

ASX ANNOUNCEMENT

22nd FEBRUARY 2018

Maiden drilling program commences at Liontown's second Australian lithium project

Initial phase of drilling underway at Buldania Project near Norseman targeting depth extensions of high-grade, outcropping spodumene-related lithium mineralisation

Key Points:

- Initial Buldania program comprises 3,000-3,500m of Reverse Circulation (RC) drilling.
- Targeting beneath previously reported high-grade rock chip samples (up to 4.2% Li₂O).
- Spodumene-mineralized pegmatite swarm defined over area of 1.3km by 2km.
- Individual pegmatites up to 400m long and 160m wide mapped at surface.
- Program follows recently reported assay results from drilling at the Kathleen Valley Project.

Liontown Resources Limited (ASX: LTR) is pleased to announce that it has commenced its maiden Reverse Circulation (RC) drilling program at the Buldania Lithium Project, located 35km east of Norseman in the South Eastern Goldfields of WA.

The initial drilling program at Buldania will comprise 3,000-3,500m of RC drilling and will test beneath high-grade spodumene mineralisation (up to 4.2% Li₂O) defined by mapping and sampling completed last year (*Figure 1*).

Drilling is estimated to take 3-4 weeks with first assays due in late March 2018.

The Buldania Project 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 2*).

The Project is also close to major road and rail infrastructure, with direct links to the Port of Esperance, approximately 200km to the south, critical to the mining and production of bulk commodities such as spodumene concentrates.



Liontown has an Agreement with Westgold Resources Limited (ASX: WGX), whereby it has secured the rights to lithium (and related metals) for the Buldania Project while Westgold retains the right and priority access to all other metals. Westgold will be paid \$2 per tonne for any lithium ore mined and 1.5% of the gross sales receipts.

Buldania is the Company's second Australian lithium project, with the newly-commenced drilling following a successful campaign at the Kathleen Valley Project, where drilling has established the presence of continuous, shallow, high-grade lithium mineralisation (see ASX announcements, 5th February and 19th February 2018). Assays are pending for a number of holes from the Kathleen's Corner prospect at Kathleen Valley.

DAVID RICHARDS
Managing Director

22nd February 2018

The information in this report which relates to Exploration Results for the Buldania Project is extracted from the ASX announcement entitled "Mapping more than doubles area of spodumene-bearing pegmatite swarm at the Buldania Lithium Project, WA" released on the 5th December 2017 and which is available on www.ltresources.com.au.

The company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

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.

FOR MORE INFORMATION

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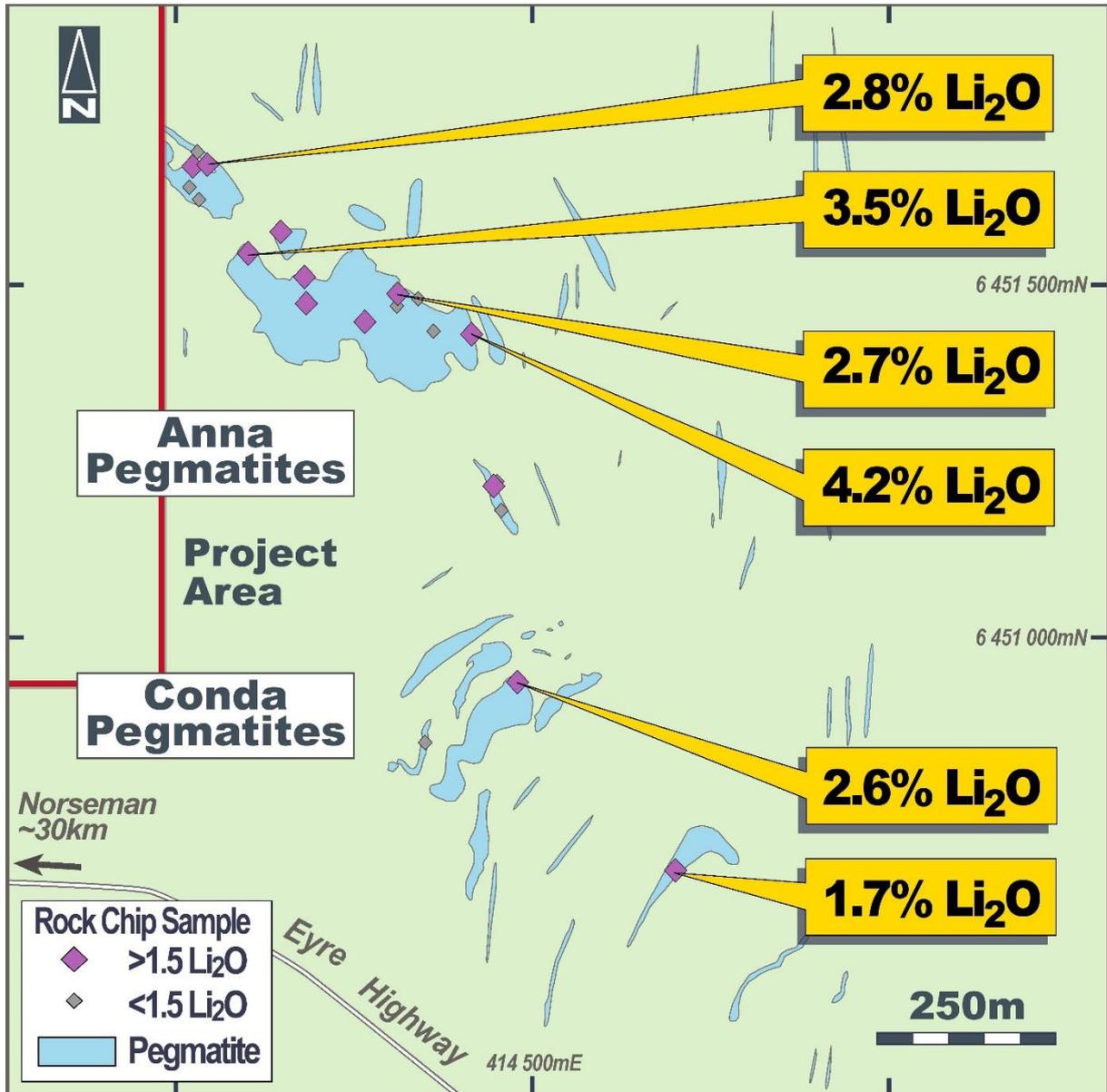


Figure 1: Buldania Project –Plan showing mapped pegmatites and better rock chip values

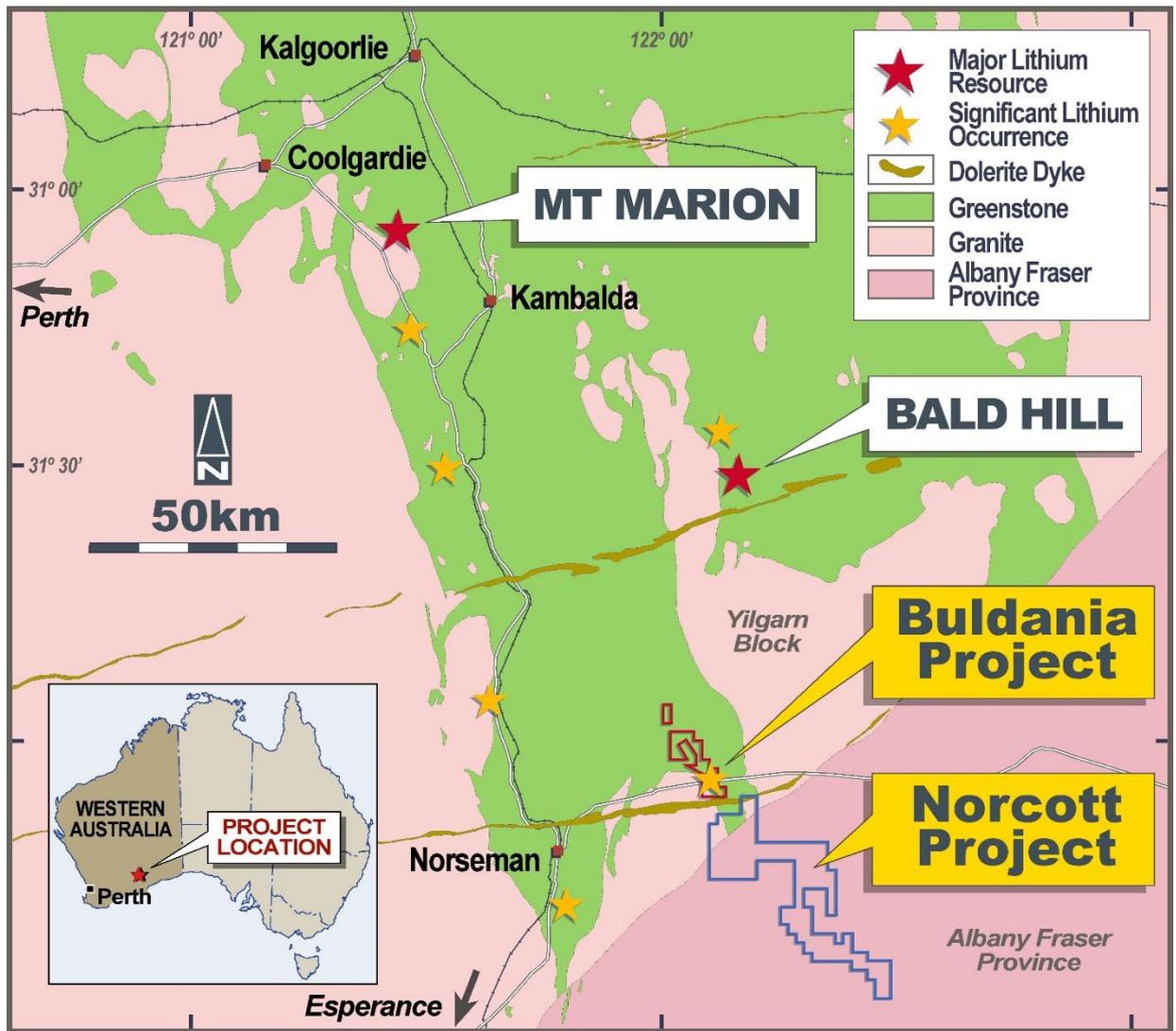


Figure 2: Regional location and geology plan showing Liantown projects



Appendix 1 – Buldania Project – Rock Chip Statistics

SampleID	GDA94_East	GDA94_North	Li2O_pct	Ta2O5_ppm	Cs_ppm	Nb_ppm	Rb_ppm	Sn_ppm
202133	414031	6451617	0.15	456	162	145	2370	90
202134	414019	6451638	0.09	96	123	68	1330	34
202135	414017	6451664	0.55	134	289	82	4960	34
202136	414030	6451686	0.01	249	55	81	1790	33
202143	414349	6450853	0.11	38	108	43	1760	66
202146	414098	6451544	3.53	52	45	59	845	126
202147	414025	6451667	2.08	67	92	55	3400	94
202148	414043	6451674	2.76	161	38	30	716	159
202149	414146	6451576	2.16	43	73	55	2020	110
202150	414179	6451511	1.62	42	44	42	1650	72
202151	414181	6451474	2.55	90	14	77	51.6	154
202153	414263	6451447	1.91	237	83	72	1585	98
202154	414414	6451428	4.17	34	24	47	686	107
202155	414479	6450937	2.56	42	24	41	544	69
202156	414701	6450669	1.71	105	31	79	638	50