



## ASX ANNOUNCEMENT

### Withdrawal from Ibagá Copper-Zinc Project in Tanzania, East Africa

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Liontown Resources Limited (**ASX: LTR**) advises that it will provide notice to the relevant parties that it will terminate all agreements which gave the Company the rights to acquire 100% of the Ibagá Copper-Zinc Project in northern Tanzania.

The decision to terminate the agreements follows disappointing assays from RC drilling (*see Appendix 1*) beneath surface exposures of massive sulphide horizons which recorded high grade (>30%) copper and zinc results from rock chip sampling (*see Appendix 2*).

The drilling program tested a 1.1km long zone and comprised 15 reverse circulation holes for a total 1,887metres. Better results from the drilling included:

IBRC011	68-70m	2m @ 2.8% Cu, 0.21% Zn, 11.3g/t Ag and 0.29g/t Au
IBRC013	38-40m	2m @ 0.6% Cu
IBRC015	41-42m	1m @ 2.4% Zn

While the results confirm that primary sulphide mineralisation continues at depth, poor sub-surface continuity of the lode means potential for an economic base metal deposit is limited.

DAVID RICHARDS  
Managing Director

24 November 2014

*The Information in this report that relates to Exploration Results is based on information compiled by Mr David Richards, a Competent Person who is a member of the Australasian Institute of Geoscientists (AIG). Mr Richards is a full-time employee of the company. Mr Richards has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Richards consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

*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.*

**APPENDIX 1: Ibagá Project – Liontown Drill Statistics**

HOLEID	EAST	NORTH	RL	Depth(m)	DIP	AZIUMTH	From	To	Interval	Cu%	Zn%	Ag g/t	Au g/t
IBRC001	682022	9555511	1125	137	-55	20							
IBRC002	681949	9555593	1119	106	-55	20							
IBRC003	681966	9555638	1119	35	-55	20							
IBRC004	682878	9555238	1138	114	-55	20							
IBRC005	682848	9555198	1138.5	114	-55	20							
IBRC006	682843	9555149	1139	118	-55	20							
IBRC007	681914	9555515	1119	155	-55	20							
IBRC008	681829	9555531	1119	113	-55	20							
IBRC009	681833	9555575	1119	100	-55	20							
IBRC010	682337	9555385	1140.5	142	-55	20							
IBRC011	682382	9555361	1141	143	-55	20	68	70	2	2.8	0.2	11.3	0.3
IBRC012	682270	9555385	1141	142	-60	20				NSR			
IBRC013	682430	9555350	1142	142	-55	20	38	40	2	0.6		NSR	
IBRC014	682367	9555319	1141	137	-55	20						NSR	
IBRC015	682232	9555368	1142.5	189	-55	0	41	42	1	0.2	2.4		NSR

**APPENDIX 2: Ibagá Project – Liontown Rock Chip Results**

SAMPLEID	LocEast	LocNorth	Category	Au_ppm	Ag_ppm	Cu_ppm	Zn_ppm
DUN002	2356	5410	Main Lode	0.19	21.6	320000	10570
DUN003	2356	5410	Main Lode	0.39	126	392000	212
131723	2385	5427	Main Lode	0.18	128	346000	273
131724	2385	5427	Wallrock	0.00	0.43	4370	1830
131725	2385	5427	Wallrock	0.03	0.38	3220	5920
131726	2385	5427	Wallrock	0.01	0.29	1195	1270
131727	2385	5427	Wallrock	0.00	0.24	1395	1020
131728	2385	5427	Wallrock	0.00	0.42	800	1830
131729	2385	5427	Wallrock	0.00	0.1	215	453
131730	2180	5368	Host rock	0.00	0.05	32.3	31
131731	2400	5343	Host rock	0.00	0.02	16	32
131732	2564	5471	Host rock	0.01	0.04	23.2	37
131734	2554	5486	Host rock	0.00	0.03	8.2	82
131776	2160	5508	Wallrock	0.002	0.62	340	763
131777	2161	5505	Wallrock	0.001	0.41	170.5	286
131778	2164	5500	Main Lode	0.082	6.1	12850	8690
131779	2159	5494	Wallrock	0.001	0.1	123.5	2710
131780	2154	5490	Main Lode	0.002	136	126000	113000
131781	2154	5490	Main Lode	0.088	24.2	5350	458000
131782	2153	5488	Wallrock	0.008	0.35	180	441
131783	2154	5490	Main Lode	0.624	123	150000	68000
131784	2184	5425	Hanging Wall Lode	0.15	36.4	179000	3840

**APPENDIX 3: JORC Criteria  
Ibagá Copper Project**

**Section 1 Sampling Techniques and Data**

Criteria	Commentary
Sampling techniques	<ul style="list-style-type: none"> <li>• Drill samples are typically submitted as 4 metre composites which comprise representative sub samples (collected via the tube technique) from 1 m intervals. If an assay from a 4 metre composite is considered significant, then the 1 metre samples are submitted for separate assay.</li> <li>• Drill holes are oriented perpendicular to the interpreted strike of the mineralised trend.</li> <li>• All drill samples are homogenised by riffle splitting prior to sampling. Weights (see below) for drill and rock samples are maintained to ensure results represent entire intervals.</li> <li>• Duplicates, blanks and standards are routinely submitted to ensure results are repeatable and accurate with no noticeable</li> </ul>

Criteria	Commentary
	<p>nugget effects.</p> <ul style="list-style-type: none"> <li>For subsurface sampling, RC drilling techniques have been used to collect 1 metre samples which are typically composited to 4 metre samples (see above). A representative 2-3kg of the sample interval is pulverised to -75 microns from which 25g is then digested by aqua regia and assayed for gold by ICP-MS.</li> <li>From time to time, samples are assayed for a suite of other elements. Liquor from the aqua regia digest is assayed by either ICPAES or ICPMS for up to 52 elements.</li> <li>Rock samples comprise multiple chips considered to be representative of the horizon or outcrop being sampled.</li> <li>Rock samples are assayed by the same techniques described above.</li> <li>Samples submitted for assay typically weigh 2-3kg.</li> <li>Mineralisation is initially estimated via the visual assessment and recording of relevant minerals and independently confirmed by assay by ALS Global, an internationally certified assay laboratory.</li> </ul>
<i>Drilling techniques</i>	<ul style="list-style-type: none"> <li>Drilling techniques used at Ibagá comprised Reverse Circulation (RC) with a 5.5", face sampling hammer.</li> </ul>
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> <li>Sample recoveries are visually estimated and recorded for each metre. Sample recoveries averaged &gt;95%.</li> <li>Drill collars were sealed to prevent sample loss and holes normally drilled dry to prevent poor recoveries and contamination caused by water ingress. Wet intervals noted in case of unusual results.</li> <li>No relationship observed between grade and sample recoveries.</li> </ul>
<i>Logging</i>	<ul style="list-style-type: none"> <li>All drill holes are logged on 1 metre intervals and the following observations recorded - recovery, quality (i.e. degree of contamination), wet/dry, hardness, colour, grain size, texture, mineralogy, lithology, structure type and intensity, vein type and %, sulphide type and %, alteration assemblage and magnetic susceptibility.</li> <li>Logging is quantitative, based on visual field estimates</li> <li>All holes are logged from start to finish.</li> </ul>
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> <li>Non core samples are collected as 1 metre samples, riffle split and then composited by tube sampling the bags. Samples are typically dry.</li> <li>Sample preparation follows industry best practice standards and is conducted by international company ALS Global; i.e. Oven drying, jaw crushing and pulverizing so that 85% passes - 75microns. Prepped samples are shipped from ALS Mwanza (Tanzania) to ALS Johannesburg for assaying.</li> <li>All sample batches include duplicates (1:20), blanks (1:50) and certified standards (1:33)</li> <li>Measures taken to ensure sampling is representative include: <ul style="list-style-type: none"> <li>regular cleaning of cyclones, splitters and sampling equipment to prevent contamination;</li> <li>statistical comparison of duplicate samples; and</li> <li>statistical comparison of anomalous 4m composite assays versus average of follow up 1m assays.</li> </ul> </li> <li>Comparison of anomalous duplicates and 4mv1m assays show excellent repeatability indicating sample size is appropriate to the</li> </ul>

Criteria	Commentary
	grain size.
<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> <li>• Au results are determined by aqua regia digest with graphite furnace AAS or ICP-MS finish, on a 25gm sample.</li> <li>• Ag and base metal results are determined by ICP-AES or ICP-MS finish after a HF-HNO<sub>3</sub>-HClO<sub>4</sub> digest and HCl leach. Overlimit results for Ag, Cu and Zn are rerun and reported by ore- grade assay methods.</li> <li>• The techniques used for gold, silver and base metals are considered of high quality, appropriate for the purpose and are total.</li> <li>• Assay quality is monitored by inserting multiple certified standards with varying element contents. Different standards are selected randomly and submitted every 33 samples.</li> <li>• Barren granitic material from a road quarry is submitted every 50 samples. Duplicates are collected every 20 samples and assayed.</li> <li>• Comparison of results indicates good levels of accuracy and precision. No external laboratory checks have been used.</li> </ul>
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> <li>• The bulk of the anomalous samples have been visually reviewed by company management and consultants.</li> <li>• All field data is manually collected, entered into excel spreadsheets, validated and loaded into Excel based Master spreadsheets. Assay results are transmitted in electronic format from the laboratory and merged into the Master spreadsheets.</li> <li>• Hard copies are stored in the local office and electronic data is stored on the Perth server.</li> <li>• All electronic data is routinely backed up.</li> </ul>
<i>Location of data points</i>	<ul style="list-style-type: none"> <li>• All drill holes and geochemical samples are located using a hand held GPS.</li> <li>• The grid system used is ARC1960 Zone 36S</li> <li>• Nominal RLs based on regional topographic datasets</li> <li>• All drill holes have been surveyed down hole by either a down hole camera or gyroscope.</li> </ul>
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> <li>• Data spacing is controlled by the availability of sample and access. Data spacing is not appropriate for Mineral Resource or Ore Reserve Estimations. No compositing has been undertaken.</li> </ul>
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> <li>• Drill holes oriented approximately perpendicular to the interpreted trend of mineralisation.</li> </ul>
<i>Sample security</i>	<ul style="list-style-type: none"> <li>• Samples are delivered to the laboratory by Lione town staff, and then transported to Johannesburg by the internationally certified laboratory.</li> </ul>
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <li>• None completed.</li> </ul>

## Section 2 Reporting of Exploration Results

Criteria	Commentary		
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> <li>• The Ibaga Project consists of multiple land packages (named as Ibaga and Ibaga North) comprising 24 Primary Mining Licenses ( PML's) in Tanzania as follows:</li> </ul> <p style="text-align: center;">-----</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; text-align: center;"><b>Ibaga</b></td> <td style="width: 50%; text-align: center;"><b>Ibaga North</b></td> </tr> </table>	<b>Ibaga</b>	<b>Ibaga North</b>
<b>Ibaga</b>	<b>Ibaga North</b>		

Criteria	Commentary
	<p>PML002041CZ- 002050CZ incl.      PML002247CZ- 002260CZ incl.</p> <ul style="list-style-type: none"> <li>The rights of Liontown to acquire options over Ibaga and Ibaga North are independent of each other and come through the agreements it will have with a Tanzanian incorporated entity.</li> </ul>
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <li>There has been no previous drilling or modern exploration reported or located within the Ibaga Project area.</li> <li>Several artisanal pits, mining copper mineralisation, have been located in the broader greenstone belt.</li> </ul>
<i>Geology</i>	<ul style="list-style-type: none"> <li>The Ibaga Project area is located within an Archaean greenstone belt. The host sequence comprises quartz- feldspar- biotite schists, with the mineralisation hosted by at least two WNW/ESE trending, steeply SSW dipping, up to 4m thick, semi-massive to massive sulphide (chalcocite-chalcopyrite-sphalerite) horizons.</li> <li>The distribution of pits indicates a main zone with a minimum strike length of 300m and a hanging wall zone of unknown length. Along strike of the pits, the prospective trend, which is interpreted to be approximately 1.8km long, is largely obscured by shallow soil cover.</li> </ul>
<i>Drill hole Information</i>	<ul style="list-style-type: none"> <li>See Appendix 1 in body of announcement.</li> </ul>
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> <li>Intercepts calculated using lower cuts of 1% for Cu and/or Zn. No top cuts applied.</li> <li>No internal waste included in intersections reported in Appendix 1</li> </ul>
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> <li>True widths are estimated to be 50-75% of reported intercept widths.</li> </ul>
<i>Diagrams</i>	<ul style="list-style-type: none"> <li>N/A – no significant discovery made.</li> </ul>
<i>Balanced reporting</i>	<ul style="list-style-type: none"> <li>Results from all samples collected to date, including barren samples, are reported.</li> </ul>
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <li>All meaningful and material data is reported.</li> </ul>
<i>Further work</i>	<ul style="list-style-type: none"> <li>No further work – option agreements to be terminated</li> </ul>