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ASX ANNOUNCEMENT

LITHIUM AUSTRALIA ADVANCES PROCESSING HUB STRATEGY LIT PARTICIPATES IN VMC PLACEMENT

Lithium Australia NL (ASX: LIT) has a long-term strategy for the establishment of a lithium processing hub in Western Australia with an initial preference of Port Hedland given the proximity to infrastructure, but more importantly, proximity to WA's lithium hotspot, Pilgangoora.

LIT recently announced funding initiatives with Federal Government Business Innovation Grant and Minerals Research Institute of Western Australia (MRIWA); the innovation grant and the MRIWA funding application, respectively. These are important parts of the strategy to commercialise LIT's Sileach™ process.

Given the State Government based nature of the MRIWA funding, LIT has been seeking local support for the studies to advance and promote Port Hedland, Pilgangoora and Western Australia. As a vindication to this initiative, LIT advises that Venus Metals Corporation Ltd (VMC) has agreed to be a joint founding partner with LIT in the application to MRIWA for co-investment in this ground breaking study. Whilst the Business Innovation Grant has been approved, the MRIWA grant remains subject to approval.

LIT has participated and subscribed to ordinary fully paid shares in the VMC recent private placement @25c/share. LIT and VMC has commenced a desktop study and is planning a reconnaissance field trip to Pilgangoora tenements.

Managing Director Adrian Griffin commented:

"LIT's point of difference with all other lithium companies is the ability to recover lithium from spodumene without the requirement for the extraordinary expense of roasting. The Company's proprietary Sileach™ process has the flexibility to process any lithium bearing silicates. If our application is successful, the MRIWA grant will enable the commercialization of the Sileach™ process to be accelerated through to large-scale piloting."

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About Lithium Australia NL

LIT is a dedicated developer of disruptive lithium extraction technologies including the versatile Sileach™ process which is capable of recovering lithium from any silicate minerals. LIT has strategic alliances with a number of companies, potentially providing access to a diversified lithium mineral inventory globally.

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