

## Quarterly Activities Report

For the period ended 30 June 2024

29 July 2024

Construction of the process plant was substantially completed in the June quarter and commissioning is well progressed with first production at Kathleen Valley imminent.

Liontown Resources Limited (ASX: LTR) (Liontown or the Company) announces the Kathleen Valley Lithium Project (the Project) was over 95 percent complete overall on an earned value basis by the end of June 2024. Process plant critical path items were completed and commissioning advanced to schedule.

### Highlights

- A total of 3.8 million work hours on the Project and a total recordable injury frequency rate (TRIFR) of 5.99 at the end of the quarter.
- Process plant construction stood at ~99 percent completion at quarter end ahead of first production. Overall, Project completion on an earned value basis exceeded 95 percent.
- Significant progress was achieved in underground mining for the quarter, with 1,596 total development metres recorded, bringing total development metres to ~3,500 since commencement of underground mining in November 2023. Metres advanced and ground conditions remain on budget and in-line with expectations.
- Kathleen's Corner open pit mining progressed with 1.3 million bulk cubic metres (BCM) mined, contributing to 216,000 tonnes of clean ore stockpiled ahead of initial production. Mining is on schedule to access the primary ore zone in the September 2024 quarter, consistent with the production schedule.
- The early completion of dry plant commissioning has enabled throughput optimisation ahead of wet plant commissioning. The crushing circuit between the Primary Crusher and Fine Ore Bin, has crushed and stockpiled ~58,000 tonnes of clean ore in preparation for first production.
- Wet plant commissioning is advancing rapidly, with electrical commissioning nearing completion by quarter end and the focus on Flotation and Reagents areas. Water commissioning commenced through the float circuit, ensuring all critical path items are on track for first production.
- Accelerated development of the Paste Fill Plant is now over 60% complete, in line with the commencement of underground mining extraction in late 2024.
- The 95MW Hybrid Power Station has been constructed and commissioned, with renewables now supplying power to the entire site.
- The Business Readiness Program continued to deliver value, achieving core milestones to ensure operational readiness. Kathleen Valley Operations have the requisite people, processes and systems in place for a successful production ramp-up.
- By quarter end, a total of 311 employees had been onboarded, ensuring readiness for the impending start of operations.
- The Company's cash balance was A\$122.9 million as at 30 June 2024. (Refer subsequent funding announcement).

**Liontown's Managing Director, Tony Ottaviano said:**

*"Following another huge effort from our Project team and contractors, we finished the June quarter on the cusp of completing the development required for first production at Kathleen Valley.*

*"A major milestone reached post-quarter was the signing of the US\$250 million convertible note agreement with LG Energy Solution. The agreement, which came with a commitment to supply LG Energy Solution with additional offtake and an undertaking to work together on a downstream refinery, provides the balance sheet capacity to fund the Kathleen Valley ramp-up to 3Mtpa as well as early underground works to preserve the 4Mtpa expansion option on a 2027 timeframe.*

*"In the meantime, we remain focused on achieving first production, ramp-up and solidifying Liontown's position as a major new producer and supplier of lithium raw materials."*

## Sustainability

### Health and Safety

This quarter saw peak construction and commissioning activities, alongside early mobilisation of operational teams to site, resulting in significant productivity and interactions. To date, the teams have accumulated over 3.8 million total work hours on the Project. Safety remains a top priority, with proactive safety leadership and strict adherence to protocols ensuring high standards are maintained.

The TRIFR was 5.99 at the end of the quarter, with one lost time injury (LTI) recorded in April 2024, marking the Project's first such incident to date.

### Native Title, Heritage and Community Engagement

Activities and engagement occurred at multiple levels including:

- Progressed tender awards with multiple Tjiwarl businesses regarding earthworks, ROM loading, waste management and bus services; and
- Contracts dialogue with Tjiwarl AC on Kathleen Valley Project progress with additional heritage and approvals support provided to complete major works such as the Mt McClure pipeline corridor.

### Kathleen Valley Mining Operations

Mine production and development continued at pace during the quarter, emphasising progress in both the Kathleen's Corner open pit operations and concentrated efforts on underground development at Mt Mann. Development work at North West Flats has been scaled back whilst the 4Mtpa optimisation review is ongoing.

Total material movement (TMM) for the quarter reached 1.3 million BCM, contributing significantly to the build-up of ore stockpiles in preparation for first production.

Underground mining progressed, with 1,596 total development metres recorded in the quarter, underscoring the Project's robust development trajectory.

Stockpiled ore tonnes as at 30 June 2024:

Category	Tonnage (kt)
ROM Clean Ore	216
OSP	251
Crushed Ore (in plant)	58*
OSP (Clean & Sorted)	11

\*Excludes ~25kt of sheeting material





Figure 1: Aerial view of crushed ore and ROM stockpiles



Figure 2: Aerial view of ore stockpiles on the ROM pad and crushed ore



### Underground Mining

Throughout the quarter, the team achieved a total of 1,596 development metres, with a consolidated focus on Mt Mann development while strategically scaling back development of North West Flats.

ByrneCut’s effective management and progress have resulted in the Project achieving ~3,500 total development metres since underground mining commenced in November 2023.

Underground operations remain on schedule for first development ore in August and first production of ore from the stoping cycle by end of CY2024.



Figure 3: Portal at Mt Mann box cut

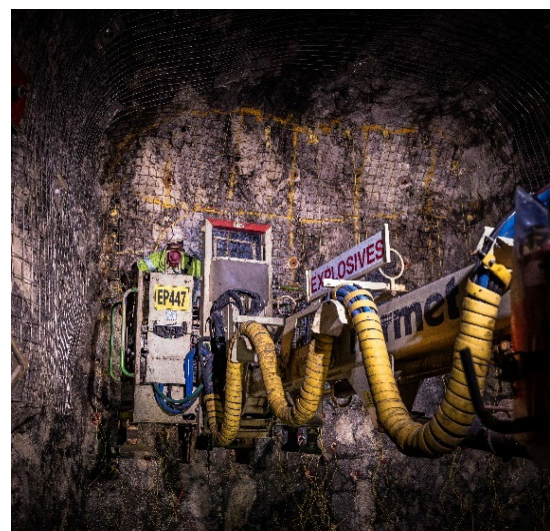


Figure 4: Emulsion Charging Machine operating underground

### Open Pit Mining

Significant progress was made with mining operations at the Kathleen’s Corner open pit during the quarter, and contractor Iron Mine Contracting remains on track to reach the primary ore zone in early September.

Despite encountering multiple rain events during the quarter, Kathleen’s Corner achieved key milestones in the plan, with TMM of 1.3 million BCM of ore, Ore Sorting Product (OSP) material and waste, and completion of the ROM skyway ahead of first production.

Cumulatively, approximately 7.7 million BCM has been moved since the commencement of open pit mining in January 2023.





Figure 5: Kathleen's Corner Open Pit with clearly visible pegmatite lenses

### Ore Sorting Product (OSP) Project

The OSP project continues to progress on schedule, focusing exclusively on processing ore containing gabbro. Ore sorting and mobile crushing production rates are near design levels with production of ~ 11,000 tonnes sorted since commencement in late April 2024. Initial survey results demonstrate significant improvements in grade and gabbro (waste) rejection, consistent with laboratory-based test work.



Figure 6: Ore sorting (OSP) project



### Grade Control Drilling

The final four diamond holes to complete the surface grade control drilling program for Mt Mann underground were completed by quarter end. Grade and width are materially in-line with expectations, enabling the finalisation of plans for the first three stoping levels of future underground mining. Planning is now underway for future grade drilling in North West Flats, scheduled for Q3/Q4 CY2024.

### Underground Ventilation

The installation of temporary underground primary ventilation systems in the Mount Mann and North West Flats declines was successfully completed during the quarter. This system allows development to progress unconstrained until the permanent system is installed in early 2025. The contract for supply and installation of the permanent primary ventilation fans has been awarded. With successful connection to site power, underground operations are now powered by renewable energy sources – marking a pioneering achievement in the Australian mining industry for a pre-production operation.

### Paste Fill Plant

During the quarter, the Company announced it had signed an Engineering, Procurement, and Construction (EPC) contract with GR Engineering Services Limited (GRES) for the installation and commissioning of a Paste Fill Plant at Kathleen Valley to support underground mining operations<sup>1</sup>.

Construction of the Paste Fill Plant is now over 60% complete, with structural, mechanical, piping and electrical (SMP&E) installation works progressing as scheduled to support dry stacking and paste production for commencement of mine stoping in Q4 CY2024. Long-lead paste pumps are scheduled for delivery in early Q4 CY2024, with subsequent mechanical and electrical installations and commissioning activities to follow.



Figure 7: Aerial view of Paste Fill Plant



Figure 8: Paste Fill Plant construction well underway

<sup>1</sup> LTR ASX Announcement 10 May 2024 “Liontown executes Paste Plant EPC Contract”

### Tailings Storage Facility

During the quarter, Tailings Storage Facility (TSF) cell 1 continued to receive and stockpile raw water from onsite bores and seasonal rainfall in preparation for planned plant commissioning. By quarter end, approximately 180 million litres of water were stored in the TSF in anticipation of production startup.

Progress also continued connecting the Mt McClure eastern borefields to Kathleen Valley, with all permits secured, pipe delivery underway and construction initiated. Completion is expected by August 2024.



Figure 9: Tailings Storage Facility (TSF) Cell 1

### Kathleen Valley Project Development

#### Process Plant and Infrastructure

Reaching a significant milestone for the Project, construction of the process plant was substantially complete by the end of the quarter, achieving 99% overall completion. Both dry and wet commissioning phases were well underway by quarter-end.

#### *Dry Plant*

After commencing dry plant commissioning ahead of schedule in March, the focus for the June 2024 quarter shifted to increasing throughput and driving circuit optimisations in the crushing circuit through to the Fine Ore Bin (FOB) and stockpile. By quarter end, 58kt of crushed clean ore was stockpiled in readiness for commissioning the SAG mill and wet plant.





Figure 10: Ore loading into Primary crusher



Figure 11: 4000t Fine Ore Bin – filled to capacity



Figure 12: Fine Ore Stockpiles



Figure 13: Aerial view of ore being fed into Primary Crusher



Figure 14: Side view of Crushing Plant



**Wet Plant**

Efficiently transitioning from construction to commissioning of the wet plant and supporting infrastructure was a key focus for the quarter, commencing at the end of May.

Mechanical and electrical commissioning of the plant was executed to schedule, including the energisation of critical components, such as the SAG mill, thickener and flotation circuits. Throughout the plant, the team’s core focus concentrated on water commissioning, circuit stabilisation and finalising non-critical construction tasks.

Increasing commissioning resources saw a significant ramp up during June, reaching peak levels and expected to continue until late July. This effort is supported by comprehensive business readiness plans and procedures developed in advance by dedicated personnel. Correspondingly, construction resources decreased significantly in June with the Structural and Mechanical Piping (SMP) scope largely complete. All SMP construction contractors are scheduled to demobilise by the end of July.



Figure 15: Wet Plant



Figure 16: SAG Mill



Figure 17: Aerial view of tantalum circuit



Figure 18: Aerial view of floatation cells





Figure 19: Aerial view of the Process Plant

**Non-Process Infrastructure**

**Power**

In a pre-eminent milestone for the Project, commissioning of the 95MW Hybrid Power Station was successfully completed in June 2024. All site infrastructure including the process plant, underground operations and accommodation village are utilising renewable energy well ahead of first production – marking a pioneering achievement in the Australian mining industry for a pre-production operation.

All five wind turbines were commissioned within the quarter.



Figure 20: Aerial view of solar farm and wind turbines

**Water**

During the quarter, Liontown successfully completed the construction of an additional water storage pond, significantly bolstering its capability to store captured water and effectively manage peak demand periods. Located north of Jones Creek, the pond is now actively supplying water to the process plant.



In late May, approval for the Eastern bore field was secured, paving the way for accelerated pipeline construction efforts throughout June, which are slated for completion by August. With current water supplies secured and future sources identified, Liontown is well-positioned to support both ramp-up and steady-state operations effectively.



Figure 21: Supplementary Raw water storage dam

### ***Accommodation Village***

With over 1,100 people working onsite at peak during the quarter, the “Dragonfly” Accommodation Village remained at full occupancy with third-party accommodation utilised as required.



Figure 22: Aerial photograph of the Dragonfly Village

## Business Readiness

Liontown advanced its Business Readiness Program throughout the quarter, tracking progress and completions against core milestones, activities, and deliverables across operational and corporate functions, including:

- **People:** Recruitment continued in line with the workforce plan, ensuring the required operational personnel are onboard. At the end of the quarter, Liontown had 311 permanent employees, with workforce gender diversity meeting industry norms of 22%;
- **Process:** Processes have been established and are in place to facilitate a smooth transition to operations. This includes comprehensive planning and implementation of procedural frameworks, work instructions, and management strategies necessary for efficient and safe operations; and
- **Systems:** All operational systems are prepared for first production, with the implementation of enterprise resource planning (**ERP**) and supporting business systems progressing as planned.

## Logistics & Sales Preparation

During the quarter, Liontown advanced its engagement with offtake customers in preparation for the first concentrate shipments, with schedules defined well ahead of first production.

Final inspections of the spodumene concentrate storage shed at Geraldton Port were completed during the quarter, and the facility was fully prepared for handover. Additionally, the Company has notified Qube Logistics and the Mid West Port Authority regarding the forthcoming commencement of shipments anticipated from Q3 CY2024.

Subsequent to quarter end:

- The Company secured a short-term 10-month offtake agreement with Beijing Sinomine International Trade Co., Ltd (**BSIT**) to purchase ramp-up volumes linked to the carbonate index price<sup>2</sup>, commencing by 30 September 2024; and
- As part of the strategic partnership with LG Energy Solution<sup>3</sup>, the Company has extended the existing five-year offtake agreement by an additional 10 years, maintaining the same terms and conditions. The extension provides for an increase in offtake volumes of spodumene concentrate with a target of 6% Li<sub>2</sub>O grade (**SC6**) from the initial 100ktpa in year one, to 150ktpa in years two to five, rising to 160ktpa SC6 in years six to 10, and subsequently reducing to 140ktpa in years 11 to 15. This extension also includes a commitment to make up to an additional 250kt SC6 available to LG Energy Solution within the first 10 years.

## Downstream Refinery

Subsequent to quarter end, and as part of the strategic partnership with LG Energy Solution, Liontown entered into a downstream collaboration agreement to explore the feasibility of establishing a lithium refinery.

## Exploration

No exploration work was undertaken during the quarter.

<sup>2</sup> LTR ASX Announcement 15 July 2024 “Liontown executes new short-term Offtake Agreement for initial ramp-up volumes”

<sup>3</sup> LTR ASX Announcement 2 July 2024 “Strategic Partnership with LG Energy Solution to deliver long-term funding for Kathleen Valley”



## Corporate

### Finance Update

Subsequent to quarter end, on 2 July 2024, the Company executed a substantial long-term funding solution for Kathleen Valley with LG Energy Solution. The partnership secured a US\$250 million (A\$372 million<sup>4</sup>) investment through Convertible Notes, with a conversion price of A\$1.80 per share and interest linked to the Secured Overnight Financing Rate (**SOFR**). This funding injection signifies a strong vote of confidence in Kathleen Valley Project's prospects, significantly bolstering Liontown's cash reserves, strengthening its financial position and liquidity. This additional liquidity will underpin the production ramp-up of Kathleen Valley to 3Mtpa, and progress early enabling works in the underground mine to preserve the 4Mtpa expansion option on a 2027 timeframe.

Total long-term debt as a result of the Announcement is approximately \$672 million, inclusive of the A\$300 million Ford funding facility.

### Tenement Schedules and Expenditure

In accordance with ASX Listing Rule 5.3, refer to Appendix 3 for a listing of tenements. During the quarter, the Company spent A\$191.5 million on development activities associated with Kathleen Valley, A\$2.9 million on exploration and evaluation activities (predominately water and related exploration) and A\$8.8 million on administration costs.

Payments reported in Appendix 5B, Section 6.1 and 6.2, relate to Directors' salaries and fees and consulting fees paid to Director related parties.

### Cash Position

The Company's cash balance as at 30 June 2024 was A\$122.9 million. Subsequent to the quarter, Liontown received an investment of US\$250 million<sup>4</sup> from LG Energy Solution, which was deposited into the Company's bank account on 3 July 2024.

The finance facility with Ford remains fully drawn.

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<sup>4</sup> A\$372 million at 0.6715 exchange rate

### Forward Looking Statement

This announcement contains forward-looking statements which involve several risks and uncertainties. These forward-looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this announcement. No obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

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)

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## Appendix 1

### Kathleen Valley Lithium Project Overview

The Kathleen Valley Lithium Project (**Kathleen Valley** or the **Project**) is located in Western Australia, approximately 680km north-east of Perth and 350km north-north-west of Kalgoorlie, within the Eastern Goldfields of the Archaean Yilgarn Craton (Figure 23). With a world-class Mineral Resource Estimate of **156Mt @ 1.4% Li<sub>2</sub>O and 130ppm Ta<sub>2</sub>O<sub>5</sub>** Kathleen Valley is on track for first production in mid-2024.



Figure 23: Kathleen Valley Lithium Project – Location and Geology Map

## Appendix 2

### 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.



## Appendix 3

The following information is provided in accordance with ASX Listing Rule 5.3 for the Quarter.

### 1. Listing of tenements held in Australia (directly or beneficially):

Country	Project	Tenement No.	Registered Holder	Nature of interests		
Australia	Kathleen Valley	M36/264	LRL (Aust) Pty Ltd (wholly owned subsidiary of Liontown Resources Limited).	100% - nickel claw back rights retained by other party		
		M36/265				
		M36/459				
		M36/460				
		E36/879	LRL (Aust) Pty Ltd	100%		
		G36/52				
		L36/55				
		L36/106				
		L36/236				
		L36/237				
		L36/248				
		L36/250				
		L36/251				
		L36/255				
		L36/256				
		L36/261				
		L36/262				
		L36/263				
		L36/265				
		L36/266				
		L36/267				
		L36/268				
		L36/270				
		L36/278				
		L36/279				
		L36/280				
		L36/281				
		L36/282				
		L53/253			LRL (Aust) Pty Ltd	0% - pending application
		L53/254				
		L53/255				
		L53/256			LRL (Aust) Pty Ltd	0% - pending application
		M36/696				
E36/1041	LRL (Aust) Pty Ltd	0% - pending application				
E36/1094						

Country	Project	Tenement No.	Registered Holder	Nature of interests
		E36/1096		
		E53/2347		
		E53/2348		
		E53/2349		
		L36/264		
		L36/271		
		L36/272		
		L36/273		
		L36/274		
		L36/275		
		L36/276		
		L36/291		
		L53/272		
		L53/273		
		L53/274		
		L53/279		
		L53/282		
		L53/285		
		L53/288		
		L53/289		
	L53/290			
	L53/309			
	Buldanía	E63/856	Avoca Resources Pty Ltd	100% of rights to lithium and related metals secured by Lithium Rights Agreement
		M63/647		
		P63/1977		0% - pending application
		M63/676		
		E63/1660	Buldanía Lithium Pty Ltd	100%
		E63/2369	LRL (Aust) Pty Ltd	0% - pending application
		E63/2267		
		E63/2268		
	Monjebup	E70/6042	LBM (Aust) Pty Ltd	100%
		E70/6043		
		E70/6044		

**2. Listing of tenements acquired (directly or beneficially) during the quarter:**

Nil



**3. Tenements disposed, relinquished, reduced or lapsed (directly or beneficially) during the quarter:**

Country	Project	Tenement No.	Registered Holder	Nature of interests
Australia	Kathleen Valley	L53/263	LRL (Aust) Pty Ltd	0% - pending application withdrawn
Australia	Kathleen Valley	L53/264	LRL (Aust) Pty Ltd	0% - pending application withdrawn
Australia	Kathleen Valley	L53/265	LRL (Aust) Pty Ltd	0% - pending application withdrawn
Australia	Kathleen Valley	L53/266	LRL (Aust) Pty Ltd	0% - pending application withdrawn
Australia	Kathleen Valley	L53/267	LRL (Aust) Pty Ltd	0% - pending application withdrawn
Australia	Kathleen Valley	L53/277	LRL (Aust) Pty Ltd	0% - pending application withdrawn
Australia	Kathleen Valley	L53/278	LRL (Aust) Pty Ltd	0% - pending application withdrawn
Australia	Kathleen Valley	L53/280	LRL (Aust) Pty Ltd	0% - pending application withdrawn
Australia	Kathleen Valley	L53/281	LRL (Aust) Pty Ltd	0% - pending application withdrawn
Australia	Kathleen Valley	L53/283	LRL (Aust) Pty Ltd	0% - pending application withdrawn
Australia	Kathleen Valley	L53/284	LRL (Aust) Pty Ltd	0% - pending application withdrawn
Australia	Kathleen Valley	L53/286	LRL (Aust) Pty Ltd	0% - pending application withdrawn
Australia	Kathleen Valley	L53/287	LRL (Aust) Pty Ltd	0% - pending application withdrawn

**4. Listing of tenements applied for (directly or beneficially) during the quarter:**

Country	Project	Tenement No.	Registered Holder	Nature of interests
Australia	Kathleen Valley	L53/309	LRL (Aust) Pty Ltd	0% - pending application
Australia	Kathleen Valley	L36/291	LRL (Aust) Pty Ltd	0% - pending application
Australia	Kathleen Valley	E53/2347	LRL (Aust) Pty Ltd	0% - pending application
Australia	Kathleen Valley	E53/2348	LRL (Aust) Pty Ltd	0% - pending application
Australia	Kathleen Valley	E53/2349	LRL (Aust) Pty Ltd	0% - pending application

## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Liontown Resources Ltd

ABN

39 118 153 825

Quarter ended ("current quarter")

30/06/2024

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(2,893)	(12,101)
	(b) development	-	-
	(c) production <sup>1</sup>	(28,457)	(52,165)
	(d) staff costs	(3,823)	(16,094)
	(e) administration and corporate costs <sup>2</sup>	(5,001)	(22,525)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	3,822	18,593
1.5	Interest and other costs of finance paid	(2,278)	(6,989)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (Business Development) <sup>3</sup>	(200)	(1,333)
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(38,830)</b>	<b>(92,614)</b>
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) Entities	-	-
	(b) Tenements	-	-
	(c) property, plant and equipment	(383)	(6,201)
	(d) exploration & evaluation	-	-
	(e) investments <sup>4</sup>	-	(15,100)

1. Includes year to date reallocation of production costs after the Kathleen Valley open pit was determined as commencing commercial production with effect from February 2024.

2. Includes GST arising from investing and financing activities in accordance with UIG 1031.

3. Relates to business development costs including due diligence and financing activities.



## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
	(f) other non-current assets – assets under construction <sup>5</sup>	(191,542)	(614,468)
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(191,925)</b>	<b>(635,769)</b>
4.	<i>Relates to refundable security payments for the \$25 million guarantee with Export Finance Australia and other guarantee security payments.</i>		
5.	<i>Includes costs associated with the development of the Kathleen Valley Project.</i>		
<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	389,943
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(11,192)
3.5	Proceeds from borrowings	-	181,251
3.6	Repayment of borrowings <sup>6</sup>	(768)	(2,571)
3.7	Transaction costs related to loans and borrowings	(3,664)	(11,537)
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(4,432)</b>	<b>545,894</b>
6.	<i>Repayments related to lease liabilities and hire-purchase agreements.</i>		
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	358,136	305,438
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(38,830)	(92,614)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(191,925)	(635,769)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(4,432)	545,894

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>122,949</b>	<b>122,949</b>

<b>5. Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1 Bank balances	122,355	357,427
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details) <sup>7</sup>	594	709
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>122,949</b>	<b>358,136</b>

7. Retention funds held in trust under the Building and Construction Industry (Security of Payment) Act 2021.

<b>6. Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1 Aggregate amount of payments to related parties and their associates included in item 1	361
6.2 Aggregate amount of payments to related parties and their associates included in item 2	125

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.



## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7.	<b>Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
	<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1	Loan facilities	300,000	300,000
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	<b>Total financing facilities</b>	300,000	300,000
7.5	<b>Unused financing facilities available at quarter end</b>		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	<p>On 29 June 2022 Liontown executed a Funding Facility with a Ford subsidiary (see ASX announcement "Liontown executes Binding Offtake Agreement with Ford" on 29 June 2022). The senior-secured debt facility of A\$300 million has an interest rate of BBSW + 1.5% and a maturity date of 5 years from supply commencement date<sup>8</sup>. The facility has security over the Kathleen Valley project assets and shares in the borrower (a wholly owned subsidiary of Liontown Resources Limited).</p> <p>Subsequent to quarter end, Liontown secured US\$250 million of funding through a convertible notes facility with LG Energy Solution, Ltd (see ASX announcement "Strategic partnership to deliver long-term funding" dated 2 July 2024). The full proceeds of the facility were received by Liontown on 3 July 2024. The convertible notes facility is not included in the balance of section 7.4.</p>		

8. *Supply commencement date being the date of commercial production.*

8.	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	(38,830)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(38,830)
8.4	Cash and cash equivalents at quarter end (item 4.6)	122,949
8.5	Unused finance facilities available at quarter end (item 7.5) <sup>9</sup>	-
8.6	Total available funding (item 8.4 + item 8.5)	122,949
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	3
	<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
	8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: Not applicable	

**Mining exploration entity or oil and gas exploration entity quarterly cash flow report**

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: Not applicable

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Not applicable

*Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.*

9. *Unused finance facilities excludes the US\$250 million convertible notes facility with LG Energy Solution, Ltd (see ASX announcement "Strategic partnership to deliver long-term funding" dated 2 July 2024) that was executed after the end of the quarter.*

**Compliance statement**

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: ....29 July 2024.....

Authorised by: ....By the board.....  
(Name of body or officer authorising release – see note 4)

**Notes**

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.