

27 June 2024

Progress into the final phase of LieNA[®] piloting under JDA with Mineral Resources Limited

HIGHLIGHTS

- Lithium Australia has successfully completed the initial stage of LieNA[®] piloting with Mineral Resources Limited (“MinRes”) at ANSTO¹ to produce an intermediate product
- The intermediate product is used as a key input in the final LieNA[®] pilot plant at ANSTO to produce lithium phosphate, which is commencing in late June 2024
- Key LieNA[®] piloting and study activities remain on track for completion in 2024
- Subject to the results of piloting at ANSTO and the engineering study, Lithium Australia and MinRes will form a joint venture to commercialise the LieNA[®] technology

Lithium Australia Ltd (ASX:LIT) (“**Lithium Australia**” or the “**Company**”) is pleased to provide a status update of LieNA[®] piloting activities at ANSTO under the joint development agreement (“**JDA**”) with MinRes². This follows the commencement of LieNA[®] piloting announced in March 2024³.

Under the JDA, a key milestone in LieNA[®] piloting is the production of sufficient intermediate product from spodumene concentrate provided by MinRes, in multiple caustic conversion campaigns. Lithium Australia is pleased to confirm that the operation of the caustic conversion portion of the LieNA[®] pilot plant at ANSTO is now complete – with 4 caustic conversion campaigns successfully completed, representing a total of 18 days of continuous operation. The intermediate product is the feed to the downstream circuits, which produce refined lithium phosphate. The final stage of the pilot plant will commence in late June 2024.

Subject to the results of the above piloting and engineering study, Lithium Australia and MinRes will form a 50:50 joint venture (“**JV**”) to commercialise the LieNA[®] technology through a licensing model. The JV will wholly own the LieNA[®] technology and expects to license the technology to third parties at a target headline gross product royalty rate of 8%⁴. The first license issued by the JV is expected to be for the demonstration plant. Following this initial license, the JV expects to issue licenses to greenfield and brownfield spodumene mines globally.

¹ Australian Nuclear Science and Technology Organisation (“ANSTO”)

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

³ See ASX announcement, ‘*LIT commences LieNA piloting under JDA with MinRes*’, 19 March 2024

⁴ The Company cautions that although it considers this to be a reasonable expectation, there is no guarantee that this rate may be achieved

Comment from Lithium Australia CEO and Managing Director, Simon Linge

"We are pleased to announce the completion of the first phase of LieNA® piloting at ANSTO. This milestone leads us into the final phase of piloting, which is to produce high quality lithium phosphate. The rapid progress of piloting highlights Lithium Australia and MinRes' mutual commitment to the successful commercialisation of the LieNA® technology.

We look forward to announcing further updates on piloting operations and the demonstration plant engineering study in the coming weeks and months, with each milestone completed marking the progress made towards the formation of a JV between Lithium Australia and MinRes. The licensing of LieNA® remains an exciting opportunity for the Company and we will continue to progress JDA activities towards completion during 2024."

Authorised for release by the Board.

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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.