September 2022 Quarterly Activities Report

Allkem Limited (ASX|TSX: "**AKE"**, the "**Company"**) provides an update on its global lithium portfolio, business activities and financial position[1] as at 30 September 2022.

HIGHLIGHTS

OPERATIONS

- Production at the Olaroz Lithium Facility[2] was up 17% on the previous corresponding period ("**PCP"**) to 3,289 tonnes of lithium carbonate, 43% of which was battery grade material
- Lithium carbonate sales were 3,721 tonnes, generating record quarterly revenue of ~US$150 million with a gross cash margin of 89%. Excluding shipments to Naraha, third party sales for the quarter averaged US$43,237/tonne[3] FOB
- The weighted average price for third party sales of lithium carbonate products in Q2 FY23 is expected to be approximately US$50,000/t FOB, 15% higher than the September quarter
- In the September quarter, Mt Cattlin produced 17,606 dmt of spodumene and shipped 21,215 dmt, generating revenue of US$106.7 million[4] with a gross cash margin of 80% based on an average sales price of US$5,028/dmt CIF for SC 5.4%. Cost of production was US$796/dmt FOB. An additional US$35 million of revenue was generated from sales of 59,326 dmt of low grade spodumene concentrate from pre-existing stockpiles and processing of fine-grained spodumene ore
- Customer demand in the spodumene market remains robust and spodumene concentrate pricing in the December quarter is expected to be in line with the September quarter

DEVELOPMENT PROJECTS

- Olaroz Stage 2 reached 93% completion. Allkem has recently been advised by suppliers of several key components that raw material supply and logistics constraints will mean delivery of these components will not occur as scheduled. Pre-commissioning activities are still scheduled to start during Q4 CY22, with commissioning activities now expected to start during Q1 CY23, progressing through Q2 CY23. Mechanical completion, first production and ramp up is now planned for Q2 CY23.
- Olaroz Stage 2 capital expenditure has been reviewed taking into account the delay in completion, regional and global inflation impacts and supply chain constraints that have impacted logistics. Subject to joint venture assessment and approval, it is expected that total capital expenditure will increase by approximately 12% to US$425 million excluding VAT and working capital (for a highly competitive capital intensity of US$17,000/mt). This increase will be funded from operating cashflow
- At Naraha, plant commissioning activities are well advanced with first production still expected during the December quarter
- The first four ponds at Sal de Vida ("**SDV**") Stage 1 are complete and are currently being filled with brine. Construction of the first two strings of ponds has reached 65% completion
- At James Bay the clarification process for the ESIA with the Joint-Assessment Committee (Cree Nation and Federal government) concluded, a draft ESIA report was published and the final public consultation period has commenced with completion of the process anticipated by mid-November

[1] All figures are unaudited and contain non-IFRS metrics. Gross operating cash margin is calculated as revenue less cash cost of goods sold, freight and insurance (and excludes corporate and non-operating costs).
[2] All figures 100% Olaroz Project basis.
[3] "FOB" (Free On Board) excludes insurance and freight charges included in "CIF" (Cost, Insurance, Freight) pricing. Therefore, the Company's FOB reported prices are net of freight (shipping), insurance and sales commission.
[4] Revenue excludes tantalum sales from Mt Cattlin.

- Capital expenditure for James Bay and Sal de Vida remain subject to the same cost pressures that all resource projects are experiencing globally. Allkem will continue to review and monitor the capital cost budgets for all its projects as they progress

FINANCIALS AND CORPORATE

- Group revenue for the quarter was $298 million and group gross operating cash margin[1] was 82%, approximately US$244 million
- At 30 September group net cash[5,6] was US$447 million up US$28.9 million from 30 June 2022. This figure excludes US$52.1 million of cash receivable related to Mt Cattlin's September shipments that has been received in October
- Allkem entered into a binding and conditional Heads of Agreement ("**HOA**") to acquire 100% of the strategic lithium tenement of María Victoria located in the Olaroz basin and to divest its investment in Borax Argentina S.A ("**Borax**")
- Post reporting period, Allkem and the International Finance Corporation ("**IFC**") agreed to a non-binding term sheet for a US$200 million project financing facility for the Sal de Vida Project, subject to final commercial terms to be agreed and IFC and Allkem board approvals
- The business is entering a period of significant growth with Naraha to begin commercial production later this year, Olaroz Stage 2 first production in the first half of next year, Sal de Vida scheduled to commence production in late 2023 and James Bay in mid-2024

SUSTAINABILITY

Safety performance

Allkem recorded a 12 month moving average Total Recordable Injury Frequency Rate of 1.9 (per million hours) at the end of the September quarter, a 27% improvement from the prior quarter and a 12 month moving average Lost Time Injury Frequency Rate of 0.5 (per million hours), showing an ongoing improving trend in both metrics.

Two Recordable Injuries occurred during the quarter. One was sustained at Olaroz by an operator the other by a contractor at Mt Cattlin. Both have fully recovered and returned to work and investigations have been completed with corrective actions implemented.

As part of Allkem's strategic improvement program for Crisis and Emergency Management, a Critical Control Management program has been successfully deployed at Mt Cattlin and a series of desktop Emergency Management exercises have been conducted across all operations.

COVID-19 response

COVID-19 cases at operations have significantly reduced as the impact of the pandemic across operating jurisdictions also reduces. Biosecurity Protocols have been minimised and will be closely monitored and if necessary changed in proportion to those countries' case numbers and regulations.

Community and Shared Value Program

Allkem is committed to regularly engaging with community stakeholders across all operations and providing positive and lasting benefits to the communities it works with.

The Shared Value team in Argentina provides long-term value to the local communities through initiatives based on five pillars; empowerment; transparency, education; health; local

[5]Net cash includes Naraha cash balances and project loans at 75% interest, and Olaroz cash deposits to secure project borrowing. Related party loans are excluded.

[6] Future reporting will be on a net cash position for the group, for reference to historical reporting total group cash at 30 September 2022 was US$663.9 million

production/natural resources. Community engagement and consultation continues at each project. Initiatives continued during the quarter including technical and leadership training in various trades.

The James Bay project team undertake regular engagement with community stakeholders as part of the Environmental and Social Impact Assessment ("**ESIA**") and Impact and Benefit Agreement ("**IBA**") process, with the ultimate objective to ensure long-term benefits to the communities.

OPERATIONS

MT CATTLIN

Spodumene concentrate ***Ravensthorpe, Western Australia***

FY23 Forecast Production

In late August forecast production for FY23 was revised to 140kt-150kt of spodumene concentrate due to on-going labour and equipment shortages in Western Australia resulting in a delay in pre-stripping the 2NW pit, coupled with temporary unfavourable fine-grained mineralisation.

Mitigation actions have been implemented and after sourcing additional excavators there will be 1x350t, 3x200t and 1x120t excavators on site for mining activities which has increased capacity by approximately 33%. As previously guided, production in the first half will be limited by access to the main orebody and it is now expected that the March 23 and June 23 quarters will account for approximately 30% and 40% of FY23 production respectively.

FY23 cash cost of production is forecast to be approximately US$900/dmt, reflecting the current operating environment and mitigation actions, ongoing development of the 2NW pit, lower ore grades of 0.93-0.94% and the associated metrics. Ore grades in FY24 are expected to be 1.17%.

An additional 60,000 tonnes of lower grade material will be sold from stockpiles and processing of fine-grained ore during the current half year to help offset the deferred delivery of spodumene volumes.

Production

During the quarter 17,606 dmt of spodumene concentrate was produced at 5.3% Li_2O grade. Recovery of 25% reflects the temporary fine-grained nature of some of the mined ore.

Due to the mobilisation of an additional mining contractor and the additional mining equipment, mining capacity successfully increased to 1,000,000 bcm by the end of August, compared to 750,000 bcm in the month prior. 2,076,058 bcm of material was mined in the quarter and includes a record breaking 872,812 bcm in the month of September.

Recently, magnetic ore sorters have been installed to improve the quality of plant feedstock when processing low-grade stockpiles. Metallurgical test work on fine-grained ore is continuing.

Sales and financial performance

21,215 dmt of spodumene concentrate was shipped during the quarter at an average grade of 5.4% Li_2O, generating revenue of US$107 million at an average realised sales price of US$5,028/dmt CIF.

An additional US$35 million in revenue was generated from shipments of 59,326 dmt of low grade spodumene concentrate.

Cost and margins

The FOB cash cost of production for spodumene concentrate for the quarter was US$796/dmt. The gross cash margin for the quarter was 80% for approximately US$85.4 million. In addition, low grade concentrate sales contributed approximately $25.6 million of gross cash margin.

Table 1: Mt Cattlin FY23 quarterly operational and sales performance

Metric	Units	Sep 22
Production		
Recovery	*%*	25
Concentrate produced	*dmt*	17,606
Grade of concentrate produced	*% Li_2O*	5.3
Sales		
Concentrate shipped	*dmt*	21,215
Grade of concentrate shipped	*% Li_2O*	5.4
Realised price[1]	*US$/dmt CIF*	5,028
Revenue[1]	*US$ million*	106.7
Production Costs		
Cash cost per tonne produced[2]	*US$/t FOB*	796

1. Revenue and realised price are stated on a CIF basis to be consistent with Statutory accounting practices and excludes tantalum and low grade sales. Prior periods have been adjusted to this basis.
2. Excluding marketing and royalties.

Mineral Resource Estimate

The revised Mineral Resource Estimate at 30 June 2022 increased 21% to 13.3Mt @ 1.2% Li_2O and 131 ppm Ta_2O_5 (Table 2). As for the previous estimate, the cut-off grade was 0.4% Li_2O whilst the pit shell for the Mineral Resource was generated at US$1,100/t and 6% Li_2O concentrate grade (c.f. US$900/t in 2021).

Table 2: Mt Cattlin Mineral Resource at 30 June 2022

Category		Tonnage Mt	Grade % Li2O	Grade ppm Ta2O5	Contained Metal ('000) t Li2O	Contained metal lbs Ta2O5
Measured	In-situ	-	-	-	-	-
Indicated	In-situ	4.5	1.3	135	59	1,339,000
	Stockpiles	2.4	0.8	122	19	646,000
Inferred	In-situ	6.4	1.3	131	83	1,850,000
Total		**13.3**	**1.2**	**131**	**161**	**3,835,000**

Notes: Reported at cut-off grade of 0.4% Li_2O contained within a pit shell generated at a spodumene price of USD1,100 at 6% Li_20. The preceding statements of Mineral Resources conforms to the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) 2012 edition. All tonnages reported are dry metric tonnes. Excludes mineralisation classified as oxide and transitional. Minor discrepancies may occur due to rounding to appropriate significant figures. RPEEE is defined as reasonable prospects for eventual economic evaluation.

Ore Reserve

The revised Ore Reserve at 30 June 2022 after mining depletion decreased 28% to 5.8Mt @ 0.98% Li_2O and 113 ppm Ta_2O_5. The Ore Reserve is presented in Table 3 and is based on the remaining Ore Reserves within the current mine design, utilising the model from the 2021 Mineral Resource estimate with the application of modifying factors. This will be revised in early 2023 with the inclusion of recent drilling and the updated resource estimate.

Table 3: Mt Cattlin Ore Reserve as at 30 June 2022

Category		Tonnage Mt	Grade % Li2O	Grade ppm Ta2O5	Contained metal ('000) t Li2O	Contained metal lbs Ta2O5
Proven	-	-	-	-	-	%
Probable	2NW only	3.3	1.12	105	37.0	764,000
	Stockpiles	**2.4**	**0.80**	**122**	**19.0**	**646,000**
Total		**5.8**	**0.98**	**113**	**56.0**	**1,410,000**

Notes: Reported at cut-off grade of 0.4 % Li_2O within current mine design. The preceding statements of Ore Reserves conforms to the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) 2012 edition. All tonnages reported are dry metric tonnes. Reported with 17% dilution and 93% mining recovery. Revenue factor US$650/tonne applied. Minor discrepancies may occur due to rounding to appropriate significant figures.

Resource extension drilling

Allkem commenced a three-phase resource extension program in mid-April with the aim of achieving a multiyear mine life extension. As of 30 September, 92 holes for a total of 21,803 metres were completed in the first 2 phases of drilling.

Phase 1 of drilling, targeting the conversion of resource to reserve within the US$900 2NW pit shell reached ~86% completion at the end of the quarter. Intercepts within this pit include high grade zones with large thicknesses such as 12m at 2.46% Li_2O and 15m at 1.91% Li_2O.

Phase 2 drilling to the north and down dip of the US$900 2NW pit shell and within the US$1,100 pit shell is ~63% complete. Assay results show resource extension potential to the north of the current pit with high grade results in the lower pegmatite, including 9m at 2.98% Li_2O and 7m at 1.86% Li_2O.

Consultants have been appointed to project manage an open pit cut-back feasibility level study. The study has commenced and aims to convert in-situ mineral resources to Ore Reserves for scheduling, mine planning and detailed pit design in a NW pit.

On completion of the drilling at the 2NW pit, drilling will continue to a third phase, focussed on further definition in the SW to test additional targets and prospects.

OLAROZ LITHIUM FACILITY

Lithium Carbonate ***Jujuy Province, Argentina***

Production

Production for the June quarter was 3,289 tonnes, up 17% from 2,802 tonnes in the previous corresponding period. This was due to good plant performance with outstanding mechanical reliability and asset utilisation. Battery grade lithium carbonate production for the quarter was 43% in line with customer requirements.

Sales and financial performance

Quarterly product sales were up 8% QoQ to 3,721 tonnes of lithium carbonate of which 40% was battery grade.

Total sales revenue of ~US$150 million was up 6% QoQ. The average price received from third party sales was $43,237/tonne on an FOB[2] basis reflecting continuing strong market conditions.

Cost and margins

Cash cost of goods sold for the quarter was US$4,563/tonne down 4% from the PCP due to better operational performance and a lower proportion of battery grade sales. Gross cash margin for the quarter was 89% or US$35,754/tonne.

Table 4: Olaroz September quarter production and sales metrics

Metric	*Units*	Sep Q	Jun Q	QoQ %	PCP Sep FY21	PCP %
Production	*tonnes*	3,289	3,445	-5%	2,802	17%
Sales	*tonnes*	3,721	3,440	8%	2,622	42%
Average price received	*US$/tonne*	40,317	41,033	-2%	9,341	332%
Third party price received	*US$/tonne*	43,237	41,033	5%	9,341	363%
Cash cost of goods sold[1]	*US$/tonne*	4,563	4,301	6%	4,754	-4%
Revenue	*US$M*	150	141	6%	25	513%
Gross cash margin	*US$/tonne*	35,754	36,732	-3%	4,587	679%
Gross cash margin	*%*	89%	90%	-1%	49%	81%

1. Excludes royalties, export tax and corporate costs

Lithium carbonate pricing

The lithium carbonate sales price to third party customers for the December quarter is expected to be approximately US$50,000/tonne. After accounting for actual pricing in the September quarter this remains in line with previous guidance of US$47,000/tonne for H1 FY23.

Stage 2 expansion

Construction of the Olaroz Stage 2 lithium facility continues with over 800 personnel currently on site. Allkem has recently been advised by suppliers of key piping and electrical equipment that delivery of these items will be delayed due to manufacturing and supply chain constraints.

Accordingly, the start of production will be delayed and is now expected to occur by Q2 CY23.

A recent review of Olaroz Stage 2 capital expenditure has been completed taking into account the delay in completion, regional and global inflation impacts and supply chain constraints that have impacted logistics and freight. Subject to joint venture assessment and approval, it is expected that total capital expenditure will increase approximately 12% to US$425 million excluding VAT and working capital. This increase will be funded through operating cashflow. Capital intensity remains at a very competitive US$17,000/tonne despite manufacturing delays, COVID related costs and supply chain/logistics constraints.

By the end of September 2022, all evaporation ponds were complete and commissioned. Lime plant 3 is now fully commissioned. Pre-commissioning and commissioning of lime plant 4 components is underway and final construction activities are expected in the December quarter. Soda ash facilities are complete with commissioning currently being undertaken. The carbonation plant has reached 77% completion. All activities in the carbonation plant other than the delayed piping and electrical equipment are progressing as planned.

Figure 1: Olaroz Stage 2 - ponds fully commissioned

BORAX ARGENTINA

Boron Minerals — ***Salta-Jujuy Province, Argentina***

11,317 tonnes of boron minerals and refined products were sold in the quarter, a 25% decrease from the prior quarter of 15,185 tonnes due to lower production of mineral products.

On 15 August, Allkem advised it had entered into a binding and conditional HOA to transfer Borax Argentina S.A ("**Borax**") to Minera Santa Rita S.R.L ("**MSR**") and to acquire the María Victoria lithium tenement in the Olaroz basin from MSR in return (the "Proposed Transaction").

Under the Proposed Transaction Allkem will transfer to MSR all of the issued shares in Borax and US$14 million cash to be used for employee and rehabilitation liabilities. MSR will transfer to Allkem (or its nominee) 100% ownership of the Maria Victoria Tenement

Subject to satisfaction of the conditions precedent, completion of the Proposed Transaction is expected to occur during Q4 CY22.

DEVELOPMENT PROJECTS

NARAHA

Lithium Hydroxide — ***Naraha, Japan***

Construction of the Naraha lithium hydroxide plant in Japan is complete and commissioning activities continue. Kiln heating and commissioning has commenced and technical grade lithium carbonate from Olaroz has been introduced to the main process area. First production of lithium hydroxide remains on track for the December quarter.

SAL DE VIDA

Lithium Carbonate — ***Catamarca Province, Argentina***

Sal de Vida is designed to produce 45ktpa of predominantly battery grade lithium carbonate through an evaporation and processing operation at the Salar del Hombre Muerto site. Development is being undertaken in two stages with Stage 1 targeting a 15ktpa production capacity and Stage 2 an additional 30ktpa.

Project execution

Project execution in H2 CY22 is focussed on commissioning the first string of operational ponds and commencing the construction of the carbonation plant for Stage 1.

Procurement has advanced to the final stage for the process plant and earthworks have commenced. Construction of the first two strings of ponds reached ~65% completion with the first four ponds completed and filled with brine (Figure 2). The main brine pipeline is complete and the first 3 wells have been commissioned.

Additionally, camp expansion activities, procurement for long lead items and the tendering process for a 30% photovoltaic energy solution have all advanced.

Engineering and permitting continues for the third string of ponds which reflects the increased production capacity of Stage 1.

Brine evaporation will continue during plant construction to provide evaporated feed for future production. It is expected that once Stage 1 has been commissioned the development of Stage 2 will start sequentially.

Allkem is in the final phase of commercial negotiation with an EPC contractor for the delivery of the Stage 1 carbonation plant.

Figure 2: Sal de Vida Stage 1 ponds - first 3 ponds completed

Figure 3: Sal de Vida – camp expansion

JAMES BAY

Spodumene Concentrate ***Québec, Canada***

James Bay is designed to produce ~320ktpa of spodumene concentrate through a mine and concentrator utilising mainly hydro power over a project life of 19 years.

Project execution

Allkem is targeting construction activities to commence in Q1 CY23 with commissioning in late H1 CY24.

During the quarter, Hydro-Quebec completed the detailed engineering of the powerline and substation and obtained the required construction permits. Preliminary site works have started.

Detailed engineering continues alongside procurement activities including awarding key equipment packages (temporary camps, primary sub-station, process equipment, etc).

On 26 September, JAC (Joint-Assessment Committee, a committee of Cree and Federal government representatives) published the draft Environmental Assessment Report for the project and commenced the final consultation period that will conclude in November.

Further information has been provided to COMEX (a committee of Cree and provincial government representatives) as part of the clarification process.

Positive engagement with community stakeholders continues including additional community consultations, meetings with key Cree stakeholders and discussions with the Eastmain community economic development branch to agree the local economic benefits.

Resource Drilling

A 15,000m drilling program is expected to commence in November to test open mineralisation North, South, East and at depth of the current ore body.

OTHER GROWTH PROJECTS

Olaroz Stage 3

Olaroz is one of the largest lithium resources in the world and has multiple development opportunities. Options are being considered for a material increase in production capacity and studies are underway into conventional and alternate processing technologies.

Purification Facility

A dedicated purification facility is being considered for construction near Jujuy, Argentina. This would allow Olaroz Stage 1 to be a dedicated technical grade facility with a commensurate 30-40% increase in production. Engineering studies are currently at a Class 3 stage. The purification process would benefit from lower costs and better sustainability performance.

Enhanced brine recovery

Technologies are being reviewed that may see an increase in recovery from 75%-95% at both Olaroz Stages 1 and 2. Pilot tests are underway and a Feasibility Study is targeted for H1 CY23.

LITHIUM MARKET

Demand

Demand for lithium chemicals and spodumene concentrate continued to be strong during the quarter with published lithium prices rallying to new record highs.

Electric Vehicle ("**EV"**) sales for the September 2022 quarter experienced robust demand growth across all major regions despite supply chain disruptions, natural disasters and COVID-19 lockdowns. EV sales in China alone were estimated at ~1.9 million units during the quarter, representing a ~107% increase from the PCP. In the eight major markets of Europe, EV sales remained resilient despite rising energy costs and recorded 0.45 million units, 3% up from the PCP. US EV sales for the quarter also grew ~44% year on year ("**YoY**") at 0.25 million units.

Chinese lithium chemical demand remained robust despite isolated COVID-19 lockdowns and natural disasters. EV battery installation volumes were estimated at ~74 GWh during the quarter compared to ~37 GWh PCP, up 102% YoY.

The US government passed the Inflation Reduction Act ("**IRA"**) during the quarter, providing significant tax incentives in order to stimulate the development of a domestic EV and battery raw materials supply chain. Several large investments have been announced since the bill was passed.

Spot prices for lithium carbonate and hydroxide in China rose 9% and 7% QoQ respectively with both products setting record prices as demand continues to outpace supply. Outside China, spot prices for lithium chemicals also rallied in line with Chinese prices. Spodumene concentrate spot prices once again registered new record highs, posting QoQ gains of 10%, highlighting the continued tightness in the supply chain for upstream lithium units.

Supply

Estimated lithium chemical production in China was up by ~ 6% QoQ due to lower than expected production in August 2022 as a result of power rationing in China's Sichuan province.

Combined spodumene concentrate volumes shipped to China from Australia for July and August 2022 were 89% higher compared to the PCP with ramp up of brownfield expansions and the restart of idled capacity continuing. Despite this increase, a significant shortage in spodumene concentrate remains highlighted by record high prices and increase in demand for lower grade lithium products.

Significant investment, funding and offtake agreements from the EV downstream supply chain were announced during the quarter as companies sought to secure long-term lithium supply.

The race to source supply of critical materials such as lithium from USA/FTA partner countries is expected to intensify as auto and battery manufacturers seek to leverage the significant incentives on offer as part of the IRA.

CORPORATE AND FINANCIALS

Annual General Meeting

The Annual General Meeting ("**AGM**") for shareholders will be held on 15 November 2022. Details including how to attend and/or participate are available in the Notice of Meeting.

Appointments and Retirement

Post reporting period, on 3 October, Deputy Chair, Mr Rob Hubbard retired from the Board and Mr Peter Coleman was appointed as a director. Mr Coleman will assume the role of Chair following Mr Martin Rowley's retirement after the 2022 AGM.

Mr Dylan Roberts was appointed joint Company Secretary with Mr. Rick Anthon retiring from his role as joint Company Secretary effective from 3 October. Mr. Roberts joins Mr. John Sanders as the joint Company Secretaries for Allkem.

Project Finance Proposal for Sal de Vida

Post reporting period, Allkem and the IFC agreed to a non-binding term sheet for a project financing facility for the Sal de Vida Project.

IFC's proposed facility comprises a US$200 million debt package, including up to US$100 million from IFC for a tenor of up to 9 years with the remainder funded by a syndicate of commercial banks.

Subject to finalisation of facility terms, legal due diligence, approval from the Allkem Board of Directors, approval by IFC Management and World Bank Group Board of Directors the facility is expected to close before the end of 2022.

Financial position

At 30 September group net cash[5] was US$447 million up US$28.9 million from 30 June 2022. Mt Cattlin contributed US$21.5 million cash from operations (excluding US$52.1 million of cash related to September shipments collected in early October) net of capex and working capital movements. Olaroz contributed US$40.6 million cash from operations net of expenditure on the Stage 2 expansion project. Naraha project generated US$9.1 million mainly related to VAT reimbursements. Capital expenditure at Sal de Vida and James Bay was US$18.1 million, corporate costs were US$6.3 million and on-market purchases of Allkem shares required for the employee share scheme were US$17.9 million.

US$6.8 million and US$83.1 million have been set aside as pre-completion guarantees for the Naraha debt facility and Olaroz expansion debt facility respectively.

For reference the total group cash as at 30 September 2022 was US$663.9 million

ENDS

This release was authorised by Mr Martin Perez de Solay, CEO and Managing Director of Allkem Limited.

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This investor ASX/TSX release (**Release**) contains general information about the Company as at the date of this Release. The information in this Release should not be considered to be comprehensive or to comprise all of the material which a shareholder or potential investor in the Company may require in order to determine whether to deal in Shares of Allkem. The information in this Release is of a general nature only and does not purport to be complete. It should be read in conjunction with the Company's periodic and continuous disclosure announcements which are available at allkem.co and with the Australian Securities Exchange (**ASX**) announcements, which are available at www.asx.com.au.

Forward Looking Statements

Forward-looking statements are based on current expectations and beliefs and, by their nature, are subject to a number of known and unknown risks and uncertainties that could cause the actual results, performances and achievements to differ materially from any expected future results, performances or achievements expressed or implied by such forward-looking statements, including but not limited to, the risk of further changes in government regulations, policies or legislation; the risks associated with the continued implementation of the merger between the Company and Galaxy Resources Ltd, risks that further funding may be required, but unavailable, for the ongoing development of the Company's projects; fluctuations or decreases in commodity prices; uncertainty in the estimation, economic viability, recoverability and processing of mineral resources; risks associated with development of the Company Projects; unexpected capital or operating cost increases; uncertainty of meeting anticipated program milestones at the Company's Projects; risks associated with investment in publicly listed companies, such as the Company; and risks associated with general economic conditions.

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This announcement has been prepared for publication in Australia and may not be released to U.S. wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction, and neither this announcement or anything attached to this announcement shall form the basis of any contract or commitment.

Competent Person Statement

Mt Cattlin

Any information in this announcement that relates to Mt Cattlin's Mineral Resources and Reserves is extracted from the report entitled "Mt Cattlin Resource, Reserve and Operations Update" released on 25 August 2022 which is available to view on www.allkem.co and www.asx.com.au. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the Mineral Resources estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.