



ASX: LTR

**LIONTOWN RESOURCES LIMITED
ACN 118 153 825**

NOTICE OF GENERAL MEETING

**A General Meeting of the Company
will be held at the office of Liontown Resources Limited,
Level 2, 1292 Hay Street, West Perth, Western Australia,
on 30 April 2019 at 10.00 am (WST)**

This Notice of General Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.

Should you wish to discuss any matter please do not hesitate to contact the Company Secretary by telephone on +61 (8) 9322 7431.

Shareholders are urged to attend or vote by voting online at www.investorvote.com.au or lodging the proxy form attached to the Notice

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that a general meeting of Shareholders of Liontown Resources Limited (**Company**) will be held at the office of Liontown Resources Limited, Level 2, 1292 Hay Street, West Perth, Western Australia on Tuesday, 30 April 2019 at 10.00 am (WST) (**Meeting**).

The Explanatory Memorandum provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of the Notice.

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on Sunday, 28 April 2019 at 5:00pm (WST).

Terms and abbreviations used in the Notice are defined in Schedule 1.

AGENDA

1. Resolution 1 – Election of Director – Mr Steven Chadwick

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

"That, in accordance with Clause 14.3(b) of the Constitution and for all other purposes, Mr Steven Chadwick, a Director who was appointed on 10 January 2019, will cease to hold office as a director of the Company immediately before the end of this meeting and, being eligible, is elected as a Director of the Company, with effect from the end of this meeting, on the terms and conditions in the Explanatory Memorandum."

2. Resolution 2 – Approval to issue Incentive Options to Mr Steven Chadwick

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

"That, pursuant to and in accordance Listing Rule 10.14 and for all other purposes, Shareholders approve the issue of up to 3,500,000 Options to Mr Steven Chadwick (or his respective nominees) on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of these Resolutions by or on behalf of any Director who is eligible to participate in any employee incentive scheme of the Company or any of their respective associates. However, the Company need not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Voting Prohibition

In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on these Resolutions if:

- (a) the proxy is either a member of the Key Management Personnel or a Closely Related Party of such member; and
- (b) the appointment does not specify the way the proxy is to vote on this Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

3. Resolution 3 – Ratification of issue of Tranche 1 Placement Shares

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 150,000,000 Placement Shares at \$0.02 per Share to raise \$3,000,000 (before costs) on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of any person (and any nominee of such a person) who participated in the issue of the Shares, or any of their respective associates.

However, the Company need not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

4. Resolution 4 – Approval to issue Tranche 2 Placement Shares

To consider and, if thought fit, to pass with or without amendment, each as a **separate** ordinary resolution the following:

"That, pursuant to and in accordance with Listing Rule 10.11 and section 195(4) of the Corporations Act and for all other purposes, Shareholders approve the issue of:

- (a) up to 10,000,000 Shares to Mr Timothy Goyder;
- (b) up to 1,500,000 Shares to Mr Anthony Cipriano;
- (c) up to 2,500,000 Shares to Mr Craig Williams;
- (d) up to 1,000,000 Shares to Mr David Richards; and
- (e) up to 2,500,000 Shares to Mr Steven Chadwick,

or their respective nominees, at an issue price of \$0.02 per Share (being the same price at which the Tranche 1 Placement Shares were issued), on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of:

- (a) Resolution 4(a) by or on behalf of Mr Timothy Goyder and his nominees, or any of their respective associates;
- (b) Resolution 4(b) by or on behalf of Mr Anthony Cipriano and his nominees, or any of their respective associates;
- (c) Resolution 4(c) by or on behalf of Mr Craig Williams and his nominees, or any of their respective associates;
- (d) Resolution 4(d) by or on behalf of Mr David Richards and his nominees, or any of their respective associates; and
- (e) Resolution 4(e) by or on behalf of Mr Steven Chadwick and his nominees, or any of their respective associates.

However, the Company need not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

5. Resolution 5 – Ratification of issue of Underwriter Options

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 15,000,000 Options to Taylor Collison Limited and Bridge Street Capital Partners Pty Ltd (or their respective nominees), issued under listing rule 7.1 on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of this Resolution by or on behalf of Taylor Collison Limited and Bridge Street Capital Partners Pty Ltd (and their respective nominees), or any of their respective associates.

However, the Company need not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

6. Resolution 6 – Ratification of prior issue of Consideration Shares

To consider and, if thought fit, to pass with or without amendment, each as a **separate** ordinary resolution, the following:

"That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the following issues of securities as follows:

- (a) *10,000,000 Shares to Matsa Resources Limited (or its nominees); and*
- (b) *10,000,000 Shares to Westgold Resources Limited (or its nominees);*

on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast in favour of:

- (a) Resolution 6(a) by or on behalf of Matsa Resources Limited and its nominees, or any of their respective associates;
- (b) Resolution 6(b) by or on behalf of Westgold Resources Limited and its nominees, or any of their respective associates;

However, the Company need not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chair as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

BY ORDER OF THE BOARD



Kym Verheyen
Company Secretary
Liontown Resources Limited
Dated: 26 March 2019

EXPLANATORY MEMORANDUM

1. Introduction

The Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at office of Liontown Resources Limited, Level 2, 1292 Hay Street, West Perth, Western Australia on Tuesday, 30 April 2019 at 10.00 am (WST).

The Explanatory Memorandum forms part of the Notice which should be read in its entirety. The Explanatory Memorandum contains the terms and conditions on which the Resolutions will be voted.

The Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on the Resolutions:

Section 2	Action to be taken by Shareholders
Section 3	Resolution 1 – Election of Director – Mr Steven Chadwick
Section 4	Resolution 2 – Approval to issue Incentive Options to Mr Steven Chadwick
Section 6	Resolution 3 – Ratification of issue of Tranche 1 Placement Shares
Section 5	Resolution 4 – Approval to issue Tranche 2 Placement Shares
Section 7	Resolution 5 – Ratification of issue of Underwriter Options
Section 8	Resolution 6 – Ratification of prior issue of Consideration Shares
Schedule 1	Definitions
Schedule 2	Terms and conditions of Underwriter Options

A Proxy Form is located at the end of the Explanatory Memorandum.

2. Action to be taken by Shareholders

Shareholders should read the Notice including the Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

2.1 Voting in person

To vote in person, attend the Meeting on the date and at the place set out above.

2.2 Proxies

(a) Voting by proxy

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon.

Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Online:	at www.investorvote.com.au
By mail:	Share Registry – Computershare Investor Services Pty Limited, GPO Box 242, Melbourne Victoria 3001, Australia
By fax:	1800 783 447 (within Australia) +61 3 9473 2555 (outside Australia)
By mobile:	Scan the QR Code on your Proxy Form and follow the prompts
Custodian voting:	For Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions.

Please note that:

- (i) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (ii) a proxy need not be a member of the Company; and
- (iii) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

(b) Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

- (i) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed);
- (ii) if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands;
- (iii) if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- (iv) if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

(c) Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- (i) an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members;
- (ii) the appointed proxy is not the chair of the meeting;
- (iii) at the meeting, a poll is duly demanded on the resolution; and

- (iv) either the proxy is not recorded as attending the meeting or the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

2.3 Chair's voting intentions

The Chair intends to exercise all available proxies in favour of all Resolutions, unless the Shareholder has expressly indicated a different voting intention.

If the Chair is appointed as your proxy and you have not specified the way the Chair is to vote on the Resolutions by signing and returning the Proxy Form, you are considered to have provided the Chair with an express authorisation for the Chair to vote the proxy in accordance with the Chair's intention, even where the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel of the Company.

3. Resolution 1 – Election of Director – Mr Steven Chadwick

3.1 General

Clause 14.4(a) of the Constitution allows the Board to appoint, at any time, a person to be a Director either to fill a casual vacancy or as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Pursuant to Clause 14.3(b) of the Constitution, any Director so appointed holds office only until the conclusion of the next Meeting of the Company's Shareholders and is eligible for re-election at that Meeting.

On 10 January 2019, Mr Steven Chadwick was appointed as a Non-Executive Director of the Company. Accordingly, Mr Chadwick resigns as a Director at the Meeting and, being eligible, seeks approval to be elected as a Director pursuant to Resolution 1.

The Board considers Mr Chadwick to be an independent director.

Mr Chadwick is a well-known and highly-regarded international mining executive who brings extensive operational, technical, corporate and strategic expertise spanning a 40-year plus career across the global mining industry.

His vast operational experience and technical knowledge will be a valuable addition to the Liontown Board as the Company advances its Kathleen Valley Lithium Project in WA through feasibility studies and into development and progresses its other key Australian battery metal assets.

Mr Chadwick is a Metallurgical Graduate of the highly-regarded Western Australian School of Mines (WASM) and has held numerous technical, operating and management roles, with a strong metallurgical background.

He was a founding Director of BC Iron and a former Managing Director of Coventry Resources, PacMin Mining and Northern Gold. He was also a Director of, and consulted to, the Australian subsidiary of the major Canadian miner Teck Resources for 10 years.

Whilst at PacMin, Mr Chadwick was responsible for the expansion of the Tarmoola Gold Project to 4Mtpa and also project managed the design, construction and commissioning of the 2.5Mtpa Carosue Dam Gold Project (now operated by Saracen Mineral Holdings), prior to becoming Managing Director.

He is currently a director of Lycopodium Limited, a well-respected and internationally recognised Australian engineering and project management group.

3.2 Additional information

Resolution 1 is an ordinary resolution.

The Board (other than Mr Chadwick, who declines to make a recommendation due to his interest in the Resolution) recommends that Shareholders vote in favour of Resolution 1.

The Chair intends to exercise all available proxies in favour of Resolution 1, unless the Shareholder has expressly indicated a different voting intention.

4. Resolution 2 – Approval to issue Incentive Options to Mr Steven Chadwick

4.1 General

As announced on 10 January 2019, the Board has agreed, subject to obtaining Shareholder approval, to issue 3,500,000 unlisted Options to Mr Steven Chadwick (or his nominees) (**Incentive Options**), as part of his remuneration as a Director of the Company.

The Incentive Options will be issued for nil cash consideration, exercisable at \$0.035 each and expiring on 28 November 2023, having vested (subject to shareholder approval under this Resolution 2) on 10 January 2019. The Incentive Options are to be issued under the terms of the Employee Securities Incentive Scheme (**Scheme**), which are summarised in the Company's 2018 notice of annual general meeting, announced on ASX on 29 October 2018.

The Incentive Options provide an incentive component to Mr Chadwick's remuneration package, and align his interests with those of Shareholders. The Board considers that the number of Incentive Options to be granted to Mr Chadwick is commensurate with his value to the Company and is an appropriate method to provide cost effective remuneration. In addition, the Board also believes that incentivising with Incentive Options is a prudent means of conserving the Company's available cash reserves. The Board believes it is important to offer these Incentive Options to continue to attract and maintain highly experienced and qualified Board members in a competitive market.

Listing Rule 10.14

Listing Rule 10.14 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities under an employee incentive scheme to a director of the entity, an associate of the director, or a person whose relationship with the entity, director or associate of the director is, in ASX's opinion, such that approval should be obtained.

As Shareholder approval is sought under Listing Rule 10.14, approval under Listing Rules 7.1 or 10.11 is not required.

4.2 Specific information required by Listing Rule 10.15

Pursuant to and in accordance with Listing Rule 10.15, the following information is provided in relation to the proposed issue of the Incentive Options:

- (a) the Incentive Options will be issued under the Scheme to Mr Chadwick (or his nominees), who is a Director;
- (b) the maximum number of Incentive Options to be issued to Mr Chadwick (or his nominees) is 3,500,000, as set out in Section 4.1 above;
- (c) the Incentive Options will have an issue price of nil as they will be issued as part of the remuneration package for Mr Chadwick;
- (d) the names of all persons referred to in Listing Rule 10.14 who have received Securities under the Scheme since it was approved by Shareholders at the 2018 annual general

meeting held on 27 November 2018, the number of the Securities received and the acquisition price for each Security is set out below:

Director	Options	Acquisition price	Exercise price (each)	Expiry date
Tim Goyder	4,000,000	nil	\$0.035	28 November 2023
David Richards	5,000,000	nil	\$0.035	28 November 2023
Craig Williams	2,500,000	nil	\$0.035	28 November 2023
Anthony Cipriano	2,500,000	nil	\$0.035	28 November 2023

- (e) the persons referred to in Listing Rule 10.14 who are entitled to participate in the Scheme are the current Directors, namely Tim Goyder, David Richards, Craig Williams, Anthony Cipriano and Steven Chadwick;
- (f) no loan will be provided to Mr Chadwick in relation to the issue of the Incentive Options;
- (g) the Incentive Options will be issued no later than 12 months after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules); and
- (h) a voting exclusion statement is included in the Notice.

4.3 Chapter 2E of the Corporations Act

In accordance with Chapter 2E of the Corporations Act, in order to give a financial benefit to a related party, the Company must:

- (a) obtain Shareholder approval in the manner set out in section 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The grant of the Incentive Options constitutes giving a financial benefit and Mr Chadwick is a related party of the Company by virtue of being a Director.

The Board (other than Mr Chadwick who has an interest in Resolution 2) considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of the Incentive Options due to the exceptions in sections 210 and 211 of the Corporations Act, as the agreement to grant the Incentive Options, reached as part of the remuneration package for Mr Chadwick, is considered reasonable remuneration in the circumstances and was negotiated on arm's length terms.

4.4 Additional information

Resolution 2 is an ordinary resolution.

The Board (other than Mr Chadwick, who declines to make a recommendation due to his interest in the Resolution) recommends that Shareholders vote in favour of Resolution 2.

The Chair intends to exercise all available proxies in favour of Resolution 2, unless the Shareholder has expressly indicated a different voting intention.

5. Resolution 3 – Ratification of issue of Tranche 1 Placement Shares

5.1 General

The Company announced on 14 February 2019 that it was undertaking a capital raising of up to approximately \$7.9 million (before costs), comprised of:

- (a) a 1-for-5 non-renounceable pro-rata rights issue to raise \$4.5 million;
- (b) a private placement of Shares comprised of the following:
 - (i) a placement of Shares to sophisticated and professional investors to raise \$3 million (**Tranche 1 Placement Shares**); and
 - (ii) subject to shareholder approval, a placement of Shares to Directors to raise \$0.35 million (**Tranche 2 Placement Shares**),(together, the **Placement**).

Resolution 3 seeks the approval of Shareholders pursuant to Listing Rule 7.4 to ratify the issue of the Tranche 1 Placement Shares.

5.2 Listing Rules 7.1 and 7.4

Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more Equity Securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

Listing Rule 7.4 provides an exception to Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that the previous issue did not breach Listing Rule 7.1), those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rule 7.1.

The effect of Shareholders passing Resolution 3 will be to restore the Company's ability to issue further Equity Securities, to the extent of 150,000,000 Equity Securities, during the next 12 months without the requirement to obtain prior Shareholder approval.

5.3 Specific information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of the Tranche 1 Placement Shares:

- (a) a total of 150,000,000 Tranche 1 Placement Shares were issued;
- (b) the Tranche 1 Placement Shares were issued at \$0.02 per Share;
- (c) the Tranche 1 Placement Shares issued were fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue;
- (d) the Tranche 1 Placement Shares were issued to sophisticated and professional investors none of whom were or are a related party of the Company;
- (e) the proceeds from the issue of the Tranche 1 Placement Shares are intended to be used to enable the Company to undertake substantial drilling, exploration, metallurgy and feasibility programs at its two key emerging Australian lithium projects (Kathleen Valley Lithium Project and Buldania Lithium Project), as well as for costs of the Placement and general working capital; and

- (f) a voting exclusion statement is included in the Notice.

5.4 Additional information

Resolution 3 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 3.

The Chair intends to exercise all available proxies in favour of Resolution 3, unless the Shareholder has expressly indicated a different voting intention.

6. Resolution 4 – Approval to issue Tranche 2 Placement Shares

6.1 General

The background to the Placement is provided in Section 5.1.

Pursuant to Resolution 4, the Company is seeking Shareholder approval for the issue of the Tranche 2 Placement Shares.

Directors Timothy Goyder, Anthony Cipriano, Craig Williams, David Richards and Steven Chadwick (together, the **Related Party Participants**) each wish to subscribe for Shares on the same terms as the Tranche 1 Placement Shares, subject to Shareholder approval being obtained.

6.2 Listing Rule 10.11

Listing Rule 10.11 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained, unless an exception in Listing Rule 10.12 applies.

The Related Party Participants are related parties of the Company by virtue of being Directors. As it is proposed to issue the Tranche 2 Placement Shares to related parties of the Company, Shareholder approval pursuant to Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in Listing Rule 10.12 do not apply in the current circumstances.

Approval pursuant to Listing Rule 7.1 is not required for the issue of the Tranche 2 Placement Shares as approval is being obtained under Listing Rule 10.11. Accordingly, the issue of the Tranche 2 Placement Shares will not be included in the use of the Company's 15% annual placement capacity pursuant to Listing Rule 7.1.

6.3 Specific information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to the issue of the Tranche 2 Placement Shares:

- (a) the Tranche 2 Placement Shares will be issued to Directors Timothy Goyder, Anthony Cipriano, Craig Williams, David Richards and Steven Chadwick (or their respective nominees);
- (b) the maximum number of Tranche 2 Placement Shares to be issued is 17,500,000 in the following proportions:
 - (i) up to 10,000,000 Shares to Mr Goyder (or his nominees);
 - (ii) up to 1,500,000 Shares to Mr Cipriano (or his nominees);
 - (iii) up to 2,500,000 Shares to Mr Williams (or his nominees);

- (iv) up to 1,000,000 Shares to Mr Richards (or his nominees); and
- (v) up to 2,500,000 Shares to Mr Chadwick (or his nominees);
- (c) the Tranche 2 Placement Shares will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules);
- (d) the issue price will be \$0.02 per Share, being the same as all Shares issued under the Placement;
- (e) the Tranche 2 Placement Shares will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (f) the funds raised will be used for the same purposes as funds raised by the issue of the Tranche 1 Placement Shares, as set out in Section 5.3(e); and
- (g) a voting exclusion statement is included in the Notice.

6.4 Chapter 2E of the Corporations Act

In accordance with Chapter 2E of the Corporations Act, in order to give a financial benefit to a related party, the Company must:

- (a) obtain Shareholder approval in the manner set out in section 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of the Tranche 2 Placement Shares constitutes giving a financial benefit and the Related Party Participants are related parties of the Company by virtue of being Directors.

The Board considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Tranche 2 Placement Shares because the Tranche 2 Placement Shares will be issued to Related Party Participants on the same terms as the Tranche 1 Placement Shares were issued to persons who are not Related Party Participants. As such, the giving of the financial benefit is on arm's length terms.

6.5 Additional information

Each of the Resolutions which form part of Resolution 2 is an ordinary resolution.

The passing of any Resolution which forms part of Resolution 2 is not conditional on the passing of any other Resolution.

The Directors decline to make a recommendation in respect of the Resolutions which form part of Resolution 4 due to their interest in the Resolutions.

The Chair intends to exercise all available proxies in favour of Resolution 2, unless the Shareholder has expressly indicated a different voting intention.

7. Resolution 5 – Ratification of issue of Underwriter Options

7.1 General

The Company engaged Taylor Collison Limited and Bridge Street Capital Partners Pty Ltd (together, **Underwriters**) as joint lead managers to the Placement and underwriter to the rights issue, as announced on 14 February 2019.

As partial consideration for the services provided, the Company has agreed to issue the Underwriters or their respective nominees 15,000,000 unquoted Options exercisable at \$0.035 each on or before 28 March 2022 (3 years from the issue date) (**Underwriter Options**).

The Underwriter Options are intended to be issued on or about 28 March 2019 and in any event, before the date of the Meeting. In the event that the Underwriter Options are not issued before the date of the Meeting, this Resolution will be withdrawn.

The Underwriter Options are intended to be issued within the 15% annual limit permitted under Listing Rule 7.1, without the need for Shareholder approval.

Resolution 5 seeks the approval of Shareholders pursuant to Listing Rule 7.4 to ratify the issue of the Underwriter Options.

7.2 Listing Rules 7.1 and 7.4

Summaries of Listing Rules 7.1 and 7.4 are contained in Section 5.2 above.

The effect of Shareholders passing Resolution 5 will be to restore the Company's ability to issue further Equity Securities, to the extent of 15,000,000 Equity Securities, during the next 12 months without the requirement to obtain prior Shareholder approval.

7.3 Specific information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of the Underwriter Options:

- (a) a total of 15,000,000 Underwriter Options will be issued;
- (b) the Underwriter Options were issued for nil cash consideration, as part consideration for services provided by the Underwriters to the Company in relation to the Placement and non-renounceable pro-rata offer to Shareholders;
- (c) the Underwriter Options will be exercisable at \$0.035 each on or before 28 March 2022 (3 years from the issue date) and were otherwise issued on the terms and conditions set out in Schedule 2;
- (d) the Underwriter Options will be issued to the Underwriters (or their respective nominees), none of whom is a related party of the Company;
- (e) no funds were raised from the issue of the Underwriter Options as the Underwriter Options were issued as part consideration for services provided to the Company; and
- (f) a voting exclusion statement is included in the Notice.

7.4 Additional information

Resolution 5 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 5.

The Chair intends to exercise all available proxies in favour of Resolution 5, unless the Shareholder has expressly indicated a different voting intention.

8. Resolution 6 – Ratification of prior issue of Consideration Shares

8.1 General

The Resolutions which form part of Resolution 6 seek the approval of Shareholders pursuant to Listing Rule 7.4 to ratify the issue of a total of 20,000,000 Shares which the Company issued within the last 12 months without obtaining prior shareholder approval (**Consideration Shares**).

8.2 Listing Rules 7.1 and 7.4

Summaries of Listing Rules 7.1 and 7.4 are contained in Section 5.2 above.

The effect of Shareholders passing Resolution 6 will be to restore the Company's ability to issue further Equity Securities, to the extent of 20,000,000 Equity Securities, during the next 12 months, without the requirement to obtain prior Shareholder approval.

8.3 Specific information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of the Consideration Shares:

(a) Killaloe Project – Tranche 2

- (i) 10,000,000 Shares were issued on 24 October 2018;
- (ii) the Shares were issued at a deemed issue price of \$0.03 per Share;
- (iii) the Shares issued were fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue;
- (iv) the Shares were issued to the vendor of the Killaloe Project, Matsa Resources Limited (or its nominees), none of whom are related parties of the Company;
- (v) the Shares were issued in part consideration for the acquisition of the Killaloe Project and therefore no funds were raised as a result of the issue; and
- (vi) a voting exclusion statement is included in the Notice for this Resolution.

(b) Incorporation of Mining Lease M63/647 into the Buldania Lithium Rights Agreement

- (i) 10,000,000 Shares were issued on 19 November 2018;
- (ii) the Shares were issued at a deemed issue price of \$0.024 per Share;
- (iii) the Shares issued were fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue;
- (iv) the Shares were issued to Westgold Resources Limited (or its nominees), none of whom are related parties of the Company;
- (v) the Shares were issued as partial consideration for incorporating granted Mining Lease M63/647 into the existing Buldania Lithium Rights Agreement with Avoca Resources Pty Ltd and therefore no funds were raised as a result of the issue; and

(vi) a voting exclusion statement is included in the Notice for this Resolution.

8.4 Additional information

Each of the Resolutions which form part of Resolution 6 is an ordinary resolution.

The passing of any Resolution which forms part of Resolution 6 is not conditional on the passing of any other Resolution.

The Board recommends that Shareholders vote in favour of each of the Resolutions which form part of Resolution 6.

The Chair intends to exercise all available proxies in favour of Resolution 6, unless the Shareholder has expressly indicated a different voting intention.

Schedule 1 - Definitions

In the Notice, words importing the singular include the plural and vice versa.

\$ means Australian Dollars.

ASX means the ASX Limited (ABN 98 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited.

Board means the board of Directors.

Chair means the person appointed to chair the Meeting of the Company convened by the Notice.

Clause means a clause of the Constitution.

Closely Related Party means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

Company means Liontown Resources Limited (ACN 118 153 825).

Consideration Shares has the meaning given in Section 8.1.

Constitution means the constitution of the Company as at the date of the Meeting.

Corporations Act means the *Corporations Act 2001* (Cth).

Director means a director of the Company.

Director Shares has the meaning given in Section 6.1.

Equity Security has the same meaning as in the Listing Rules and **Equity Securities** has the corresponding meaning.

Explanatory Memorandum means the explanatory memorandum which forms part of the Notice.

Incentive Options means up to 3,500,000 unquoted Options to be issued to Mr Steven Chadwick on the terms and conditions set out in the Scheme, which is the subject of Resolution 2.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

Listing Rules means the listing rules of ASX.

Meeting has the meaning given in the introductory paragraph of the Notice.

Notice means this notice of annual general meeting.

Option means an option to acquire a Share.

Placement has the meaning given in Section 5.1.

Proxy Form means the proxy form attached to the Notice.

Related Party Participants has the meaning given in Section 6.1.

Resolution means a resolution referred to in the Notice.

Schedule means a schedule to the Notice.

Scheme means the Company's Employee Securities Incentive Scheme approved by Shareholders at the Company's 2018 annual general meeting held on 27 November 2018.

Section means a section of the Explanatory Memorandum.

Securities means any Equity Securities of the Company (including Shares, Options and performance rights).

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means the holder of a Share.

Tranche 1 Placement Shares has the meaning given in Section 5.1.

Tranche 2 Placement Shares has the meaning given in Section 5.1.

Underwriter Options has the meaning given in Section 7.1.

Underwriters means Taylor Collison Limited (ACN 008 172 450) and Bridge Street Capital Partners Pty Ltd (ACN 164 702 005).

WST means Western Standard Time being the time in Perth, Western Australia.

Schedule 2 – Terms and conditions of Underwriter Options

The terms of the Underwriter Options are as follows:

1. **(Entitlement):** Each Option entitles the holder to subscribe for one Share upon exercise of the Option.
2. **(Issue Price):** No cash consideration is payable for the issue of the Options.
3. **(Exercise Price):** The Options have an exercise price of \$0.035 per Option (**Exercise Price**).
4. **(Expiry Date):** The Options expire at 5:00pm (WST) 28 March 2022 (3 years after the issue date) (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
5. **(Exercise Period):** The Options are exercisable at any time and from time to time on or prior to the Expiry Date.
6. **(Quotation of the Options):** The Company will not apply for quotation of the Options on ASX.
7. **(Transferability of the Options):** The Options are not transferable, except with the prior written approval of the Company.
8. **(Notice of Exercise):** The Options may be exercised by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of the later of:


- (a) receipt of the Notice of Exercise and;
- (b) receipt of the payment of the Exercise Price for each Option being exercised in cleared funds

(Exercise Date).

9. **(Timing of issue of Shares on exercise):** Within 15 Business Days after the Exercise Date, the Company will:
 - (a) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
 - (b) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act or, if the Company is unable to provide such a notice, lodge with ASIC a “cleansing prospectus” prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
 - (c) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.
10. **(Shares issued on exercise):** Shares issued on exercise of the Options will rank equally with the then Shares of the Company.
11. **(Quotation of Shares on exercise):** If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options in accordance with the Listing Rules.

12. **(Reconstruction of capital):** If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.
13. **(Participation in new issues):** There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.
14. **(Adjustment for bonus issues of Shares):** If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):
 - (a) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Option holder would have received if the Option holder had exercised the Option before the record date for the bonus issue; and
 - (b) no change will be made to the Exercise Price.

Lodge your vote:

 **Online:**
www.investorvote.com.au

 **By Mail:**
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:
(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

Proxy Form



Vote online

- Go to www.investorvote.com.au or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

Your access information that you will need to vote:

Control Number: 182517

SRN/HIN:

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

 **For your vote to be effective it must be received by 10:00am (WST) on Sunday, 28 April 2019**

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form** →

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of Liantown Resources Limited hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the General Meeting of Liantown Resources Limited to be held at Level 2, 1292 Hay Street, West Perth, Western Australia on Tuesday, 30 April 2019 at 10:00am (WST) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolution 2 (except where I/we have indicated a different voting intention below) even though Resolution 2 is connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolution 2 by marking the appropriate box in step 2 below.

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

ORDINARY BUSINESS

		For	Against	Abstain			For	Against	Abstain
Resolution 1	Election of Director - Mr Steven Chadwick	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 5	Ratification of issue of Underwriter Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Approval to issue Incentive Options to Mr Steven Chadwick	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 6	Ratification of prior issue of Consideration Shares			
Resolution 3	Ratification of issue of Tranche 1 Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resolution 6 (a)	10,000,000 Shares to Matsa Resources Limited (or its nominees)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval to issue Tranche 2 Placement Shares				Resolution 6 (b)	10,000,000 Shares to Westgold Resources Limited (or its nominees)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 (a)	up to 10,000,000 Shares to Mr Timothy Goyder	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
Resolution 4 (b)	up to 1,500,000 Shares to Mr Anthony Cipriano	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
Resolution 4 (c)	up to 2,500,000 Shares to Mr Craig Williams	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
Resolution 4 (d)	up to 1,000,000 Shares to Mr David Richards	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					
Resolution 4 (e)	up to 2,500,000 Shares to Mr Steven Chadwick	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>					

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN Signature of Securityholder(s)

This section must be completed.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date / /