

14 June 2023

Lithium Australia retains its holding in the Lake Johnston Lithium Project

ACN: 126 129 413
ASX: LIT

Level 1
677 Murray St
West Perth WA 6005

PO Box 1088
West Perth WA 6872

P: +61 (0) 8 6145 0288
F: +61 (0) 8 9475 0847

info@lithium-au.com
lithium-au.com

HIGHLIGHTS

- Lithium Australia will retain its 30% holding in the Lake Johnston Lithium Project
- Charger Metals NL (ASX:CHR) will continue to partner with Lithium Australia, and retain its existing 70% interest in the Lake Johnston Lithium Project
- Lithium Australia has a strategic ASX-listed investment portfolio valued at \$5.1m, which is well positioned for offtake and pricing arbitrage
- Lithium Australia continues to focus on its technology platforms of lithium extraction, battery materials and battery recycling
- Lithium Australia maintains a strong cash position of \$9.3m as at the end of May 2023 and is well funded to meet its strategic priorities

Background

Lithium Australia Limited (ASX:LIT) ('**Lithium Australia**', or 'the **Company**') advises that the Company will retain its 30% interest in the Lake Johnston Lithium Project following Charger Metals ('**Charger**') (ASX:CHR) not receiving shareholder approval on 13 June 2023 to acquire the project in its entirety (refer to ASX announcement dated 7 February 2023). Charger will retain its existing 70% holding in the Lake Johnston Lithium Project and remains committed to the project.

Lithium Australia continues to maintain a portfolio of strategic ASX-listed investments valued at \$5.1m, including a position in Charger and other select early-stage mining explorers. The portfolio is strategically positioned for offtake opportunities and pricing arbitrage. The table below summarises the Company's ASX-listed investments and valuations:

Company	Ticker	Shares held by Company	% holding	Valuation ¹		
				Current (\$m)	52-week low (\$m)	52-week high (\$m)
Charger Metals NL	CHR	9,600,000	15.5%	\$3.7	\$2.2	\$6.9
Galan Lithium Ltd	GLN	864,345	0.3%	\$0.8	\$0.8	\$1.5
Evion Group NL	EVG	13,106,571	3.8%	\$0.5	\$0.5	\$1.4
Total				\$5.1	\$3.4	\$9.8

¹ As at 13 June 2023.

Lithium Australia remains well funded to continue executing on its core priorities, with a cash balance of \$9.3m as at the end of May 2023. The Company will continue pursuing opportunities that enhance its balance sheet, while transitioning away from lithium exploration to optimising its technology platforms, including lithium extraction, battery materials, and battery recycling.

Comment from Lithium Australia Chief Executive Officer, Simon Linge

"Despite Charger not receiving full shareholder approval, both parties remain committed to our collaborative journey. We are excited to continue our partnership to generate shareholder value.

With a strong cash position, and strategic portfolio of listed assets, we are well placed to leverage our foothold in battery materials production to meet the growing worldwide demand as we continue our path to be a leader in sustainable lithium production."

Authorised for release by the Board.

Simon Linge

Chief Executive Officer

Mobile +61 (0) 438 721 280

simon.linge@lithium-au.com

Stuart Tarrant

Chief Financial Officer

Mobile +61 (0) 467 817 005

stuart.tarrant@lithium-au.com

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 Limited (ASX: LIT) (**'Lithium Australia'**, or **'the Company'**) delivers customer focused solutions for the lithium-ion circular battery materials industry that will accelerate global electrification. We will do this through lithium-ion battery recycling at Envirostream, development of leading-edge cathode active materials for e-mobility and energy storage applications at VSPC, and through the development of other novel technology solutions, such as the lithium extractive processing technology LieNA®.

Our values ground our thinking and approach. Our people's capabilities are at the heart of our success. They are focussed on creating a safe and inclusive work environment, working with a people centred approach to build meaningful partnerships, and actively respecting and trusting one another. All with the aim to deliver creative technology solutions to improve sustainability and help decarbonise the world.

Envirostream (100%-owned LIT subsidiary): Recycling of end of life ('EOL') batteries via Envirostream underpins the Company's ESG credentials. Envirostream, which is leading Australia's battery recycling industry, is well-positioned to take advantage of the expected significant increase in volumes of spent batteries available for recycling, particularly as a result of vehicle electrification and Australia's national battery stewardship scheme.

VSPC (100%-owned LIT subsidiary): The production of LFP cathode powder for lithium-ion batteries ('LIBs') via VSPC represents a significant commercial opportunity. An accelerated strategy is being developed to increase production capacity of LFP and lithium manganese ferro phosphate ('LMFP'), both of which are subject to strong industry support for offtake development.

LieNA® (100%-owned LIT technology): The LieNA® processing technology allows a unique method of refining fine or low-grade spodumene to produce high-purity lithium chemicals. With an expected increase in lithium chemicals demand and an industry focus on improving sustainability of lithium chemical production worldwide, the company is now seeking potential partners to commercialise the opportunity.