ASX : LTR

ABN 39 118 153 825

ASX ANNOUNCEMENT **28 JUNE 2017**

Bynoe Lithium Project, NT – Drilling Update

- **Initial phase of 2017 drilling completed comprising 20 RC holes for 2,222m**
- **Significant pegmatites (>10m thick) intersected at most prospects**
- **Program curtailed due to wet ground conditions preventing access for heavy equipment**
- **Testing of high-priority targets to resume in coming Quarter**

Liontown Resources Limited **(ASX: LTR)** advises that it has completed part of its initial 2017 drilling program at the 100%-owned **Bynoe Lithium Project**, located near Darwin in the Northern Territory, with 20 Reverse Circulation (RC) holes drilled for a total 2,222m.

The drilling was designed to assess new targets defined by geochemical and geophysical surveys completed earlier in the year; however, due to boggy ground conditions the program was not completed and a number of high priority targets remain to be tested. Only seven of the new targets were tested with significant pegmatites (>10m thick) intersected at most prospects and >1% Li_2O values recorded at Carlton and Hang Gong West (***Figure 1***/see Appendix 1 for drill-hole statistics).

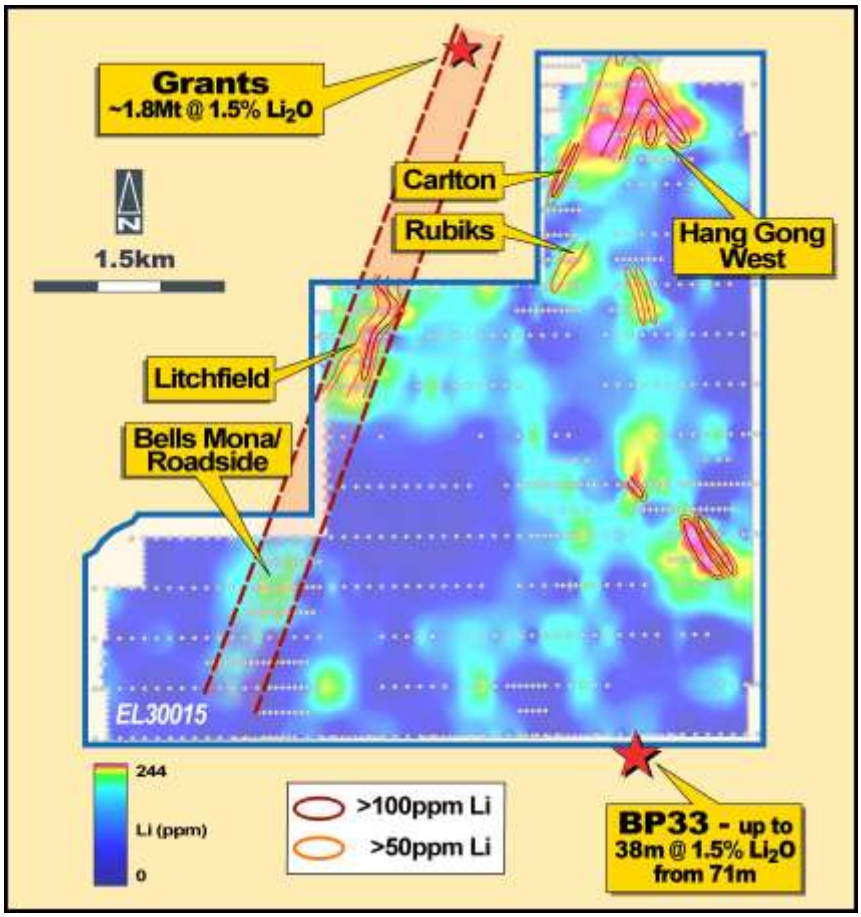

Figure 1: Bynoe Project – EL30015 showing lithium-in-soil image and main prospects

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The results confirm that primary, ore grade lithium mineralisation is widespread at Bynoe highlighting the prospectivity of the Project with numerous pegmatites remaining to be drill tested.

At the Carlton prospect, drill-hole LBRC071 intersected 16m @ 0.8% Li_2O from 70m including 3m @ 1.4% Li_2O from 70m and 2m @ 1.8% Li_2O from 78m.

The Carlton prospect comprises a >200m long, 20m thick, east-dipping pegmatite which has only been effectively tested by a single drill hole (LBRC071). Two other holes (LBRC059 and 060) were drilled towards the east, sub-parallel to the dip of mineralisation, and failed to intersect the main pegmatite (***Figure 2***).

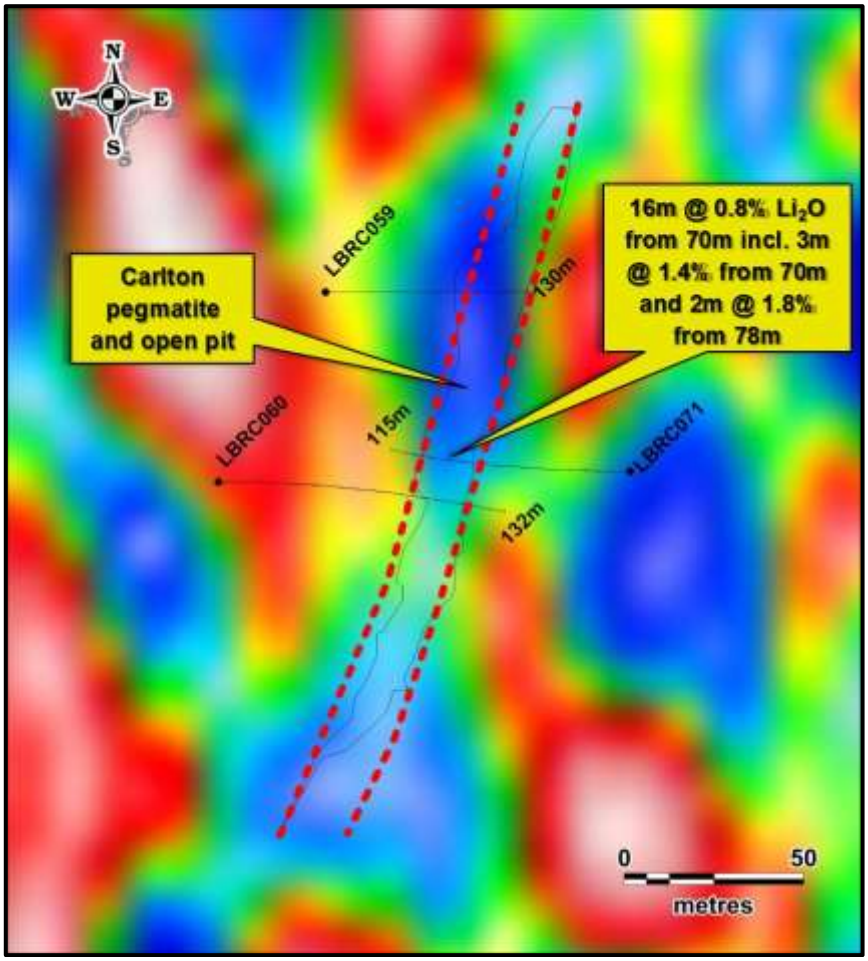

Figure 2: Bynoe Project – Carlton Prospect/Drill hole plan on magnetic image

Priority targets remaining to be tested include:

- **The >1km Litchfield soil anomaly**, which is located ~2km SSW on the same mineralised trend as Core Exploration's high-grade Grant's resource (see CXO release dated 8th May 2017). At this prospect soil sampling has recorded strongly elevated lithium values (***Figure 1***) and field traversing has observed numerous historical workings and extensive sub-cropping pegmatites; and

- **The southern extension of the Sandras trend**. Drilling at Sandras in 2016 recorded multiple thick >1% Li_2O intersections (up to 42m @ 1%Li_2O from 93m) hosted by a pegmatite which is coincident with a 250m long magnetic low. A similar, larger (~700m long) magnetic feature is located 200m south of Sandras (***Figure 3)*** beneath transported cover.

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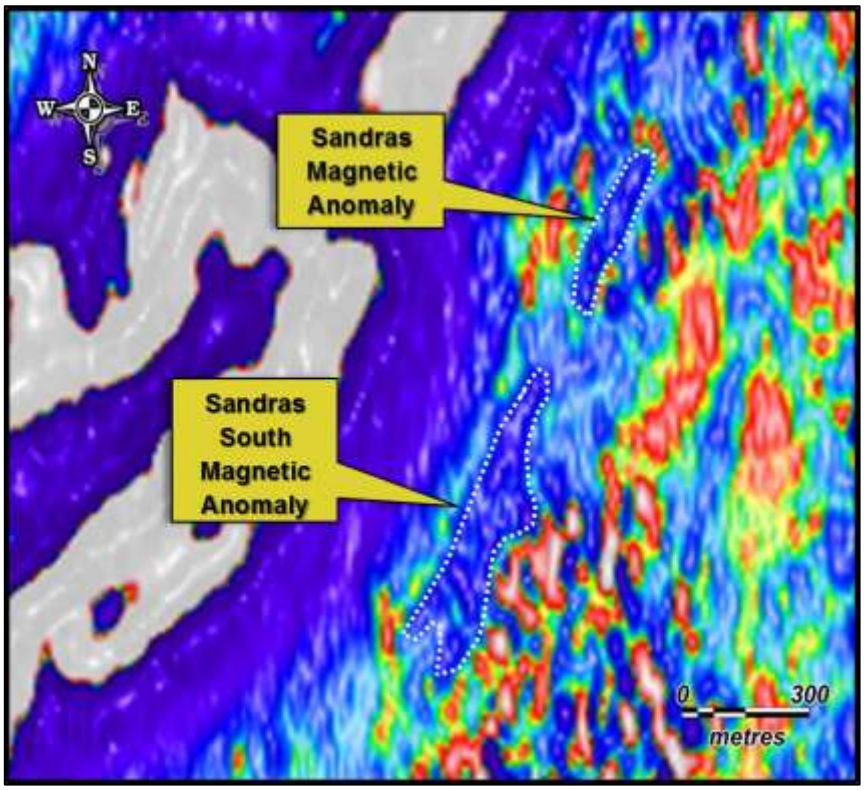

Figure 3: Bynoe Project – Magnetic image (RTP_F1p5VD_H_Wet) of Sandras area

Further drilling is scheduled to recommence next Quarter once ground conditions permit. In addition to new targets, the drilling will also follow up the Carlton intersection and a number of other prospects where thick pegmatites have been intersected at shallow depths but where lithium would have been depleted by weathering.

DAVID RICHARDS
Managing Director

28 June 2017

The Information in this report that relates to Exploration Results is based on and fairly represents information and supporting documentation prepared by Mr David Richards, who is a Competent Person and a member of the Australasian Institute of Geoscientists (AIG). Mr Richards is a full-time employee of the company.

Mr Richards has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activities being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Richards consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

This announcement contains forward-looking statements which involve a number of 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.

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APPENDIX 1 – BYNOE PROJECT – 2017 DRILL HOLE STATISTICS

Hole ID	Prospect	East	North	RL	Dip	Azimuth	Depth (m)	Significant (>0.5%) Lithium Results			
								From (m)	To (m)	Interval (m)	Grade (%)
LBRC056	Hang Gong	694550	8598806	27	-65	260	97	81	84	3	1.5
								incl. 1m @2.1% from 82m			
LBRC057	Hang Gong	694534	8598781	28	-60	260	75	No significant assays			
LBRC058	Hang Gong	694589	8598791	27	-75	260	120	74	79	5	0.9
								incl. 1m @ 1.7% from 76m			
LBRC059	Carlton	693760	8597980	33	-66	90	130	No significant assays			
LBRC060	Carlton	693730	8597927	35	-60	90	132				
LBRC061	Rubix	693764	8597356	36	-65	135	64				
LBRC062	Roadside	691545	8594745	29	-65	120	146				
LBRC063	Bells Mona	691157	8594165	35	-70	110	122				
LBRC064	Hang Gong	694591	8598701	28	-67	260	93	55	57	2	1.4
LBRC065	Hang Gong	694251	8598702	30	-65	115	108	No significant assays			
LBRC066	Hang Gong	694350	8598651	30	-65	295	109				
LBRC067	Hang Gong	694351	8598650	30	-65	115	109				
LBRC068	Hang Gong	694443	8598604	30	-65	295	109				
LBRC069	Hang Gong	694449	8598601	30	-65	115	150				
LBRC070	Johnstones	693730	8598940	24	-65	125	109				
LBRC071	Carlton	693845	8597930	33	-60	270	115	70	86	16	0.8
								incl. 3m @ 1.4% from 70m and			
								2m @ 1.8% from 78m			
LBRC072	Hordens	693027	8596695	33	-70	235	83	No significant assays			
LBRC073	Roadside	691655	8594683	30	-60	300	93				
LBRC074	Bells Mona	691241	8594124	35	-70	290	108				
LBRC075	Hang Gong	694601	8598534	30	-60	270	150				

True widths – 75% of down hole widths

APPENDIX 2 – BYNOE PROJECT – SANDRAS DRILL HOLE STATISTICS

Hole ID	Prospect	East	North	RL	Dip	Azimuth	Depth (m)	Significant (>0.5%) Lithium Results			
								From (m)	To (m)	Interval (m)	Grade (%)
LBRC012	Sandras	693222	8576799	55	-65	290	102	No significant assays			
LBRC013		693252	8576866	52	-65	297	96	65	73	8	0.8
LBRC014		693253	8576866	52	-80	297	162	93	135	42	1
								incl. 4m @ 2.6% from 94m and			
								incl. 3m @ 1.5% from 132m			
LBRC015		693307	8576976	53	-65	300	114	70	94	24	1.1
								incl. 1m @ 2.4% from 70m and			
								4m @ 1.5% from 83m			
LBRC022		693270	8576903	52	-80	295	163	94	121	27	1.1
								incl. 3m @ 1.6% from 108m and			
								2m @ 1.8% from 119m			
								130	140	10	0.7
								incl. 1m @ 1.8% from 131m			
LBRC023		693269	8776903	52	-65	295	120	52	81	29	0.9
								incl. 4m @ 1.5% from 69m			
								and 2m @ 2.3% from 78m			
								96	99	3	1.1
LBRC024		693235	8676830	52	-65	295	103	No significant assays			
LBRC025		693256	8576830	52	-80	295	169	109	110	1	1.4
								136	152	16	1.1
								incl. 6m @ 1.7% from 139m			
LBRC026		693235	8576874	52	-60	295	85	61	66	5	0.6
LBRC027		693286	8576939	52	-65	295	120	65	71	6	1.1
								incl. 2m @ 2.3% from 66m			
								77	105	28	1
								incl. 2m @ 1.6% from 79m and			
								3m @ 1.5% from 87m and			
								3m @ 1.5% from 98m			
LBRC028		693287	8576939	52	-80	295	168	116	136	20	0.9
								incl. 2m @ 1.8% from 122m			
LBRC029		693202	8576757	52	-73	295	127	No significant assays			
LBRC030		693338	8577047	52	-65	295	127				

True widths ~50% of down hole widths

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APPENDIX 3 – BYNOE PROJECT - JORC TABLE 1

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*	Sub surface chip samples have been collected by reverse circulation (RC) drilling techniques (see below). Drill holes are oriented perpendicular to the interpreted strike of the mineralised trend. Rock samples comprise multiple chips considered to be representative of the horizon or outcrop being sampled. Samples (excluding soils) submitted for assay typically weigh 2-3kg. Soil samples comprise whole, unseived material collected from a shallow hole. Large rocks and organic material are removed. Average sample weight is 350g. Historic sampling and drilling techniques not documented in detail.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. *Aspects of the determination of mineralisation that are Material to the Public Report.* *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	RC samples are homogenised by riffle splitting prior to sampling and then assayed as 2m composites or individual 1m intervals with 2-3kg submitted for assay. If a composite sample returns a significant result (typically >0.5% Li_2O) then the individual metre intervals are collected and submitted for assay.
Drilling techniques	*Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	Drilling techniques used at Bynoe comprise: • Reverse Circulation (RC)/5.5", face sampling hammer RC drilling techniques completed by Greenbushes in 1995 not documented in historic reports.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	Sample recoveries are visually estimated and recorded for each metre. To date sample recoveries have averaged >95%.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	Drill collars are sealed to prevent sample loss and holes are normally drilled dry to prevent poor recoveries and contamination caused by water ingress. Wet intervals are noted in case of unusual results.
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	None noted as yet
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	All drill holes are logged on 1 m intervals and the following observations recorded: Recovery, quality (i.e. degree of contamination), wet/dry, hardness, colour, grainsize, texture, mineralogy, lithology, structure type and intensity, vein type and %, sulphide type and %, alteration assemblage and magnetic susceptibility.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	Logging is quantitative, based on visual field estimates
	The total length and percentage of the relevant intersections logged.	All holes are logged from start to finish.
	If core, whether cut or sawn and whether quarter, half or all core taken.	Not applicable.

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Criteria	JORC Code explanation	Commentary
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	Non core samples are collected as 1 metre samples, riffle split and then composited by tube sampling the bags. Samples are typically dry.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	Sample preparation follows industry best practice standards and is conducted by internationally recognised laboratories; i.e. Oven drying, jaw crushing and pulverising so that 85% passes -75microns.
Sub-sampling techniques and sample preparation	*Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*	Duplicates and blanks submitted approximately every 25 samples
	Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.	Measures taken include: • regular cleaning of cyclones, splitters and sampling equipment to prevent contamination; • statistical comparison of duplicate samples; and Statistical comparison of anomalous composite assays versus average of follow up 1m assays.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	To be determined; however, results to date appear valid
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	Assay and laboratory procedures have been selected following a review of techniques provided by internationally certified laboratories. The techniques used are total.
	For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	None used
	Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established	See above.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	None undertaken
	The use of twinned holes.	None undertaken
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	All field data is manually collected, entered into excel spreadsheets, validated and loaded into an Access database. Hard copies are stored in the local office and electronic data is stored on the Perth server. Data is exported from Access for processing by a number of different software packages. All electronic data is routinely backed up.
	Discuss any adjustment to assay data.	Li% converted to Li_2O% by multiplying by 2.15, Ta ppm converted to Ta_2O_5 ppm by multiplying by 1.22
Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	All drill holes and geochemical samples are initially located using a hand held GPS. All RC holes have been surveyed by a down hole camera.
	Specification of the grid system used	Recent data located using GDA94 Zone52 Historic data located using MGA84 Zone 52 and local grids.
	Quality and adequacy of topographic control.	Nominal RLs based on regional topographic datasets.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	Varies from prospect to prospect.
	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	Not yet.
	Whether sample compositing has been applied.	RC drill samples from the maiden drill program were collected as 2 m intervals which have been composited from 1 m intervals. 1

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Criteria	JORC Code explanation	Commentary
		m samples from this program have been submitted where the composite value return >0.5% Li_2O. 1m sample intervals have been submitted for assay for all subsequent drill programs.
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	Drilling is typically oriented perpendicular to the interpreted strike of mineralisation and no bias is envisaged.
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	No orientation based sampling bias has been recognised.
Sample security	*The measures taken to ensure sample security.*	Company geologist supervises all sampling and subsequent storage in field. Same geologist arranges delivery of samples to ALS Perth via courier.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	None completed.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*	The Bynoe Project comprises 3 separate, granted exploration licences (EL29699, EL30012 and EL30015) and 2 smaller tenements (MLN16 and EMP28651) which are located entirely within EL30015. The combined tenement package covers a total area of ~88km^2 area and is located 20-50km SSW of Darwin in the Northern Territory. EL30012 and 30015 are subject to an Option Agreement with private company Orema Pty Ltd. Liontown may earn 100% equity in the tenements by: • Paying A$10,000 cash on signing of the Agreement (completed); • Paying A$100,000 anytime within 19months of the execution date of the Agreement MLN16, EMP28651 and EL29699 are wholly owned by LRL (Aust) Pty Ltd a wholly owned subsidiary of Liontown Resources Limited. There are no other material issues affecting the tenements
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	All tenements are in good standing.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	There has been multiple, sporadic but intensive periods of prospecting, exploration and small scale mining within the Bynoe Project area since the late 1880s. All previous work has focussed on tin and tantalum with no systematic assaying for lithium. Modern exploration and/or small scale mining has been carried out by Greenbushes Tin (1979 -1996), North Queensland Resources (1989-1990), Australian Coal and Gold Holdings (1982-1987), Julia Corporation (2000), Talison Minerals (2004-2008) and Arnhem Resources Pty Ltd (2005-2008/EL246390). Exploration work completed included compilation of historical data; acquisition of landsat imagery, aerial photography and digital topography; soil and rock chip geochemistry; geological mapping; trenching; surveying, shallow RAB/auger drilling and limited RC drilling. In 1987, Greenbushes constructed a pilot plant to treat Sn/Ta ore from several sources but this shut down soon after due to decreasing commodity prices. A number of other parties trialled small scale mining without success. Approximately 63 Sn/Ta bearing pegmatites have been defined; however, it is possible that some of these pegmatites represent

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Criteria	JORC Code explanation	Commentary
		separate outcrops of the same body exposed sporadically along and across strike. All previous work has focussed on either alluvial/elluvial material or the upper, weathered portion of the bedrock which would be suitable for free digging. Depth of weathering is approximately 20m depth and any spodumene would be totally altered to kaolinite with the lithium completely depleted. Historic exploration reports have been reviewed and results summarised. Digital capture and compilation of historic data has been completed where possible.
Geology	*Deposit type, geological setting and style of mineralisation.*	The Bynoe Project is located in the western part of the early Proterozoic Pine Creek Geosyncline where it comprises a sequence of greenschist metamorphic grade sandstones and siltstones with occasional lenses of conglomerate. Multiple tin and tantalum-bearing pegmatites have been emplaced into the sediments within the contact aureole of the Two Sisters Granite (located to the south and west), a paleoproterozoic intrusion which is interpreted to be the source of the rare metals. The pegmatites typically comprise a border zone of fine grained muscovite and quartz followed inward by a wall zone of coarse grained muscovite and quartz which is in turn followed by an intermediate zone of quartz-feldspar-muscovite. A core zone of massive quartz occurs locally. The intermediate zone contains the bulk of the tin and tantalite mineralisation and is also where the lithium is expected to be hosted. The pegmatites are located in a north trending, 15km wide belt. The pegmatites are strongly weathered to 10-20m depth and often poorly exposed with feldspar (and spodumene if present) completely altered to kaolinite. Dimensions of the pegmatites vary in scale from narrow fracture fillings to massive bodies up to 50m wide and >200m long.
Drill hole Information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* • *easting and northing of the drill hole collar* • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* • *dip and azimuth of the hole* • *down hole length and interception depth* • *hole length.*	See appendices attached to ASX releases.
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.*	See appendices attached to ASX releases.
	Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	See appendices attached to ASX releases.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	Not applicable.
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.* *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	See Appendix attached to ASX release.

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Criteria	JORC Code explanation	Commentary
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	See Figures in body of report
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	All recent exploration results reported and tabulated.
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	All meaningful and material data reported
Further work	*The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*	• Reverse circulation drill testing of targets referred to in body of text. • Ground inspection of gold-in-soil anomalies

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