

Executive Summary

Locksley Resources Limited (ASX: **LKY**, OTCQB: **LKYRF**), (“**Locksley**” or the “**Company**”) has taken two decisive steps to accelerate its downstream strategy and enhance access to U.S. government funding pathways. The Company announced:

- **25 August 2025:** A legally binding Sponsored R&D Agreement with Rice University in Houston, a global leader in materials science and nanotechnology.
- **26 August 2025:** The appointment of Washington D.C.-based GreenMet to position the Mojave Critical Minerals Project directly within U.S. government initiatives under the Defence Production Act, Department of Energy, and Inflation Reduction Act programs.

Locksley's share price closed on 28 August 2025 at **A\$0.29 (Market capitalisation: A\$71.29M)**. These announcements build on the strategic framework outlined in Peak Asset Management's initiation of coverage, where Locksley's unique positioning adjacent to MP Materials' Mountain Pass Mine and its dual exposure to antimony and rare earths (REEs) such as neodymium and praseodymium (NdPr) were highlighted. The recent developments substantially advance the Company's U.S. critical minerals strategy and reinforce its differentiated approach to building a fully integrated U.S. supply chain, spanning high-grade upstream resources through to processing, innovation, and end-market deployment.

Strategic Collaboration with Rice University

Locksley has formalised a legally binding Sponsored Research and Development Agreement with Rice University in Houston, a global leader in materials science, nanotechnology and energy innovation. The George R. Brown School of Engineering and Computing, the Department of Materials Science and NanoEngineering (MSNE) and the Rice Advanced Materials Institute (RAMI) have pioneered transformative research in solid-state batteries, green chemistry, and advanced energy and defence materials. Locksley's project will advance antimony capabilities through a dual initiative agreement (“**Thrusts**”) in a fast-tracked program pursuant to the Agreement:

- **Thrust 1:** Green Hydrometallurgical Extraction of Antimony – development and testing of low-energy, environmentally benign solvent extraction processes for U.S.-sourced antimony ores and concentrates from Locksley's Mojave Project and other domestic feedstocks. This initiative is designed to re-establish U.S.-based processing capacity for a metal where no commercial-scale refining currently exists.
- **Thrust 2:** Antimony-Based Energy Storage Applications – applied research into advanced electrode materials and composite architectures for lithium-ion and sodium-ion batteries, supercapacitors, and hybrid power modules. This program seeks to expand antimony's role in next-generation energy storage technologies.

Rice University brings globally recognised expertise in critical minerals and advanced energy research. Its capability was most recently demonstrated through a collaboration with Metallium Ltd (ASX: MTM), formerly MTM Critical Minerals Ltd, on the breakthrough “Flash Joule Heating” technology, which fast-tracks the conversion of raw feedstocks into high-value critical mineral products. This proven track record provides confidence that the Rice–Locksley partnership will deliver commercially relevant innovation.

Importantly, all intellectual property developed under the program will be jointly owned, with Locksley committing US\$550,000 over the next 12 months to fund the development of proprietary processing technologies. This collaboration addresses two systemic U.S. challenges simultaneously:

- The complete absence of domestic antimony processing capacity, which leaves the U.S. 90–95% reliant on imports from countries outside its alliance network.
- The need to build new advanced materials platforms for defence, energy, and sustainable technologies.

By integrating upstream development with downstream innovation, Locksley is positioning itself not only as an explorer but also as a potential first mover in rebuilding U.S. antimony capacity. This strategy aligns directly with U.S. government funding priorities under the Defence Production Act and Department of Energy programs, providing potential access to non-dilutive capital.

Engagement with GreenMet and U.S. Federal Pathways

Locksley has also engaged GreenMet, a strategic advisory group based in Washington D.C., to secure federal recognition and funding for the Mojave Project. GreenMet is led by Drew Horn, a former senior U.S. government official who has served in leadership roles at The White House, Department of Defence, and Department of Energy. The partnership will:

- Position Mojave within U.S. government programs under the Defence Production Act, Inflation Reduction Act, and DOE critical minerals funding streams.
- Target grants, loans, and offtake programs across the DOE, DoD, EXIM Bank, and U.S. Development Finance Corporation.
- Strengthen Locksley's visibility among policymakers, institutional investors, and downstream industry partners in Washington and New York.

The U.S. Government has made clear its intent to develop a “Made in America” critical minerals strategy, backed by nearly US\$1 billion in recent DOE funding opportunities. GreenMet's mandate is to ensure Locksley is well positioned to capture this momentum, accelerate permitting and financing, and integrate its downstream collaboration with Rice into a coherent federal engagement strategy.

Implications for Investors

- **De-Risked Downstream Strategy:** Locksley is not only drilling for resource discovery but is already embedding itself within the U.S. innovation and policy framework for critical minerals.
- **First Mover Advantage in Antimony:** With no domestic antimony production or processing capacity in the U.S., Mojave's high-grade antimony, combined with Rice's technology development, represents a unique opportunity to establish sovereign supply.
- **Enhanced Federal Alignment:** The GreenMet engagement provides direct access to high-level policy, defence, and funding pathways, positioning Mojave as a U.S. national security project.
- **Potential for Non-Dilutive Funding:** Access to DoE/DoD/EXIM programs could substantially reduce equity dilution risk, a key differentiator for early-stage critical minerals explorers.

Outlook and Catalysts

- **September 2025 Drilling:** Maiden RC drilling at Desert Antimony and El Campo remains on track, providing the near-term opportunity for assay results and JORC Exploration Target definition.
- **Federal Funding Decisions:** U.S. DoE and DoD grant rounds (US\$1bn+) expected to open in H2 CY25. Locksley, with GreenMet and Rice University, is positioned as a strong applicant.
- **Strategic Partnerships:** The Rice collaboration may provide pathways into U.S. defence, energy storage, and technology supply chains, broadening Locksley's end-market optionality.
- **Market Timing:** Antimony prices remain at ~US\$60,000/t and NdPr demand is forecast to enter structural deficit, reinforcing favourable market dynamics.

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