ASX ANNOUNCEMENT

20 August 2021

Lithium Australia COVID-19 update

HIGHLIGHTS

- Envirostream Australia continues to operate during Melbourne's lockdown.
- Progress on R&D projects has been impacted by COVID-19 lockdowns in New South Wales and Queensland.

COVID-19 – impact on the Company

The issues surrounding COVID-19 are affecting Lithium Australia NL (ASX: LIT, 'Lithium Australia' or 'the Company') and its subsidiaries (together, 'the Group'). Group employees affected by lockdowns are working from home and, for those continuing to occupy Group premises during working hours, strict social distancing and hygiene standards are being observed.

Service providers in New South Wales, Queensland and Victoria, as well as other stakeholders involved in Company business, have curtailed their operations. This has delayed projects and some research. Should the situation deteriorate further, construction of the CRC-P LieNA® pilot plant (currently scheduled for completion by the end of the year) may be delayed until mid-first quarter 2022. The delay in the pilot plant trial is not expected to affect the completion date for the overall CRC-P programme.

Lithium Australia has sufficient cash and investments to meet its current programmes.

Envirostream Australia Pty Ltd

Envirostream Australia Pty Ltd ('Envirostream') confirms that its Melbourne-based mixed-battery recycling facility will continue to operate under guidelines recently released by the Victorian government for its current lockdown. Envirostream has been included in the list of 'electricity, gas, water and waste services' considered important infrastructure and is also classified as an essential service.

Having previously implemented strict COVID-19 protections for the benefit of its employees and the general community, Envirostream continues to play a vital role in preventing toxic battery waste from entering landfill and hence groundwater systems.

Envirostream continues with regulatory preparations that will allow it to meet an expected surge in demand for its recycling services when the <u>Battery Stewardship</u> <u>Scheme</u> commences in 2022.



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Forward-looking statements

This announcement contains forward-looking statements. Forward-looking statements are subject to a variety of risks and uncertainties that it is beyond the Company's ability to control or predict and which could cause actual events or results to differ materially from those anticipated in such forward-looking statements.

About Lithium Australia

Lithium Australia aims to ensure an ethical supply of energy metals to the battery industry by creating a circular battery economy that enhances both sustainability and resource security. Reprocessing spent lithium-ion batteries to create new ones is intrinsic to this plan, with the Company operating Australia's only fully integrated mixed-battery recycling business.

Having rationalised its portfolio of lithium projects/alliances, Lithium Australia continues its research into, and the development of, proprietary extraction processes for the conversion of *all* lithium silicates (including mine waste), and of fines generally discarded during conventional spodumene conversion, to lithium chemicals, from which it will produce advanced cathode materials for the battery industry globally.

The Australian federal government has recognised the Company's progress through the awarding of substantial research grants designed to progress the nation's advanced battery capabilities.

By uniting resources and innovation, Lithium Australia seeks to vertically integrate lithium extraction, processing and recycling.

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