE REMUNERATION MANAGEMENT POLICY FOR DIRECTORS AND SUPERVISORS

The Board convened a meeting on 9 November 2018, and approved the “Remuneration Management Policy for Directors and Supervisors” of the Company. It was subsequently ratified at the Shareholders’ meeting held on 28 November 2018. In order to further refine the remuneration management policy for Directors and Supervisors, establish a scientific and effective incentive and restraint mechanism, effectively mobilize the enthusiasm of Directors and Supervisors, and promote the healthy, sustainable, and stable development of the Company, it is proposed to revise the “Remuneration Management Policy for Directors and Supervisors” in accordance with the relevant laws and regulations including the PRC Company Law, the Governance Guidelines for Listed Company, and the Articles of Association, combined with the actual situation of the Company.

The main proposed revisions are as follows:

Article 8: ~~Directors and supervisors shall receive fixed compensation.~~ The remuneration of Directors and Supervisors consists of fixed compensation and annual performance-based compensation.

Article ~~8~~9: Based on the duties, nature of work, working hours, responsibilities, risks, pressures, etc., of Directors and Supervisors, different remuneration standards shall be determined. A separate “Remuneration Scheme for Directors and Supervisors” shall be formulated and submitted to the Shareholders’ meeting for approval, and ~~shall be disbursed on a monthly average basis~~ be implemented thereafter.

Article ~~13~~: ~~In cases where individuals concurrently hold positions as directors, supervisors, and senior management personnel in subsidiaries, they shall receive remuneration based on the higher of the positions held, and shall not receive duplicate remuneration.~~

LETTER FROM THE BOARD

For further details regarding the “Remuneration Management Policy for Directors and Supervisors”, please refer to the announcement released by the Company on 29 April 2024, on the websites of the Hong Kong Stock Exchange, the SZSE and Cninfo (巨潮資訊網).

The proposal to revise the “Remuneration Management Policy for Directors and Supervisors” was reviewed and approved by the Board on 29 April 2024 and will be submitted to the Shareholders for consideration and approval at the AGM as an ordinary resolution.

9. PROPOSAL FOR DIRECTOR REMUNERATION ADJUSTMENT

Since taking office, the Directors have undertaken corresponding responsibilities and obligations, and dedicated themselves to improving the corporate governance structure, enhancing the scientific decision-making of the Company’s “three meetings” (i.e., Shareholders’ meetings, Board meetings and Supervisors’ meetings), protecting the interests of minority Shareholders, and promoting the standardized operation of the Company. In order to safeguard the long-term interests of all Shareholders and adapt to the new requirements of the Company’s internationalized operation, give full play to the statutory duties of the Directors in a more reasonable manner, establish and improve the incentive and restraint mechanism for the management, and promote the quality and level of corporate governance to a higher level, according to the relevant regulations such as the Articles of Association, Working Rules of the Remuneration and Appraisal Committee of the Board, and Remuneration Management Policy for Directors and Supervisors, and combined with the actual situation and strategic objectives of the Company’s development stage, as well as with reference to the remuneration levels of similar listed companies, the proposed Director remuneration standards of the Company are recommended as follows:

Based on the duties, nature of work, working hours, responsibilities, risks, pressures of Directors, and the same position salary levels of peer-listed companies, different remuneration standards will be determined.

1. Independent non-executive Directors

Independent non-executive Directors shall receive fixed annual remuneration, disbursed on a monthly average basis. The annual remuneration standard for independent non-executive Directors is as follows (unit: RMB ten thousand/year):

Position	Fixed remuneration
Independent non-executive Director	41.70

Independent non-executive Directors shall be entitled to reimbursement of travel expenses or subsidies for attending training sessions, as well as for attending Board meetings and Shareholders’ meetings. In accordance with the provisions of the Articles of Association and relevant laws and regulations, reasonable expenses necessary for exercising their duties may be reimbursed by the Company based on actual expenses incurred.

LETTER FROM THE BOARD

2. Non-independent Directors

(1) *Non-independent Directors serving as senior management of the Company*

Based on provisions in the employment contracts or labor contracts, Directors who simultaneously serve as senior management of the Company shall receive fixed Director remuneration in addition to the annual target remuneration for senior management as per the Company's "Remuneration Scheme for Senior Management", disbursed on a monthly average basis.

The standard annual Director remuneration for Directors serving as senior management is RMB237,000/year.

(2) *Non-independent Directors not serving as senior management of the Company (unit: RMB ten thousand/year)*

Position	Annual target remuneration
Honorary Chairman of the Board	576.00
Chairperson of the Board	517.50

The ratio of fixed to variable compensation for the Honorary Chairman and Chairperson of the Board is 6:4. Fixed compensation is distributed evenly over 12 months, while variable compensation is disbursed once annually based on the achievement of annual performance goals in the preceding year.

Directors who leave their positions due to reasons such as the expiration of their term, re-election, or resignation during their tenure shall receive remuneration calculated based on their actual tenure and disbursed accordingly.

Applicability

This scheme applies to all Directors.

Directors refer to all current members of the Board of Directors during the implementation period of this scheme. The Board of Directors consists of independent Directors and non-independent Directors, with non-independent Directors including those who serve as senior management of the Company and those who do not.

For details regarding the Director remuneration scheme, please refer to the announcement released by the Company on 29 April 2024 on the websites of the Hong Kong Stock Exchange, the SZSE and Cninfo (巨潮資訊網).

The proposed adjustment to Director remuneration was reviewed and approved by the Board on 29 April 2024, and will be submitted to the Shareholders for consideration and approval at the AGM as an ordinary resolution.

LETTER FROM THE BOARD

10. PROPOSAL FOR PROVIDING GUARANTEE FOR THE APPLICATION TO FINANCIAL INSTITUTIONS FOR CREDIT LINES BY THE COMPANY AND ITS CONTROLLED SUBSIDIARIES

Due to the impending expiration of existing credit lines from banks and other financial institutions, to ensure the adequate cash flow of the Group and meet the Company's development needs, the Company and its controlled subsidiaries proposed to apply for various types of credit with a total amount of approximately RMB40,117.45 million (or the equivalent in foreign currencies) for 2024 from financial institutions.

The Company and its wholly-owned subsidiaries, including Chengdu Tianqi, Tianqi Xinlong, Shehong Tianqi, Jiangsu Tianqi, Suining Tianqi, Chongqing Lithium, Suzhou Tianqi, Shenghe Lithium, TLAI 1, TLHK, and Windfield, intended to apply to financial institutions including banks in cooperation for various types of credit for 2024, with respective amounts of approximately RMB22.66 billion, USD520 million, and USD1.941 billion (or its equivalent in Australian dollars). The USD amounts are converted at the RMB central parity published by the China Foreign Exchange Trade System on 26 March 2024, which is approximately RMB17.459 billion. The total amount is approximately RMB40,117.45 million. Among these, the Company and its subsidiaries proposed to provide guarantees for Chengdu Tianqi, Tianqi Xinlong, Jiangsu Tianqi, Shehong Tianqi, Suining Tianqi, TGVE, TLHK and other subsidiaries for credit not exceeding RMB20.96 billion and USD520 million, equivalent to approximately RMB24.649 billion in total. Windfield, a controlled subsidiary, intended to provide guarantees for its subsidiaries to apply for credit not exceeding USD1.55 billion. The total guarantee amount is approximately RMB35.645 billion, valid for 12 months from the date on which such resolution is considered and approved at the AGM.

The Board proposed that the Shareholders to authorize the Board, and by extension, the management, to sign all legal documents including contracts, agreements, certificates and amendments in relation to the credit within the credit lines mentioned above, with the authorization period from the date on which such resolution is considered and approved by the Shareholders at the AGM to the date of the annual general meeting of the Company to be held in 2025. Additionally, to ensure the smooth implementation of the Company's guarantee plan and the timely resolution of relevant issues during negotiation processes, the Board proposed that the Shareholders to authorize the Board, and by extension, the Company's legal representative or their designated authorized agent, to adjust the actual guarantee amount and ways as appropriate based on negotiations with each financial institution in cooperation and sign the relevant business contracts and other legal documents, provided that the total amount of guaranteed debt does not exceed RMB35.645 billion (or its equivalent in foreign currencies). This authorization period will commence from the date on which such resolution is considered and approved at the AGM by the Shareholders to the date of the annual general meeting of the Company to be held in 2025.

LETTER FROM THE BOARD

Details of expected credit and guarantees in 2024 are as follows:

Credit financial institution	Credit object	Currency	Amount ('000)	Ways of guarantee	Type of credit	Note
Bank of China Limited	Tianqi Lithium	RMB	500,000	Credit	Comprehensive credit	Existing credit, renewed credit upon maturity or additional credit
	Chengdu Tianqi	RMB (or the equivalent in USD)	1,050,000	Guaranteed by Tianqi Lithium	Comprehensive credit	
	Tianqi Xinlong	RMB (or the equivalent in USD)	900,000	Guaranteed by Tianqi Lithium	Comprehensive credit	
	Jiangsu Tianqi	RMB	300,000	Guaranteed by Tianqi Lithium	Comprehensive credit	
	Shehong Tianqi	RMB	200,000	Guaranteed by Tianqi Lithium	Comprehensive credit	
	Suining Tianqi	RMB	200,000	Guaranteed by Tianqi Lithium	Comprehensive credit	
Industrial and Commercial Bank of China Limited	Shehong Tianqi	RMB	350,000	Guaranteed by Tianqi Lithium	Comprehensive credit	
	Chengdu Tianqi	RMB (or the equivalent in USD)	200,000	Guaranteed by Tianqi Lithium	Comprehensive credit	
	Suining Tianqi	RMB	810,000	Guaranteed by Tianqi Lithium	Comprehensive credit (project financing included)	
	Jiangsu Tianqi	RMB	200,000	Guaranteed by Tianqi Lithium	Comprehensive credit	
China Construction Bank Corporation	Shehong Tianqi	RMB	500,000	Guaranteed by Tianqi Lithium	Comprehensive credit	
	Suining Tianqi	RMB	500,000	Guaranteed by Tianqi Lithium	Comprehensive credit	

LETTER FROM THE BOARD

Credit financial institution	Credit object	Currency	Amount ('000)	Ways of guarantee	Type of credit	Note
Bank of Communications Co., Ltd.	Chengdu Tianqi	RMB (or the equivalent in USD)	1,490,000	Guaranteed by Tianqi Lithium	Comprehensive credit	
	Shehong Tianqi	RMB	800,000	Guaranteed by Tianqi Lithium	Comprehensive credit	
	Suining Tianqi	RMB	200,000	Guaranteed by Tianqi Lithium	Comprehensive credit	
Industrial Bank Co., Ltd.	Chengdu Tianqi	RMB (or the equivalent in USD)	500,000	Guaranteed by Tianqi Lithium	Comprehensive credit	
	Tianqi Xinlong	RMB (or the equivalent in USD)	360,000	Guaranteed by Tianqi Lithium	Comprehensive credit	
	Shehong Tianqi	RMB	500,000	Guaranteed by Tianqi Lithium	Comprehensive credit	
	Suining Tianqi	RMB	200,000	Guaranteed by Tianqi Lithium	Comprehensive credit	
	TLHK or other wholly-owned subsidiaries	USD (or the equivalent in RMB)	100,000	Guaranteed by Tianqi Lithium and pledged by subsidiary asset mortgage	Special credit	
Ping An Bank Co., Ltd.	Chengdu Tianqi	RMB (or the equivalent in USD)	800,000	Guaranteed by Tianqi Lithium	Comprehensive credit	
	Jiangsu Tianqi	RMB	300,000	Guaranteed by Tianqi Lithium	Comprehensive credit	
	Suining Tianqi	RMB	500,000	Guaranteed by Tianqi Lithium	Comprehensive credit	
	Shehong Tianqi	RMB	600,000	Guaranteed by Tianqi Lithium	Comprehensive credit	
	TLHK or other wholly-owned subsidiaries	USD (or the equivalent in RMB)	150,000	Guaranteed by Tianqi Lithium and pledged by subsidiary asset mortgage	Special credit	
China Minsheng Banking Co., Ltd.	Chengdu Tianqi	RMB	2,000,000	Guaranteed by Tianqi Lithium	Comprehensive credit	

LETTER FROM THE BOARD

Credit financial institution	Credit object	Currency	Amount ('000)	Ways of guarantee	Type of credit	Note
China Minsheng Banking Co., Ltd.	Tianqi Xinlong	RMB	500,000	Guaranteed by Tianqi Lithium	Comprehensive credit	
Bank of Dalian Co., Ltd.	Chengdu Tianqi	RMB	1,200,000	Guaranteed by Tianqi Lithium	Comprehensive credit	
China Everbright Bank Co., Ltd.	Chengdu Tianqi	RMB	500,000	Guaranteed by Tianqi Lithium	Comprehensive credit	
Huaxia Bank Co., Ltd.	Chengdu Tianqi	RMB	300,000	Guaranteed by Tianqi Lithium	Comprehensive credit	
Bank of Chengdu Co., Ltd.	Chengdu Tianqi	RMB	100,000	Guaranteed by Tianqi Lithium	Comprehensive credit	
HSBC	Tianqi Lithium	RMB (or the equivalent in USD or HKD)	800,000	Guaranteed by Tianqi Lithium	Comprehensive credit	
	Chengdu Tianqi				Comprehensive credit	
	TGVE				Comprehensive credit	
	TLHK				Comprehensive credit line	
Standard Chartered Bank	Unlimited	USD (or the equivalent in RMB or HKD)	200,000	Guaranteed by Tianqi Lithium	Comprehensive credit	
Standard Chartered Bank & Bank BNP Paribas	TLAI 1	USD	20,000	Guaranteed by Tianqi Lithium and Tianqi Xinlong, pledged by equity of TLAI 1, interest reserve account, and partial SQM A-share	Syndicated loan	
OCBC Wing Hang Bank Limited	Chengdu Tianqi	RMB (or the equivalent in USD)	300,000	Guaranteed by Tianqi Lithium	Comprehensive credit	New credit
The Bank of East Asia	Chengdu Tianqi	USD (or the equivalent in RMB)	50,000	Guaranteed by Tianqi Lithium	Comprehensive credit	

LETTER FROM THE BOARD

Credit financial institution	Credit object	Currency	Amount ('000)	Ways of guarantee	Type of credit	Note
Existing Banks in Cooperation	Shenghe Lithium	RMB	2,000,000	Guaranteed by Tianqi Lithium and/or pledged by assets of subsidiaries	Comprehensive credit (project financing included)	
Existing Banks in Cooperation	Chongqing Lithium	RMB	300,000	Guaranteed by Tianqi Lithium and/or pledged by assets of subsidiaries	Comprehensive credit (project financing included)	
Existing Banks in Cooperation	Suzhou Tianqi	RMB	1,500,000	Guaranteed by Tianqi Lithium and/or pledged by assets of subsidiaries	Comprehensive credit (project financing included)	
Existing Banks in Cooperation	Unlimited	RMB	1,200,000	Existing bank acceptance bill and/or deposit pledge	Comprehensive credit	Existing and new credit
HSBC syndicate and others	Subsidiaries of Windfield	USD	1,550,000	Pledged by assets of Windfield	Comprehensive credit	Existing and new credit
Existing Banks in Cooperation	Subsidiaries of Windfield	USD (or the equivalent in AUD)	390,770	Pledged and guaranteed by existing accounts receivable and other assets	Comprehensive credit	Existing and new credit
Subtotal 1	Guarantee credit provided by the Company and its subsidiaries (Windfield excluded)	RMB (or the equivalent in USD)	20,960,000	–	–	
		USD (or the equivalent in RMB)	520,000	–	–	
		Converted to RMB	24,649,040	–	–	

LETTER FROM THE BOARD

Credit financial institution	Credit object	Currency	Amount ('000)	Ways of guarantee	Type of credit	Note
Subtotal 2	Guarantee credit provided by wholly-owned and controlled subsidiaries themselves	RMB	1,200,000	–	–	
Subtotal 3	Guarantee credit provided by Windfield and its subsidiaries	USD	1,550,000 (approximately RMB10,996.17 million)	–	–	
Subtotal 4	Guarantee credit provided by Windfield and its subsidiaries for themselves	USD (or the equivalent in AUD)	390,770 (approximately RMB2,772.24 million)	–	–	
Subtotal 5	Listed company credit	RMB	500,000	–	–	
Total		Converted to RMB	40,117,450	–	–	

Note 1: The Company and its controlled subsidiaries proposed to apply for credit lines with a total amount of approximately RMB40,117.45 million for 2024 from various financial institutions. The specific credit financial institutions, financing entities, type of credit, amount, currency and ways of guarantee will be determined within the above credit lines based on the actual capital needs of the Group and the final approval of financial institutions.

Note 2: Major types of guarantee credit provided by wholly-owned and controlled subsidiaries of the Company for themselves were bank acceptance notes and letters of credit opened.

Note 3: The amount in U.S. dollars was calculated at the RMB central parity published by the China Foreign Exchange Trade System on 26 March 2024.

Maintaining reasonable and sufficient credit lines from financial institutions is a necessary means for the capital management of the Group and is an important guarantee to the normal operation and strategic development of the Group. As a result, the Group proposed to apply for the above credit lines from financial institutions in cooperation for 2024. Based on the final approval of financial institutions and its actual demand, it will withdraw part or all of the credit upon approval in accordance with relevant policies and procedures of the Company to actively meet the capital demand in its routine turnover, optimize its cash flows and cost structure of capitals, safeguard its liquidity safety and support the normal and orderly implementation of all business and development plans.

LETTER FROM THE BOARD

The proposal for providing guarantee for the application to financial institutions for credit lines by the Company and its controlled subsidiaries was considered and approved by the Board on 27 March 2024 and will be submitted, by way of a special resolution, for the Shareholders' consideration and approval at the AGM.

For details of the proposal for providing guarantee for the application to financial institutions for credit lines by the Company and its controlled subsidiaries, please refer to the announcement published by the Company on 27 March 2024 on the websites of the Hong Kong Stock Exchange, the SZSE and Cninfo (巨潮資訊網).

Implication under Hong Kong Listing Rules

The application for credit lines from financial institutions and the provision of guarantee within the Group (namely the provision of guarantee by the Company to its subsidiaries and the provision of guarantee by the subsidiaries to the Company) are not subject to reporting, announcement and independent Shareholders' approval requirements under the Hong Kong Listing Rules. According to the Shenzhen Listing Rules and the Articles of Association, the annual guarantee has to be submitted to the general meeting for consideration and approval. As the guarantee to be provided by the Company is subject to Shareholders' approval under the Shenzhen Listing Rules, the information regarding the guarantee contained in this circular is not prepared in accordance with Chapter 14 or Chapter 14A of the Hong Kong Listing Rules but only prepared to provide information for the Shareholders. A special resolution will be proposed at the AGM to seek for approval of providing guarantee for the application for credit lines from financial institutions by the Company and its controlled subsidiaries.

11. PROPOSAL FOR APPLYING FOR THE GENERAL MANDATE TO ISSUE ADDITIONAL H SHARES OF THE COMPANY

To meet the Company's development needs and in accordance with the PRC Company Law, the Hong Kong Listing Rules and other relevant laws, regulations, normative documents and the Articles of Associations, the Board proposes that Shareholders to authorize the Board at the AGM and then to delegate to the chairman of the Board and his/her authorized persons to determine to individually or collectively allot, issue and deal with H Shares not exceeding 20% of the total Shares of the Company in issue, or securities convertible into H Shares, or options, warrants, or similar rights to subscribe for H Shares of the Company or the aforementioned convertible securities (the "**General Mandate**"). Details of the authorization are as follows:

- (I) To generally and unconditionally authorize the Board and then to delegate to the chairman of the Board and his/her authorized persons to determine to individually or collectively allot, issue and deal with H Shares or securities convertible into H Shares, or options, warrants, or similar rights to subscribe for H Shares of the Company or the aforementioned convertible securities ("**Similar Rights**"), and to

LETTER FROM THE BOARD

determine the terms and conditions for the allotment, issuance and deal with new Shares or Similar Rights subject to compliance with the relevant requirements of the Hong Kong Listing Rules, including but not limited to the following terms:

1. class and number of the new Shares to be issued;
 2. pricing mechanism and/or issue price of the new Shares (including price range);
 3. the starting and closing dates of such issue;
 4. class and number of the new Shares to be issued to existing Shareholders; and/or
 5. the making or granting of Share offers, agreements, share options, conversion rights or other relevant rights which might require the exercise of such rights.
- (II) The number of H Shares (excluding the Shares issued by way of the conversion of capital reserve into share capital) to be allotted, issued and dealt individually or collectively with (whether pursuant to a share option or otherwise) determined by the Board or the chairperson of the Board and his/her authorized persons in accordance with the General Mandate referred to in the first paragraph above shall not exceed 20% of the total number of Shares in issue of the Company at the time when this proposal is passed at the AGM.
- (III) Where the Board or the chairperson of the Board and his/her authorized persons have, during the effective period of the mandate referred to in the fifth paragraph of this resolution, determined to allot, issue and deal with H Shares or Similar Rights, and the Company also has, during the effective period of the mandate, obtained the relevant approval, permission from, or registration (if applicable) with the regulatory authorities, the Board or the chairman of the Board and his/her authorized persons may, during the effective period of such approval, permission or registration, complete the relevant allotment, issuance, dealing with and other works.
- (IV) To authorize the Board or the chairperson of the Board and his/her authorized persons to obtain approvals from all relevant government departments and/or regulatory authorities (if applicable) in accordance with the applicable laws (including but not limited to the PRC Company Law and the Hong Kong Listing Rules) to exercise the General Mandate.
- (V) The effective period of the General Mandate shall commence from the date when it is approved at the AGM to the earliest of the following three dates:
1. 12 months from the date of passing the resolution at the AGM;

LETTER FROM THE BOARD

2. the conclusion of the Company's annual general meeting to be held in 2025; or
 3. the revocation or variation of the General Mandate granted to the Board under the resolution by special resolution of the Shareholders at the general meeting of the Company.
- (VI) To authorize the Board or the chairman/chairlady of the Board and his/her authorized persons to engage intermediaries in relation to the issuance, to approve, execute, modify and do or procure to execute and do, all such documents, deeds and things as it may consider related to the allotment, issuance and disposal of any new Shares under the abovementioned General Mandate, handle the necessary procedures and take other necessary actions.
- (VII) To authorize the Board or the chairman/chairlady of the Board and his/her authorized persons, after the completion of allocation and issuance of the new Shares, to increase the registered capital of the Company and make appropriate and necessary amendments to the Articles of Association in accordance with the way, type and number of the allotment and issuance of new Shares of the Company and the actual shareholding structure of the Company upon completion of the allotment and issuance of new Shares.

The proposal for applying the General Mandate to issue additional H Shares was considered and approved by the Board on 27 March 2024, and will be submitted at the AGM by way of a special resolution for the Shareholders' consideration and approval.

12. PROPOSAL FOR AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Board proposes to amend the existing Articles of Association by adopting a new set of articles of association of the Company in substitution for the existing Articles of Association (the "**Proposed Amendments**"), to align with the Company's evolving operational needs. Details of the Proposed Amendments are as follows:

"Chapter 5 – Section 2 Board of Directors

Article 111 The board of directors shall appoint a chairman and a deputy chairman. The deputy chairman shall assist the chairman in work. The chairman and deputy chairman shall be elected by a simple majority of directors. The Company shall adopt a lead independent director system.

The board of directors has the authority to appoint one honorary chairman to provide guidance and decision-making support on the Company's strategic planning and business development in accordance with the Company's evolving needs.

LETTER FROM THE BOARD

The lead independent director shall be elected by more than 1/2 of the independent directors and in charge of coordinating actions of the independent directors and communicating and coordinating with non-independent directors and senior management of the Company on behalf of the independent directors. Official powers of the lead independent director shall be stipulated in the Working System for Independent Directors.”

The Board is of the view that appointing an honorary chairman to the Board, in line with the Company’s developmental needs, will contribute to enriching the governance decisions of the Group by bringing in extensive industry experience or professional opinions. This will help the Company in formulating sustainable development strategies, thereby continuously creating value for Shareholders and better safeguarding the interests of Shareholders, especially minority Shareholders.

After the Proposed Amendments take effect, the Company will continue to comply with the Listing Rules to meet the core shareholder protection level required by Appendix A1 to the Listing Rules through compliance with PRC laws in combination with its Articles of Association and will further monitor its ongoing compliance with these rules.

The proposal for amendments to the Articles of Association was considered and approved by the Board on 29 April 2024, and will be submitted at the AGM by way of a special resolution for the Shareholders’ consideration and approval.

13. AGM ARRANGEMENT

The Company will hold the AGM at the conference room on the 2nd floor at the headquarters of Tianqi Lithium at No. 166, Hongliang West 1st Street, Tianfu New Area, Chengdu, Sichuan, the PRC at 2:45 p.m. on Tuesday, 28 May 2024 for the Shareholders to consider and, if thought fit, to approve the above relevant resolutions. Details of the AGM and resolutions to be considered at the meeting are set out in the notice of AGM dated 29 April 2024

In order to determine the list of H Shareholders who will be entitled to attend and vote at the AGM, the H Shares register of members of the Company will be closed from Thursday, 23 May 2024 to Tuesday, 28 May 2024 (both days inclusive), during which period no transfer of H Shares will be effected. H Shareholders whose names appear on the H Shares register of members at the end of business hours on Thursday, 23 May 2024 shall be entitled to attend and vote at the AGM. In order for the H Shareholders to qualify for attending and voting at the AGM, Shareholders whose H Shares are not registered in their names should complete and lodge their respective instruments of transfer with the relevant H Share certificates with Computershare Hong Kong Investor Services Limited, the Company’s H Share Registrar in Hong Kong, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, and in any case no later than 4:30 p.m. on Wednesday, 22 May 2024.

LETTER FROM THE BOARD

A form of proxy for use at the AGM is enclosed with this circular, which has also been published on the websites of the Hong Kong Stock Exchange (www.hkexnews.hk) and the Company (<http://www.tianqilithium.com>).

14. VOTING AT THE AGM

Pursuant to Rule 13.39 of the Listing Rules, any vote of the Shareholders at the AGM must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The Company will announce the results of the poll after the AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

According to the relevant provisions of the “Regulatory Guidelines for Listed Companies No. 4 – Undertakings by Listed Companies and Connected Parties”, Tianqi Group Company and its connected parties must abstain from voting on the proposal for extending the period of the non-competition undertaking by Tianqi Group Company at the AGM. As at the Latest Practicable Date, Tianqi Group Company and its connected parties collectively hold 484,996,309 A Shares, representing approximately 29.55% of the total issued Shares. Save for the abovementioned, as at the Latest Practicable Date, to the best of the Director’s knowledge, information and belief, having made all reasonable enquiries, no Shareholder was required to abstain from voting on the resolutions to be proposed at the AGM.

Furthermore, the Company will offer a platform to A Shareholders (including Northbound Investors under Shenzhen Connect) to vote online through the general meeting online voting system of the SZSE. Please refer to the relevant announcements published by the Company on the websites of the SZSE and Cninfo (巨潮資訊網) for details.

15. RECOMMENDATIONS

The Board believes that the abovementioned resolutions are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends all Shareholders to vote in favor of all resolutions to be proposed at the AGM.

16. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

By Order of the Board
Tianqi Lithium Corporation
Jiang Anqi

Chairlady of the Board and Executive Director

NOTICE OF THE ANNUAL GENERAL MEETING

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this notice, 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 notice.

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)

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the annual general meeting (the “**AGM**”) of Tianqi Lithium Corporation (the “**Company**”) will be held at the conference room on the 2nd floor at the headquarters of Tianqi Lithium at No. 166, Hongliang West 1st Street, Tianfu New Area, Chengdu, Sichuan, the PRC at 2:45 p.m. on 28 May 2024 for considering and, if thought fit, passing, the following resolutions:

BY WAY OF ORDINARY RESOLUTIONS:

1. To consider and approve the work report of the board of directors (the “**Board**”) for 2023;
2. To consider and approve the work report of the board of supervisors (the “**Board of Supervisors**”) for 2023;
3. To consider and approve the annual report and its summary for 2023;
4. To consider and approve the final financial report for 2023;
5. To consider and approve the 2023 profit distribution plan;
6. To consider and approve the 2024 financial budget report;
7. To consider and approve the special report on the deposit and use of raised proceeds in 2023;
8. To consider and approve the proposal for re-appointment of international auditor and domestic auditor for 2024;
9. To consider and approve the proposal for extending the period of the non-competition undertaking by Tianqi Group Company;

NOTICE OF THE ANNUAL GENERAL MEETING

10. To consider and approve the proposal for revising the remuneration management policy for directors and supervisors;
11. To consider and approve the proposal for director remuneration adjustment;

BY WAY OF SPECIAL RESOLUTIONS:

12. To consider and approve the proposal for providing guarantee for the application to financial institutions for credit lines by the Company and its controlled subsidiaries;
13. To consider and approve the proposal for applying for the general mandate to issue additional H shares of the Company.
14. To consider and approve the proposal for amendments to the Articles of Association;

By Order of the Board
Tianqi Lithium Corporation
Jiang Anqi

Chairlady of the Board and Executive Director

Hong Kong, 29 April 2024

As at the date of this notice, the Board comprises Mr. Jiang Weiping, Ms. Jiang Anqi, 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.

NOTICE OF THE ANNUAL GENERAL MEETING

Notes:

- (1) Pursuant to Rule 13.39(4) of the Listing Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, votes of the Shareholder(s) of the Company at the AGM shall be taken by poll.
- (2) Any shareholder of the Company (the “**Shareholder(s)**”) entitled to attend and vote at the AGM is entitled to appoint one or more proxies to attend and vote on his/her/its behalf at the AGM. A proxy need not be a Shareholder. Shareholders shall have one vote for each share that they hold.
- (3) In order to determine the holders of H shares of the Company (“**H Share(s)**”) who are entitled to attend the AGM, the H Share registers of members of the Company shall be closed from Thursday, 23 May 2024 to Tuesday, 28 May 2024 (both days inclusive), during which no transfer of H Shares will be registered. Holders of H Shares whose names appear on the H Share registers of members at the close of business on Thursday, 23 May 2024 are entitled to attend the AGM.

In order to be entitled to attend and vote at the AGM, holders of H Shares whose transfers have not been registered shall lodge the transfer documents together with the relevant share certificates at the H Share registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17 Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Wednesday, 22 May 2024.

- (4) The instruments appointing a proxy must be in writing under the hand of the Shareholder or his/her attorney duly authorized in writing. If the Shareholder is a corporation, that instrument must be either under the company seal or under the hand of its director or duly authorized attorney. If that instrument is signed by an attorney of the Shareholder, the power of attorney authorizing that attorney to sign or other authorization documents must be notarized.
- (5) The proxy form together with the power of attorney or other authorization document (if any) must be deposited at the H Share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong for holders of the H Shares, not less than 24 hours before the time fixed for holding the AGM or any adjournment thereof (as the case may be).

Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the meeting or any adjourned meeting should such Shareholders so wish.

- (6) The meeting is expected to be concluded within a day. Shareholders (in person or by proxy) attending the meeting are responsible for their own transportation and accommodation expenses. Shareholders or their proxies attending the meeting shall produce the identity documents.