ASX : LTR

ASX ANNOUNCEMENT

26th MARCH 2018

More strong assays confirm significant lithium discovery at Buldania Project in WA

Second batch of results reveal zones more than 50m wide with grades up to 2.5% Li_2O

Highlights

- **Another round of strong assays confirm the presence of large lithium-mineralised pegmatites at the Anna prospect within the Buldania Project**
- **Latest results include:**
  - ***25m @ 1.2% Li_2O from 16m (BDRC0012), including:***
    - ***3m @ 2% Li_2O from 22m and***
    - ***5m @ 2% Li_2O from 27m***
  - ***58m @ 1.2% Li_2O from 39m (BDRC0015), including:***
    - ***20m @ 1.6% Li_2O from 40m and***
    - ***4m @ 1.8% Li_2O from 71m and***
    - ***2m @ 2.5% Li_2O from 93m***
  - ***36m @ 1% Li_2O from 6m (BDRC0016), including:***
    - ***3m @ 2.0% Li_2O from 12m and***
    - ***6m @ 1.7% Li_2O from 29m and***
    - ***1m @ 1.8% Li_2O from 40m***
  - ***15m @ 1.2% Li_2O from 18m (BDRC0017), including:***
    - ***3m @ 2.4% Li_2O from 20m and***
    - ***2m @ 1.7% Li_2O from 27m***

  (True widths ~90-100% of down hole widths)
- **The lithium mineralisation at Anna starts from surface, has been outlined over a 500m strike length and remains open along strike and at depth**
- **The latest data indicates that the mineralisation is hosted by shallow-dipping pegmatites**
- **Multiple high-grade (1.5% Li_2O) intervals**
- **The pegmatites are mineralised throughout, with broad zones of mineralisation intersected (e.g. 54m @ 0.9% from 7m in BDRC0012)**
- **Assays pending for another 17 holes**

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Liontown Resources Limited (**ASX: LTR**) is pleased to advise that its Buldania Project in WA is emerging as a substantial lithium discovery, with drilling returning another round of strong assay results.

The latest assays reveal the presence of shallow, ore-grade lithium mineralisation over widths of up to 50m and more at the Anna prospect.

The assays are from the recently-completed 36-hole, 3,339m Reverse Circulation drilling program at Buldania, which is located 600km east of Perth.

Multiple, spodumene-bearing pegmatites have now been intersected over a strike length of approximately 500m at Anna (***Figure 1***). The mineralised trend remains open at depth and to the south-east, where it is obscured by shallow soil cover.

The pegmatites at Anna were initially interpreted to dip steeply; however, the latest data indicate a shallow (~30-40^0), south-west dip for the main zone which further enhances the economic potential of the prospect (***Figures 2 and 3***).

Assays are pending for 17 RC holes (BDRC0020-BDRC0036) and further work will be planned once these have been received and interpreted. (See Appendix 1 for listing of drill statistics).

Buldania is located in the southern part of the Eastern Goldfields Province, a region well-known for hosting significant lithium deposits, including Mt Marion and Bald Hill (***Figure 4***). The Project is also close to major road and rail infrastructure, with direct links to the Port of Esperance, critical to the mining and production of bulk commodities such as spodumene concentrates.

Liontown has entered into an Agreement with Avoca Resources Pty Ltd, a wholly-owned subsidiary of Westgold Resources Limited (ASX: WGX), whereby it has secured the rights to lithium and related metals (which include beryllium, caesium, niobium, rubidium, tantalum and tin) for the Buldania Project while Avoca retains the right and priority access to all other metals. Avoca will be paid $2 per tonne for any lithium ore mined and 1.5% of the gross sales receipts.

DAVID RICHARDS

Managing Director

26th March 2018

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.

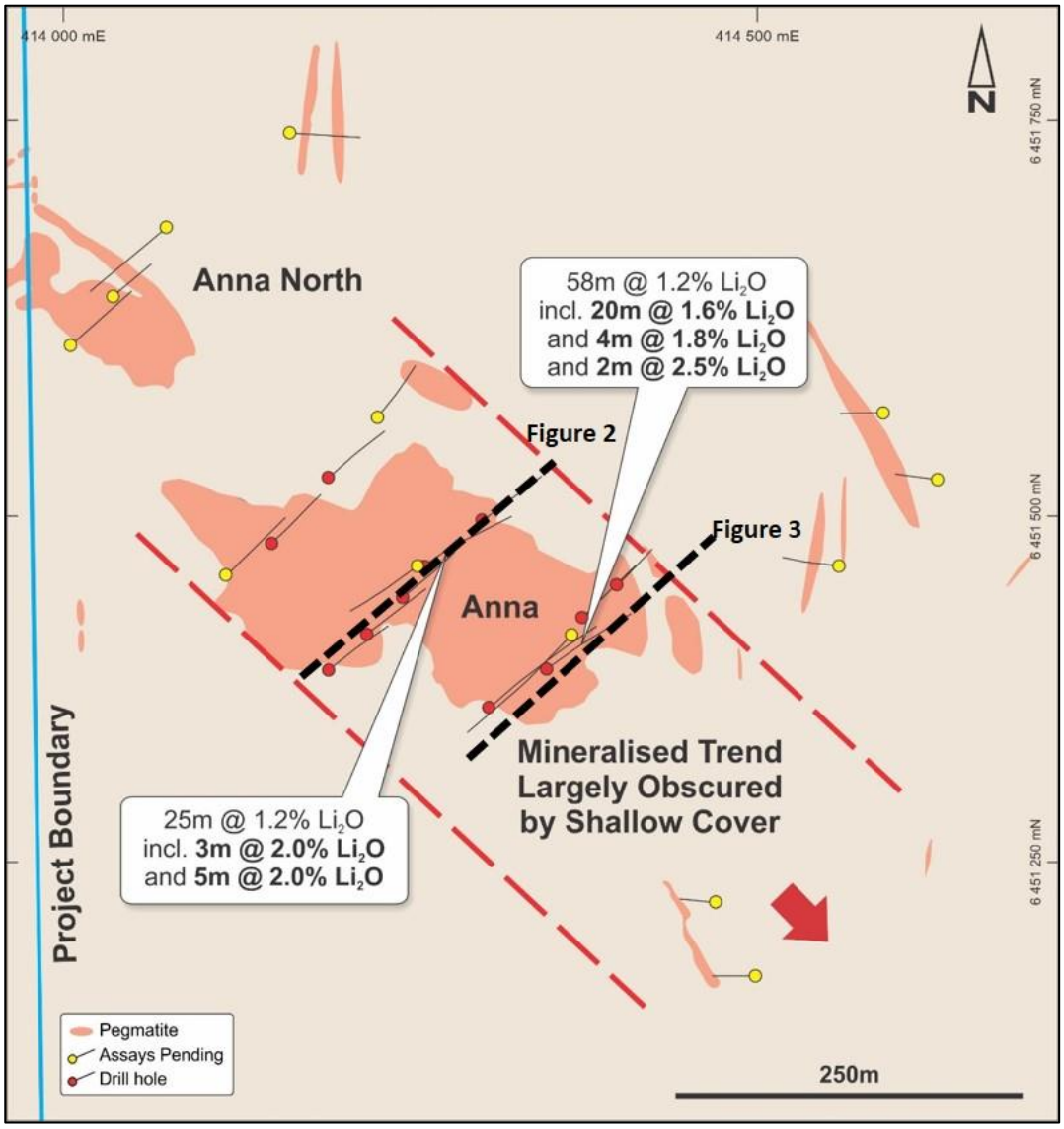

Figure 1: Buldania/Anna Prospect – Drill hole and geology plan showing better intersections

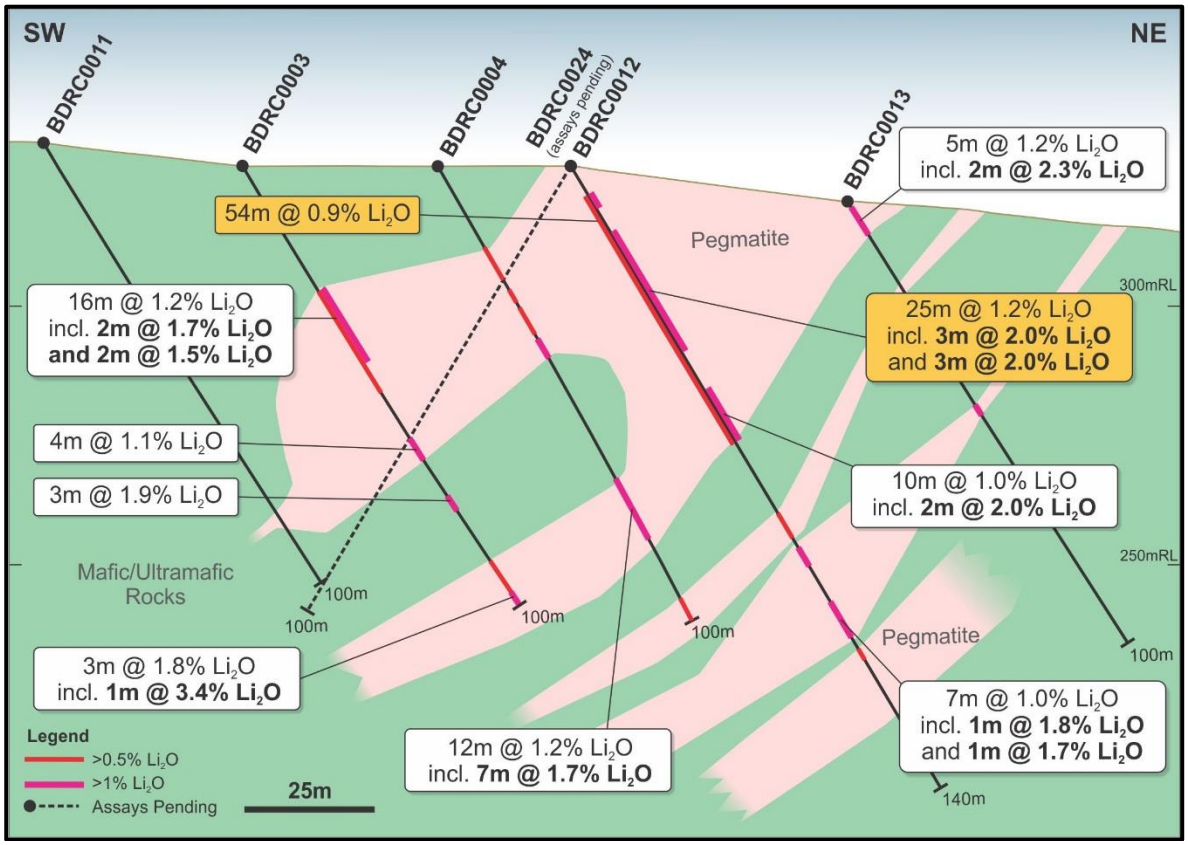

Figure 2: Buldania Project – Drill section (Anna Prospect) – see Figure 1 for position.

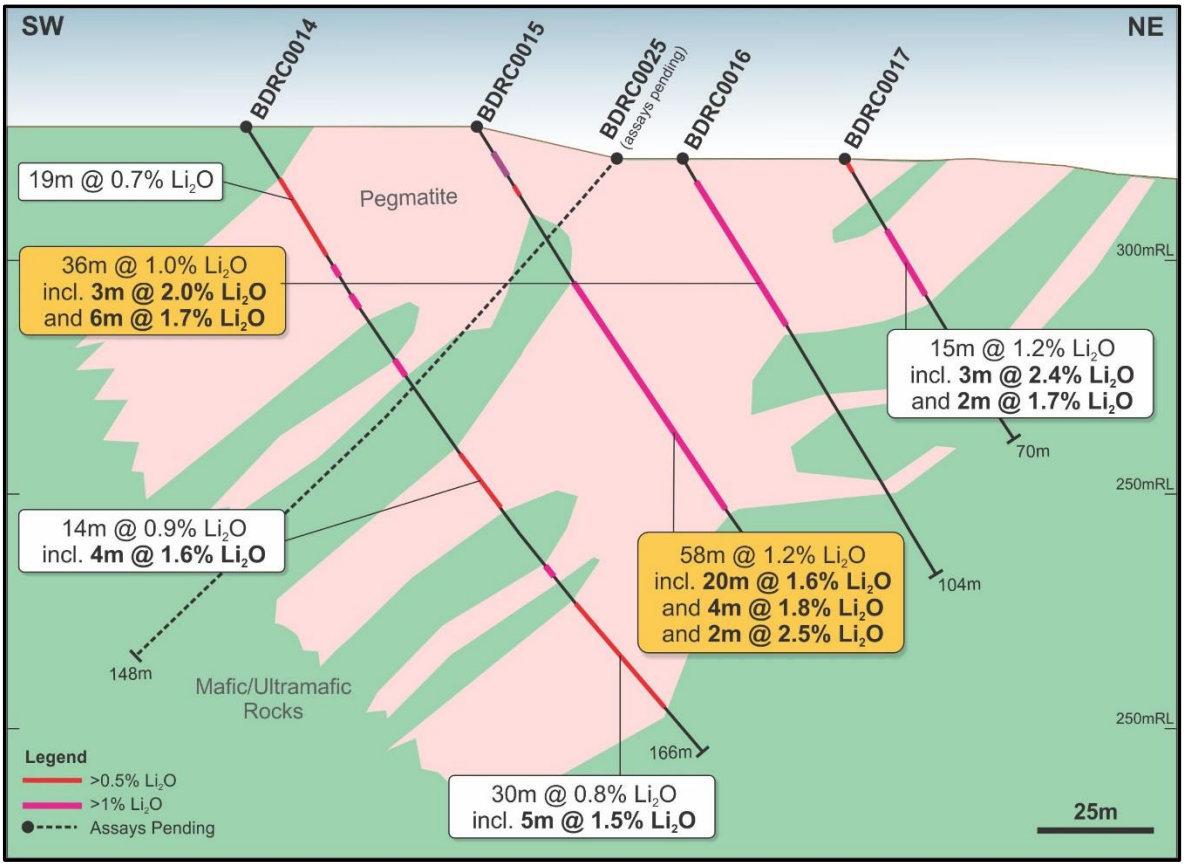

Figure 3: Buldania Project – Drill section (Anna Prospect) – see Figure 1 for position.

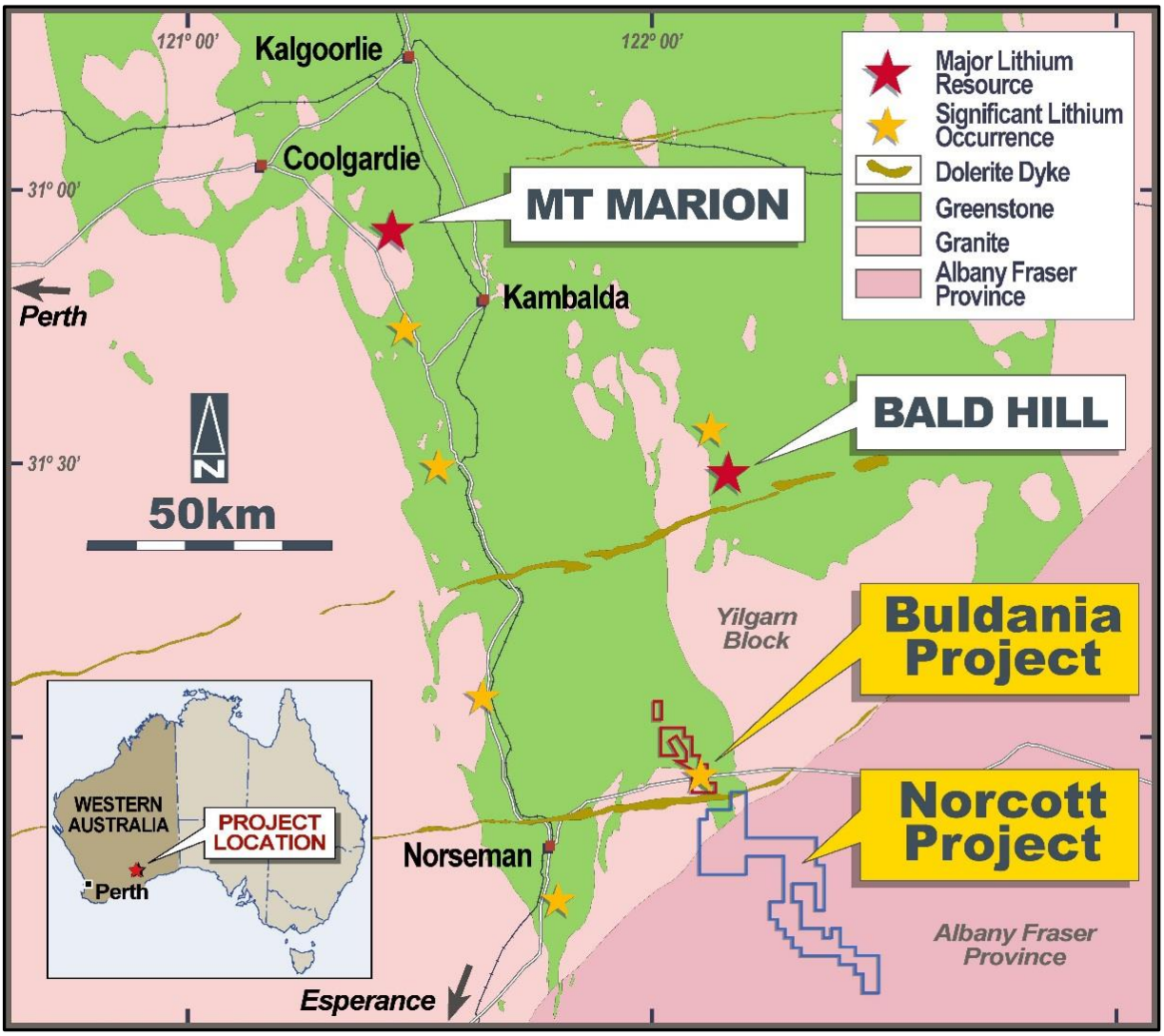

Figure 4 Buldania Project – Regional location and geology

Appendix 1 – Buldania – Drill hole statistics

Hole_ID	Prospect	East	North	RL	Dip	Azimuth	Depth	Significant Li2O (>0.4%) and Ta2O5 (>50ppm) results				
								From(m)	To(m)	Interval(m)	Li2O (%)	Ta2O5 (ppm)
BDRC0001	Conda	414492	6450902	337	-60	320	82	25	26	1	0.5	1
								28	29	1	0.5	52
BDRC0002	Conda	414463	6450923	333	-60	323	80	11	14	3	0.8	50
								incl. 1m @ 1.4% Li2O and 40ppm Ta2O5 from 13m				
BDRC0003	Anna	414218	6451415	327	-59	52	100	**28**	**44**	**16**	**1.2**	**81**
								incl. 1m @ 1.9% Li2O and 148ppm Ta2O5 from 34m				
								incl. 2m @ 1.7% Li2O and 67ppm Ta2O5 from 37m				
								incl. 2m @ 1.5% Li2O and 40ppm Ta2O5 from 41m				
								62	66	4	1.1	233
								incl. 1m @ 2% Li2O and 347ppm Ta2O5 from 63m				
								75	**78**	**3**	**1.9**	**132**
								97	**100**	**3**	**1.8**	**82**
								incl. 1m @ 3.4% Li2O and 101ppm Ta2O5 from 99m (EoH)				
BDRC0004	Anna	414244	6451442	327	-60	51	100	22	25	3	0.6	7
								29	30	1	0.5	38
								32	37	5	0.9	45
								39	42	3	1.1	64
								70	**82**	**12**	**1.2**	**65**
								incl. 7m @ 1.7% Li2O and 56ppm Ta2O5 from 72m				
								96	97	1	0.5	49
								98	99	1	1.4	48
BDRC0005	Conda	414522	6450872	334	-60	318	80	46	48	2	0.8	94
								69	70	1	0.6	49
BDRC0006	Conda	414410	6450980	338	-59	322	80	No significant assays				
BDRC0007	Conda	414436	6450950	338	-59	319	80	2	5	3	1.1	79
BDRC0008	Conda	414442	6450834	338	-59	323	80	7	8	1	1.2	37
								22	23	1	1	53
								31	32	1	0.6	32
BDRC0009	Conda	414401	6450871	339	-59	313	80	10	11	1	1.2	34
BDRC0010	Conda	414351	6450920	340	-59	323	50	No significant assays				
BDRC0011	Anna	414190	6451389	331	-58	52	100	84	87	3	0.1	192
BDRC0012	Anna	414259	6451464	327	-59	57	140	7	9	2	1	36
								16	**41**	**25**	**1.2**	**48**
								incl. 3m @ 2% Li2O and 48ppm Ta2O5 from 22m				
								incl. 5m @ 2% Li2O and 25ppm Ta2O5 from 27m				
								51	61	10	1	53
								incl. 2m @ 2% Li2O and 51ppm Ta2O5 from 53m				
								79	84	5	0.7	38
								86	88	2	1	73
								99	106	7	1	44
								incl. 1m @ 1.8% Li2O and 32ppm Ta2O5 from 99m				
								incl. 1m @ 1.7% Li2O and 66ppm Ta2O5 from 103m				
								109	11	2	0.5	15
BDRC0013	Anna	414301	6451497	320	-58	54	100	1	6	5	1.2	64
								incl. 2m @ 2.3% Li2O and 45ppm Ta2O5 from 1m				
								46	48	2	1.3	64
BDRC0014	Anna	414306	6451362	329	-58	50	166	13	32	19	0.7	174
								35	37	2	1.1	34
								39	45	6	0.4	69
								60	63	3	1.3	111
								incl. 1m @ 1.8% Li2O and 80ppm Ta2O5 from 61m				
								84	98	14	0.9	68
								incl. 4m @ 1.6% Li2O and 81ppm Ta2O5 from 85m				
								114	116	2	1.2	61
								incl. 1m @ 1.9% Li2O and 95ppm Ta2O5 from 115m				
								124	154	30	0.8	46
								incl. 5m @ 1.5% Li2O and 65ppm Ta2O5 from 128m				

Appendix 1 (cont.) – Buldania – Drill hole statistics

Hole_ID	Prospect	East	North	RL	Dip	Azimuth	Depth	Significant Li2O (>0.4%) and Ta2O5 (>50ppm) results				
								From(m)	To(m)	Interval(m)	Li2O (%)	Ta2O5 (ppm)
BDRC0015	Anna	414347	6451390	329	-58	56	130	7	12	5	1	58
								incl. 1m @ 1.7% Li2O and 18ppm Ta2O5 from 10m				
								15	17	2	0.6	1
								23	24	1	0.5	1
								39	**97**	**58**	**1.2**	**36**
								incl. 20m @ 1.6% Li2O and 29ppm Ta2O5 from 40m				
								incl. 4m @ 1.8% Li2O and 34ppm Ta2O5 from 71m				
								incl. 2m @ 2.5% Li2O and 33ppm Ta2O5 from 93m				
BDRC0016	Anna	414373	6451427	322	-58	47	104	**6**	**42**	**36**	**1**	**34**
								incl. 3m @ 2% Li2O and 31ppm Ta2O5 from 12m				
								incl. 6m @ 1.7% Li2O and 33ppm Ta2O5 from 29m				
								incl. 1m @ 1.8% Li2O and 19ppm Ta2O5 from 40m				
								60	61	1	0.6	17
								82	83	1	1.7	52
BDRC0017	Anna	414398	6451451	322	-59	47	70	0	3	3	0.7	54
								18	**33**	**15**	**1.2**	**44**
								incl. 3m @ 2.4% Li2O and 36ppm Ta2O5 from 20m				
								incl. 2m @ 1.7% Li2O and 33ppm Ta2O5 from 27m				
								54	56	2	1.1	87
BDRC0018	Anna	414150	6451480	320	-60	44	100	16	21	5	0.7	54
								23	35	12	0.8	69
								incl. 1m @ 1.7% Li2O and 57ppm Ta2O5 from 25m				
								42	45	3	0.5	42
BDRC0019	Anna	414190	6451528	320	-59	49	100	30	33	3	0.8	74
								42	50	8	0.7	49
								55	61	6	0.7	62
BDRC0020	Anna	414005	6451623	330	-55	49	100	Assays Pending				
BDRC0021	Anna	414035	6451658	329	-53	230	70					
BDRC0022	Anna	414074	6451708	323	-53	230	117					
BDRC0023	Anna	414226	6451571	314	-62	37	100					
BDRC0024	Anna	414255	6451464	321	-58	236	110					
BDRC0025	Anna	414366	6451414	323	-45	227	148					
BDRC0026	Conda	414423	6450625	317	-58	316	100					
BDRC0027	Conda	414444	6450718	330	-59	319	100					
BDRC0028	Conda	414394	6450764	325	-60	317	100					
BDRC0029	Conda	414348	6450814	326	-58	312	50					
BDRC0030	Anna	414591	6451574	309	-59	269	60					
BDRC0031	Anna	414630	6451526	306	-59	278	60					
BDRC0032	Anna	414559	6451464	303	-59	278	80					
BDRC0033	Anna	414163	6451776	310	-59	93	100					
BDRC0034	Anna	414470	6451221	317	-58	276	50					
BDRC0035	Anna	414499	6451168	338	-59	270	60					
BDRC0036	Anna	414117	6451457	337	-58	46	112					
True widths estimated to be 90-100% of downhole intersections												

Appendix 2 – BULDANIA 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). Where access permits, drill holes are oriented perpendicular to the interpreted strike of the mineralised trend. Liontown rock chips - representative 1-3kg chip samples collected across zone being sampled. Historic sampling techniques not well documented.
	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 collected by the metre from the drill rig cyclone as two 1m split samples in calico bags and a bulk sample in a plastic mining bags. The 1m samples from the cyclone are retained for check assaying. Only samples of pegmatite and adjacent wall rock are collected for assay, approximately 4m either side of the pegmatite for each interval.
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 Buldania Project comprise: • Reverse Circulation (RC/5.5") with a face sampling hammer
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, pegmatite and vein type and %, lithium mineralogy 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.	Holes are logged from start to finish.

Criteria	JORC Code explanation	Commentary
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	No core holes drilled.
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	RC samples are initially collected as rotary split samples. 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.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	Duplicates and blanks submitted approximately every 25 samples. Standards are submitted every 25 samples or at least once per hole.
	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 and sampling equipment to prevent contamination; • statistical comparison of duplicates, blanks and standards.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	Sample size is considered appropriate for the stage of exploration
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.*	Assaying completed by NAGROM Laboratories Perth, using industry standard procedures for rare metals such as Li and Ta. Analytical techniques 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.*	Internal review by alternate company personnel.
	The use of twinned holes.	None undertaken
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Drill data entered directly into excel spreadsheets onsite while drilling is ongoing. Data then entered into Access Database and validated before being processed by industry standard software packages such as MapInfo and Micromine. Representative chip samples are collected for later reference.
	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 located using a hand held GPS. All RC holes have been surveyed by a digital down hole camera provided by drill contractor.
	Specification of the grid system used	GDA 94 Zone 51
	Quality and adequacy of topographic control.	Nominal RLs based on regional topographic dataset and GPS.

Criteria	JORC Code explanation	Commentary
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	Varies due to initial drill program largely designed to test geometry and distribution of mineralised outcrops.
	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.	None undertaken.
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.
	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 bias observed; however, estimates of true width provided in attached drill hole statistic appendix.
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 NAGROM 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 Buldania Project is located ~600km east of Perth and 30-40km ENE of Norseman in Western Australia. The Project area totals ~55km^2 and comprises 1 granted exploration licence (EL 63/856) and 1 granted prospecting license (PL63/1977) – the "Tenements". The Tenements are held by Avoca Resources Pty Ltd which is a wholly owned subsidiary of Westgold Resources Ltd. Liontown Resources Limited through its wholly owned subsidiary, LRL (Aust) Pty Ltd, will acquire the lithium and related metal rights for the Buldania Project by: • pay ongoing statutory rents and rates for the Tenements while the Agreement is current; • spending a minimum of $100,000 on exploration or meeting the minimum statutory expenditure commitment (whichever is greater) on the Tenements within 12 months of the Execution date and before having the right to withdraw; and • paying Avoca $2 per tonne of ore mined and 1.5% of the gross sales receipts in respect to any lithium or related metals extracted from the Tenements. Avoca retains the rights to all other metals (excluding lithium and related metals) and has priority access for exploration. The Tenements are covered by the Ngadju Determined Native Title Claim (WCD2014/004). Avoca has an Access Agreement with the Ngadju which will apply to Liontown's exploration activities.
	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.

Criteria	JORC Code explanation	Commentary
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	Multiple phases of exploration completed for gold and nickel. This has not been reviewed in detail due to Liontown only having the rights to lithium and related metals. There has no previous exploration for lithium and related metals; however, past explorers have mapped large pegmatite bodies and recorded spodumene mineralisation in a number of places.
Geology	*Deposit type, geological setting and style of mineralisation.*	The Buldania Project contains a series of quartz-feldspar-muscovite-spodumene pegmatites largely hosted in mafic rocks. The Project is located at the southern end of the Norseman- Wiluna Belt within the Archaean Yilgarn Craton close to the boundary with the Proterozoic Albany Fraser Province. The pegmatites are interpreted to be LCT type lithium bearing-pegmatites.
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 Appendix in attached ASX release.
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 Appendix in attached ASX release
	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.	Li_2O intercepts calculated using 0.4% cut off with a maximum 2m internal dilution. Higher grade intervals calculated using 1.5% cut off. No upper cuts applied. Ta_2O_5 values only quoted when lithium intersections reported.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	None used.
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').*	Currently estimated that true widths are 90-100% of downhole widths.
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*	All meaningful and material data reported

Criteria	JORC Code explanation	Commentary
	method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	
Further work	*The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*	Will be planned once all assays have been received for maiden RC drilling program.