

Chairman's Address to 2017 Annual General Meeting

Good morning ladies and gentlemen

I am pleased to report on what has been an active and productive year for Liontown, during which we have been able to put in place the foundations for what I firmly believe will be an exciting and potentially transformational period for the Company in 2018.

Against the backdrop of surging global demand for metals from the rapidly growing lithium-ion battery industry, Liontown has been able to assemble an impressive portfolio of assets in Western Australia and Queensland with strong potential both for new discoveries and the delineation of resources.

At the Kathleen Valley Project, located 680km north-east of Perth between Leinster and Mt Keith, maiden drilling results during the year confirmed the potential of the pegmatite swarms to host significant widths of high-grade lithium and tantalum mineralisation with intersections of up to 58m @ 1.2% Li₂O and 156ppm Ta₂O₅.

An extensive follow-up drilling campaign is planned for next year targeting what we believe to be the best parts of the pegmatite system. Subject to the timely receipt of approvals, drilling is likely to commence early in the New Year.

In addition to Kathleen Valley, Liontown also acquired 100% of the rare metal rights (including lithium and accessory metals) to the Buldania Lithium Project through an agreement with Westgold Resources Limited.

The Buldania Project is located approximately 600km east of Perth in the southern part of the Eastern Goldfields Province, a region well-known for hosting significant lithium deposits such as Neometals' Mt Marion deposit and Tawana Resources' Bald Hill deposit.

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

An initial phase of rock chip sampling during the year delivered highly encouraging results, returning assays of up to 4.6% Li₂O with the mineralisation hosted by a spodumene-bearing pegmatite swarm that has been defined over an area of 1.5km by 0.7km. Importantly, the host pegmatites are fresh from surface with no significant depletion of lithium.

Liontown has recently undertaken detailed geological mapping and geochemical sampling to define targets for drill testing. We are excited by the opportunity at Buldania and we are very much looking forward to the start of drilling – which should also commence in early 2018 subject to the receipt of approvals.

While lithium has been a focal point for the Company, Liontown has also secured five tenements in north-west Queensland which are highly prospective for vanadium. This new project, known as the RJC Vanadium Project, covers an area of approximately 1,000km² approximately 440km west of Townsville.

This region hosts a number of large vanadium resources defined by previous exploration for hydrocarbons in oil shale. The project, which adjoins and partially incorporates existing resources, represents a low-cost entry into vanadium – a commodity that is part of the battery metal suite and likely important to the future of energy storage.

We look forward to further assessing the potential of this project by undertaking metallurgical testing and resource definition drilling next year.

After a busy year exploring the Bynoe Lithium Project in the Northern Territory, Liontown recently completed the sale of this project to Core Exploration for consideration comprising \$1.5 million in cash and 39.2 million in

Core Exploration shares plus a deferred payment of \$1.5 million in cash or shares upon the definition of a JORC Resource exceeding 5 million tonnes.

We believe this represents a good outcome for shareholders, with the consolidation of the Bynoe assets by Core providing the best opportunity to maximise their value. Liontown retains a significant exposure to their continued development through its shareholding.

At the same time, this transaction has secured the financial position of the Company for the immediate future. The proceeds of the Bynoe sale, combined with our existing cash and liquid assets, puts us in the enviable position of being able to advance both the Kathleen Valley and Buldania projects without the need to raise additional funds in the medium term.

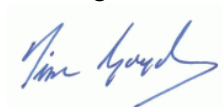
In conclusion, I remain very positive about the macro outlook for the battery metals sector in general and about the potential for our two lithium exploration assets at Kathleen Valley and Buldania to create significant value for shareholders.

With a strong balance sheet, we also now have the ability to execute our exploration programs in an efficient and focused manner, and I believe we can all look forward to a very busy and exciting year ahead.

The strength of the Company's position is thanks in no small part to the hard work and commitment of our Managing Director, David Richards, and his small team of employees and consultants. I thank all of them for their efforts.

I also take this opportunity to thank my fellow directors for their valued support, and to acknowledge the support and patience of our shareholders. I can assure you that we will be working hard to deliver value on your behalf over the coming 12 months.

Kind Regards



Tim Goyder
Chairman

Competent Person's Statement

The Information in this report that relates to Exploration Results for the Kathleen Valley Project is extracted from the ASX Announcement entitled "Liontown intersects strong lithium and tantalum mineralisation in maiden drill program at Kathleen Valley, WA" released on 20th March 2017 and is available at www.ltresources.com.au.

The Information in this report that relates to the Exploration Results for the Buldania and Norcott Projects is extracted from the ASX announcement entitled "Liontown acquires highly prospective lithium projects in WA's Eastern Goldfields" and "Surface samples of up to 4.6% Li₂O confirm widespread lithium mineralisation at the Buldania Lithium Project" released on 23rd and 30th October 2017 respectively which are available at 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 above 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 announcements.

Forward Looking Statement

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.