

5 April 2024

Lithium Australia confirms third drawdown from Mineral Resources

HIGHLIGHTS

- **Lithium Australia successfully draws down a further ~A\$1.3m of the A\$4.5m convertible note issued by MinRes**
- **The third drawdown will fund the demonstration plant engineering study and ongoing piloting activities, which commenced in March 2024¹**
- **Pending successful completion of piloting activities and the engineering study, MinRes and Lithium Australia will form a 50:50 joint venture (“JV”)**
- **Lithium Australia looks forward to progressing the joint development agreement with MinRes**

Lithium Australia Ltd. (ASX:LIT) (“**Lithium Australia**” or the “**Company**”) is pleased to announce that it has successfully made its third drawn down of ~A\$1.3m from the convertible note issued by Mineral Resources Limited (ASX:MIN) (“**MinRes**”) as part of the joint development agreement (“**Agreement**”)². Under the Agreement, MinRes will fund the Company on a quarterly basis in advance, adjusted for a reconciliation from the prior quarter. The Company has now drawn ~A\$3.0m from the A\$4.5m convertible note.

The draw down will be used to fund ongoing activities during Q4 FY24. Agreed activities under the Agreement include piloting activities, which commenced in March 2024, as well as the demonstration plant engineering study, which is being delivered by Carnac Project Delivery Services. Both activities are running as planned.

Pending successful completion of piloting and the engineering study, Lithium Australia and MinRes will form a 50:50 JV to own and commercialise the LieNA[®] technology through a licensing model. The JV will license the technology to third parties at a target headline gross product royalty rate of 8%³. The first license issued by the JV is expected to be for the demonstration plant, which is expected to be owned and operated by MinRes. Following this, the JV will issue licenses to greenfield and brownfield spodumene mines both domestically and internationally.

Lithium Australia looks forward to continuing its relationship with MinRes and aims to deliver positive results from piloting activities and the engineering study later this year.

¹ See ASX announcement, ‘*Lithium Australia commences LieNA[®] piloting under JDA with Mineral Resources Ltd.*’, 19 March 2024

² See ASX announcement, ‘*Landmark joint development agreement with Mineral Resources*’, 7 August 2023

³ The Company cautions that although it considers this to be a reasonable expectation, there is no guarantee that this rate will be achieved

Comment from Lithium Australia CEO & Managing Director, Simon Linge

“We are excited to announce the continued progress made with MinRes under our joint development agreement. The third drawdown follows the successful commencement of piloting in March 2024, demonstrating our commitment towards developing the LieNA[®] technology. Pending successful completion of the piloting activities and engineering study, we look forward to forming the JV between Lithium Australia and MinRes to license out the LieNA[®] technology. 2024 will be a formative year for Lithium Australia and we are excited to deliver further updates on our progress throughout the year.”

Authorised for release by the Managing Director / CEO of Lithium Australia Ltd.

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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 is aiming to lead and enable the global transition to sustainable lithium production. The Company operates Australia's market leading battery recycler, produces critical battery material lithium ferro phosphate (LFP), and has developed a patented lithium extraction technology. Lithium Australia's revenue-generating recycling business and technologies are well-placed to capitalise on growing global lithium-ion battery demand and provides diversification benefits to global supply chains.