

17 August 2023

## Liontown awards Underground Mining Services

**Tier-1 mining contractor Byrnecut has been awarded the Underground Mining Services for the world-class Kathleen Valley Project**

### Highlights:

- Liontown issues letter of award to Byrnecut for the Underground Mining Services;
- The fixed and variable contract is valued at approximately A\$1 billion over four years;
- The contract is the largest to be awarded by Liontown and provides the full suite of mining services for our underground operations to support initial plant throughput capacity of 3 Mtpa;
- Byrnecut will mobilise to site throughout the September quarter, with first development metres expected to commence in the December quarter; and
- Byrnecut will commit A\$125 million dollars to procure new plant and equipment to execute the works.

Liontown Resources Limited (ASX: **LTR**) (**Liontown** or the **Company**) announces it has issued a letter of award to Byrnecut Australia Pty Ltd (**Byrnecut**) for the Underground Mining Services, which will underpin the development and production of the Kathleen Valley Lithium Project (the **Project**).

The appointment of Byrnecut is a significant milestone for the world-class Kathleen Valley Project, which is underpinned by a Mineral Resource Estimate of 156 Mt at 1.4% Li<sub>2</sub>O and 130ppm Ta<sub>2</sub>O<sub>5</sub>. Byrnecut's demonstrable record and capability across the entire underground value chain, from mine start to full and ongoing production and at a size and scale required at Kathleen Valley, was critical to its success in the tender process.

The letter of award follows a transparent and competitive tender process that commenced in March 2023 and concluded this month, in line with the Project's schedule. The tender and award covers all aspects of underground construction, including significant early capitalised development (approximately 60 kilometres of a total 90 kilometres during the contract period) and production across the Mt Mann and Northwest Flats orebodies as we expand to support the initial plant throughput capacity of 3 Mtpa. Given the services will cover both production and capitalised long-term development, the full contract value of approximately A\$1 billion over four years comprises operating costs, sustaining capital, and early enabling works for the planned 4 Mtpa expansion as part of the longer-term operation of the underground mine.

The evaluation process also included Health, Safety, Environment and Quality (HSEQ), innovation, community engagement and performance history. Importantly Byrnecut is committed to working in collaboration with the Tjiwarl Traditional Owners to increase Indigenous participation in mining.

Byrnecut was ultimately selected in recognition of its extensive expertise in large-scale underground mining, including state-of-the-art and technologically advanced mining equipment and processes, robust safety and training systems and logistical support.

ByrneCut will invest more than A\$125 million in new equipment highlighting their commitment to the successful delivery of underground mining services. They will begin mobilising to site throughout the September quarter, aligned with the on-schedule conclusion of open pit mining activities at Mt Mann. Mt Mann will be the central location for the future portals – six in total – into the underground operations, with development to commence in the December quarter.

The award of the Underground Mining Services to ByrneCut is subject to finalisation of a binding full-form contract. Now that the commercial terms have been agreed, this information will allow the Company to finalise its operating costs review for Kathleen Valley Project which will be the subject of a future update.

**Liontown’s Managing Director and CEO, Tony Ottaviano, said:**

*“Today marks a significant milestone for Kathleen Valley as we have issued a letter of award for the Underground Mining Services contract to ByrneCut.*

*ByrneCut is a Tier-1 underground mining services contractor with a global footprint. Its underground expertise is highly respected and well recognised throughout the mining industry and investment community, underpinned by the people they attract and retain. As part of the tender process, I was pleased to learn that around 400 people have worked for ByrneCut for 10 years or more. I believe this is evidence of a highly engaged and motivated team, which is vital to operating safely in an underground mining environment.*

*Our collaboration with ByrneCut has already delivered value in the form of the updated ‘one mine, two orebodies’ mine plan, which was optimised as an outcome of the tender evaluation process.*

*ByrneCut will invest more than A\$125 million in new equipment, highlighting their commitment to the successful delivery of underground mining services at Kathleen Valley.*

*At around A\$1 billion this is the largest contract to be awarded by Liontown and is reflective of operational requirements, external factors and the four-year duration.*

*We remain on track for first production from Kathleen Valley by mid-2024 and I look forward to partnering with ByrneCut for the next stage of our project development.”*

This announcement has been approved for release by the Board of Directors.

**Further Information**

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### About Liontown Resources

Liontown Resources (ASX:LTR) is an emerging Tier-1 battery minerals producer. Our aim is to be an ESG leader and a globally significant provider of battery minerals for the rapidly growing clean energy market. As we transition from explorer to producer, we are committed to incorporating the right approach and foundation from the outset and ESG principles underpin all decisions. We currently control two major lithium deposits in Western Australia and aim to expand our portfolio through exploration, partnerships and acquisitions. In addition, we look to participate in downstream value-adding where control of the deposit provides a strong competitive advantage. To learn more, please visit: [www.ltresources.com.au](http://www.ltresources.com.au)

### About Byrnescut

Byrnescut Mining Pty Ltd was established in 1987 as a contract mining company. Since its inception, the company has developed a reputation for professionalism and reliability. It employs thousands of people and operates a multimillion-dollar fleet of specialised underground mining equipment. Byrnescut has the systems, skills and resources to operate an underground mine, allowing the mine owner to focus on the technical and financial aspects of the orebody.

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### Competent Person Statements

The Information in this Report that relates to Mineral Resources for the Kathleen Valley Project is extracted from the ASX announcement “Strong progress with Kathleen Valley Definitive Feasibility Study as ongoing work identifies further key project enhancements” released on 8 April 2021 which is available on [www.ltresources.com.au](http://www.ltresources.com.au). The Company confirms that it is not aware of any other new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the 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 announcements.

#### *Kathleen Valley Project – Mineral Resource Estimate as at April 2021*

Resource category	Tonnes (Million)	Li <sub>2</sub> O (%)	Ta <sub>2</sub> O <sub>5</sub> (ppm)
Measured	20	1.3	145
Indicated	109	1.4	130
Inferred	27	1.3	113
<b>Total</b>	<b>156</b>	<b>1.4</b>	<b>130</b>

- Notes:
- Reported above a Li<sub>2</sub>O cut-off grade of 0.55%.
  - Tonnages and grades have been rounded to reflect the relative uncertainty of the estimate.