



Letter to Shareholders – Minerals 260 Priority Entitlement

Liontown Resources Limited (ASX: LTR, “Liontown” or “Company”) advises that the attached letter regarding the Minerals 260 Limited Priority Offer will be despatched to eligible Liontown shareholders today.

This announcement has been authorised for release by the Managing Director.

TONY OTTAVIANO
Managing Director

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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.

30 August 2021

Dear Shareholder,

Minerals 260 Limited – Priority Offer

Liontown Resources Limited (ASX:LTR) (**Liontown** or **the Company**) is pleased to provide an update on the proposed 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**).

Spin-out and In-specie Distribution of Minerals 260 Shares

As announced on 19 August 2021, the Company is proposing to demerge the Spin-Out Projects via its 100% wholly owned subsidiary, 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, being Liontown shareholders resident in Australia and New Zealand as at the in-specie distribution record date of 28 September 2021 (**In-specie Record Date**), on a pro-rata basis. Eligible Liontown shareholders will receive 1 Minerals 260 ordinary share for every 11.91¹ Liontown ordinary shares held.

The in-specie distribution is conditional upon receipt of Liontown shareholder approval at the general meeting of shareholders on 22 September 2021. Refer to the Company's Notice of General Meeting dated 18 August 2021 for further details with respect to the Demerger.

Minerals 260 IPO and Priority Offer to Liontown Shareholders

Minerals 260 lodged its IPO prospectus with the Australian Securities and Investments Commission on 19 August 2021 (**Prospectus**). The Prospectus contains an offer 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) (the **Minerals 260 Offer**).

Bell Potter Securities Limited has been appointed as Lead Manager to the Minerals 260 offer under the Prospectus.

¹ Subject to the number of Liontown ordinary shares on issue on the In-specie Record Date.



Minerals 260 is offering Liantown shareholders in eligible jurisdictions that held shares in Liantown at 5:00pm (WST) on 23 August 2021 (Priority Offer Record Date) priority to subscribe for Shares under the Minerals 260 offer (**Priority Offer**).

Under the Priority Offer, eligible Liantown shareholders are entitled to apply for **1 Minerals 260 Share** for every **31.7504 shares held in Liantown** on the Priority Offer Record Date. Any Minerals 260 Shares not taken up pursuant to the Priority Offer will form the Shortfall Offer. Eligible Liantown Shareholders and new investors may apply for additional Shares under the Shortfall Offer.

Priority Application Form

The Priority Offer opens on **27 August 2021**. Subject to the important notice at the end of this letter, as an eligible Liantown shareholder you are entitled to submit a Priority Application Form to participate in the Priority Offer. You may also apply for additional Minerals 260 Shares under the Shortfall Offer.

You may obtain a copy of the Prospectus and apply online by going to the internet address below and entering your unique Priority Offer access code:

Internet Address:	https://investor.automic.com.au/#/ipo/minerals260priority
Your unique Priority Offer access code:	<<Unique Priority Access Code>>
Your Priority Offer Entitlement & Payment Amount	<<Entitlement & Payment Amount>>

You may also request a hard copy of the Prospectus by contacting Minerals 260 on +61 8 6556 6020.

In order to participate in the Priority Offer and the Shortfall Offer, eligible Liantown shareholders should follow the instructions set out in the Priority Offer Application Form. The closing date for the Priority Offer is **22 September 2021**.

There is no guarantee that eligible Liantown shareholders will be allocated the Shares applied for under the Shortfall Offer.

Before deciding whether to invest in Minerals 260, investors should read the Prospectus in its entirety and consider the risk factors set out in Section 3 of the Prospectus.

Yours faithfully

Clint McGhie
Company Secretary

For More Information:

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IMPORTANT NOTICE REGARDING ELECTRONIC PROSPECTUS

As stated in the letter above a copy the prospectus can be downloaded from <https://investor.automic.com.au/#/ipo/minerals260priority>. If you are accessing the electronic version of the prospectus for the purpose of making an investment in Minerals 260, you must be an Australian or New Zealand resident and must only access the prospectus from within Australia or New Zealand.

The Corporations Act prohibits any person passing onto another person the Priority Application Form unless it is attached to a hard copy of the prospectus or it accompanies the complete and unaltered version of the prospectus. You may obtain a hard copy of the prospectus free of charge by contacting Minerals 260.

Minerals 260 reserves the right not to accept a Priority Application Form from a person if it has reason to believe that when that person was given access to the electronic Priority Application Form, it was not provided together with the electronic prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

Other than as otherwise stated in the prospectus, no document or information included on Minerals 260's website is incorporated by reference into the prospectus.