



Liontown Announces Details of Proposed Demerger and IPO of Non-Lithium Exploration Assets via Minerals 260 Limited

Moora Project and Koojan JV Project in the Julimar Region to form the cornerstone of new gold-PGE¹-nickel-copper focused exploration company

KEY POINTS

- Indicative timetable for Demerger, Initial Public Offer (IPO) and ASX listing confirmed.
- Notice of Meeting seeking shareholder approval to demerge Minerals 260 Limited (Minerals 260), by way of an in-specie distribution, lodged with ASX.
- Eligible shareholders to receive 1 Minerals 260 ordinary share for every 11.91² Liontown ordinary shares held.
- Minerals 260 Prospectus lodged with ASIC, seeking to raise up to \$30 million through the issue of 60 million shares at an issue price of \$0.50 per share.
- Eligible shareholders to receive a Priority Offer to participate in the IPO capital raise, with any shortfall then being made available to Eligible Shareholders and new investors under a Shortfall Offer.
- Highly-credentialled Board of Directors including experienced mining executive Tim Goyder and David Richards (Managing Director) appointed to lead the new company.

Liontown Resources Limited (ASX: LTR) (“Liontown” or the “Company”) is pleased to confirm that it is proceeding with the previously foreshadowed demerger and Initial Public Offer (IPO) of its Western Australian non-lithium exploration assets, being the Moora, Koojan JV and Dingo Rocks Projects as well as the Yalwest (ELA59/2541 and ELA59/2604) tenement applications (**Spin-Out Projects**).

Liontown will undertake the demerger via a newly-incorporated, wholly-owned subsidiary of Liontown, Minerals 260 Limited (**Minerals 260**). This will occur by way of a pro rata in-specie distribution of shares in Minerals 260 to Liontown shareholders (**Demerger**). The Spin-Out Projects are currently held by a wholly-owned subsidiary of Liontown, ERL (Aust) Pty Ltd (**ERL**). Liontown will transfer 100% of the issued capital of ERL to Minerals 260 immediately prior to the Demerger being implemented.

Once implemented, the Demerger will result in the in-specie distribution of 160,000,000 fully-paid ordinary shares in Minerals 260 (**Minerals 260 Shares**) (being 100% of the issued share capital of Minerals 260), to Eligible Liontown shareholders on a pro-rata basis.

¹ Platinum Group Elements

² Subject to the number of Liontown ordinary shares on issue on the In-specie Record Date.

Eligible Liontown shareholders will receive 1 Minerals 260 ordinary share for every 11.91³ Liontown ordinary shares held.

In conjunction with the proposed Demerger, Minerals 260 intends to undertake an IPO and will make an application for admission to the Official List of the ASX. The IPO will be undertaken through the issue of a minimum of 30,000,000 Minerals 260 Shares (Minimum Subscription) and a maximum of 60,000,000 Minerals 260 Shares (Maximum Subscription), via a pro-rata Priority Offer to Eligible Liontown Shareholders, at a price of \$0.50 per share, to raise a minimum of \$15,000,000 and a maximum of \$30,000,000 (before costs).

Any shares not taken up under the Priority Offer, will then be subject to a Shortfall Offer, which will be made available to Eligible Liontown Shareholders and new investors.

Bell Potter Securities Limited has been appointed as Lead Manager to the IPO.

The Priority Offer and Shortfall Offer are made in Minerals 260's prospectus, which is available to persons in Australia and New Zealand at www.minerals260.com.au. A person should consider Mineral 260's prospectus in deciding whether to subscribe for Mineral 260 Shares and anyone who wants to acquire Mineral 260 Shares will need to complete the application form/s that are in or that accompany the Minerals 260 prospectus.

Based on the IPO receiving Maximum Subscriptions, the final capital structure of Minerals 260 at the time of listing on the ASX will be:

Pro-rata in-specie distribution to Liontown Shareholders	160,000,000
Priority Offer to Eligible Liontown Shareholders*	60,000,000
Total Issued Capital	220,000,000

*Any shares not taken up by an Eligible Shareholders under the Priority Offer will be offered to other Eligible Shareholders and/or new investors under the Shortfall Offer.

An experienced, highly-credentialed Board and Management Team have been assembled to drive Minerals 260 forward and, following the IPO, it will be well funded to further advance and develop the Spin-Out Projects. The Board arrived at the name Minerals 260 as 260 is the sum of the atomic weight of the primary metals the Company will be exploring for – Gold (79), Platinum (78), Palladium (46), Nickel (28) and Copper (29).

The Board comprises:

David Richards – Managing Director

David has 40 years' experience in mineral exploration in Australia, S.E. Asia and Africa and his career includes exploration and resource definition for a variety of deposit styles including gold, copper and battery metals. He led the teams that discovered Liontown's globally significant Kathleen Valley Lithium-Tantalum deposit in Western Australia and the multi-million-ounce, high-grade Vera-Nancy gold deposits in North Queensland. He has held senior positions with Battle Mountain Australia Inc, Delta Gold Limited and Aurion Gold Limited and was Managing Director of ASX-listed Glengarry Resources Limited (ASX: GGY) from 2003 to 2009 and Liontown Resources Limited (ASX: LTR) from 2010 to 2021. Mr Richards is currently a Director of Liontown Resources Limited and Woomera Mining Limited (ASX: WML).

Anthony Cipriano – Non-Executive Chairman

Anthony is a Chartered Accountant with over 30 years' accounting, corporate and finance experience. Formerly a senior partner at Deloitte and National Tax Leader for Energy & Resources, Anthony has significant experience working in the resource sector and in particular dealing with the corporate, legal and financial matters. Anthony is currently a Non-Executive Director of Liontown Resources.

³ Subject to the number of Liontown ordinary shares on issue on the In-specie Record Date.

Timothy Goyder – Non-Executive Director

Tim is an experienced mining Executive and has over 40 years' experience in the resource industry. He has been involved in the formation and management of a number of publicly listed companies and is currently Chair of Liontown Resources Limited, Chalice Mining Limited (ASX: CHN) and DevEx Resources Limited (ASX: DEV).

Craig Williams – Non-Executive Director

Craig is a geologist with over 40 years' experience in mineral exploration and development. Craig co-founded Equinox Minerals Limited in 1993 and was President, Chief Executive Officer and Director prior to Barrick Gold Corporation's takeover of Equinox. He has been directly involved in several significant discoveries, including the Ernest Henry Deposit in Queensland and a series of gold deposits in Western Australia. In addition to his technical capabilities, Craig also has extensive corporate management and financing experience. He is currently Chair of OreCorp Limited (ASX: ORR) and a Non-Executive Director of Liontown Resources Limited.

Clint McGhie – Company Secretary

Clint is an experienced Chartered Accountant and Company Secretary who commenced his career at Arthur Andersen and has since been involved with a number of ASX and AIM listed exploration and development companies operating in the resources sector, including Liontown Resources Limited, Salt Lake Potash Limited (ASX: SO4), Berkeley Energia Limited (ASX: BKY) and Sovereign Metals Limited (ASX: SVM). Clint is a Fellow of the Governance Institute of Australia (Chartered Secretary), and a Fellow of the Financial Services Institute of Australasia.

Commenting on the proposed demerger and IPO Liontown Managing Director, Tony Ottaviano, said:

“As Liontown accelerates towards its goal of becoming a world-class battery materials producer based on the Kathleen Valley Project, we are pleased to confirm details of the proposed demerger of our non-lithium exploration assets. We are hopeful that the tremendous potential of these projects – which include the second-largest strategic ground-holding in the new globally significant Julimar mineral province – will be unlocked through the demerger of Minerals 260.

“This will create a new focused Au-PGE-Ni-Cu exploration and development company with a first-rate management team, a strong balance sheet and a clear mandate to advance the broader potential of our land-holding.

“Liontown shareholders will have the opportunity to gain exposure to this exciting new company via the proposed in-specie distribution and priority entitlement to participate in the IPO, as well as retaining ownership of one of the world's largest and most advanced hard rock lithium development assets – which is ideally positioned to capitalise on the outstanding outlook for the lithium market.”

Minerals 260 Managing Director, David Richards, said: *“Early drilling and exploration at the Moora Project has yielded some very exciting results, highlighting the potential for one or more significant discoveries in what has emerged as Australia's most exciting new mineral province at Julimar.*

“Liontown was a first-mover in this region before Chalice discovered its world-class Julimar deposit, and we are now looking forward to the exciting opportunity to continue this journey and unlock the full potential of our extensive and highly strategic-land-holding as Minerals 260.

“Following the demerger and IPO, Minerals 260 will be well-funded to pursue an aggressive exploration program, with the immediate intention of following up a number of key targets identified by previous sampling and drilling programs completed by Liontown.”

ASX: LTR

The indicative timetable for the Demerger and IPO process is attached per Annexure 1.

This announcement has been authorised for release by the Board.



TONY OTTAVIANO
Managing Director

For More Information:

Tony Ottaviano
CEO & Managing Director
T: +61 8 6186 4600
info@ltresources.com.au

Investor Relations:

Nicholas Read
Read Corporate
T: +61 8 9388 1474
nicholas@readcorporate.com.au

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.

Annexure 1 Indicative Timetable

Event	Date
Minerals 260 lodges Prospectus with ASIC	19 August 2021
Prospectus Exposure Period begins	19 August 2021
Priority Offer Record Date	23 August 2021
Minerals 260 applies for admission to the Official List	23 August 2021
ASIC Exposure Period ends (unless extended)	26 August 2021
Opening Date for Priority Offer (unless the ASIC Exposure Period is extended)	27 August 2021
Opening Date for Shortfall Offer (unless the ASIC Exposure Period is extended)	27 August 2021
General Meeting to approve the Resolutions ASX informed of Shareholder approval	22 September 2021
Closing date for the Priority Offer	22 September 2021
Last day for Share trading cum In-specie Distribution	24 September 2021
In-specie Record Date	28 September 2021
Closing date of the Shortfall Offer	29 September 2021
Completion of acquisition of the Minerals 260 Assets	1 October 2021
In-specie Distribution of Minerals 260 Shares to Shareholders	4 October 2021
Dispatch of holding statements for Minerals 260 Shares distributed under the In-specie Distribution	4 October 2021
Admission of Minerals 260 to the ASX	11 October 2021
Minerals 260 Shares commence trading on ASX	15 October 2021