

8 May 2024

Claim received to be managed by Envirostream's insurance company

Lithium Australia Ltd. (ASX:LIT) ("**Lithium Australia**" or the "**Company**") advises that its wholly owned subsidiary, Envirostream Australia Pty Limited ("**Envirostream**") has received an additional writ regarding a statement of claim. Whilst this matter does not have an effect on the cash position of the Company or future cashflow generating potential, it is identified as a material accounting matter.

As previously disclosed, Envirostream has previously been served writs regarding statements of claim for damage caused by a fire at 31 Colbert Road, Campbellfield, Victoria on 19 January 2019. To date, approximately A\$1.7 million has been settled by Envirostream's insurance company for litigated claims for the fire on 19 January 2019. As at 31 December 2023, the remaining claims were estimated to total approximately A\$3.3 million (as included in provisions in the Company's half-year report for the period ended 31 December 2023).

The Company has now received a further writ regarding a statement of claim valued at A\$4.1m. It is anticipated that this additional claim will result in an additional provision being recognised in the financial statements of the Company.

The Company understands that any future litigated claim would be settled by Envirostream's insurance company.

The Company cautions that the above matter remains incomplete and is subject to finalisation of the Company's audit. Full details of the above accounting matter will be disclosed in the financial report for the year ending 30 June 2024.

Authorised for release by the Managing Director and CEO.

Simon Linge

Managing Director / CEO
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 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.