

Appointment of New Managing Director

Lotus Resources Limited (ASX: LOT) (“Lotus” or the “Company”) is pleased to announce the appointment of Mr Eduard Smirnov as Managing Director, effective June 29, 2020, following the departure of Mr Simon Andrew, the Company's former Chief Executive Officer.

Mr Smirnov was previously the Chief Executive Officer of Uranium One Inc. based in Toronto, Canada. At Uranium One, he was responsible for uranium exploration, development and production in eight countries around the world and for the growth and management of the company's global nuclear utility order book.

Non-executive Director and Chairman, John Sibley, commented: “We are delighted at Eduard's appointment and are confident that Lotus will continue to build value under his capable leadership. Eduard has extensive knowledge of the uranium industry and a clear track record of success in leading one of the world's top five uranium producers. We look forward to working with Eduard as we seek to advance the high quality Kayelekera Project.”

Mr Smirnov commented: “The past several years have been challenging for our industry, yet this is an exciting time to be joining this Company. The world is noticing that the uranium supply-demand gap is widening, providing what I believe to be a rare window for planning new mine supply as we enter a new decade. Lotus has put a strong board in place last week and I'm grateful for the opportunity to work with the board and the rest of the Lotus team in building a new uranium supplier.”

Mr Smirnov served as Uranium One's Chief Executive Officer from 2016 to 2019 and Manager of its Corporate Development and Corporate Projects Divisions from 2013 to 2016. Prior to that, he held various senior positions at Royal Bank of Canada's Strategy and Transformation Group and at KPMG's Corporate Finance Group.

A summary of the key terms of Mr Smirnov's employment contract is included as Annexure 1.

Authorised for release by the board of directors.

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About Lotus Resources

Lotus Resources Limited (LOT:ASX) is a minerals exploration and development company. The Company holds a 65% interest in the Kayelekera Uranium Project in Malawi and owns the Hylea Cobalt Project in the Fifield District of NSW, a significant cobalt, platinum, nickel and scandium exploration target in both scale and grade potential.

Please visit www.lotusresources.com.au

Annexure 1. Summary of key terms of Mr Smirnov's employment contract

Commencement Date	Effective immediately.
Remuneration	Annual salary of US\$300,000 inclusive of superannuation.
Sign on Equity Incentive	<ul style="list-style-type: none"> • 6,000,000 zero priced Options that vest subject to raising capital at such timing and prices as approved by the Board; • 6,000,000 zero priced Options that vest subject to: <ul style="list-style-type: none"> ○ the appointment of independent directors and or advisors (including uranium marketing), African Government relations and other positions to attract institutional investment and ensure corporate governance and independence, as approved by the Board; and ○ completion of a restart study showing the viability of restarting the Mine including but not limited to letters of intent with respect to offtake agreements; • 6,000,000 zero priced Options that vest on the earlier of three continuous years of service or the Company's market capitalisation exceeds a value of A\$200 million for 30 consecutive trading days on the ASX (based on the VWAP of the Company's shares on the ASX).
Equity Incentives	The executive is eligible to receive an Equity Incentive Award at the Board's discretion and subject to the Executive's performance against agreed KPIs for the relevant performance period.
Term of appointment	No fixed term. Ongoing until terminated by either party in accordance with the employment contract. Contract includes an annual review.
Termination	Statutory entitlements will be paid as required by law. If termination by the Company other than for cause, unvested options vest.
Change in Control	Options granted to the Executive immediately vest.

