ASX ANNOUNCEMENT

17 August 2015

COMPANY DETAILS

LITHIUM AUSTRALIA NL
ABN: 29 126 129 413
ASX CODE: LIT & LITCB

PRINCIPAL AND REGISTERED OFFICE
Suite 3
23 Belgravia Street
Belmont WA 6104

P +61 8 6145 0288
F +61 8 9475 0847

POSTAL ADDRESS
PO Box 588
Belmont WA 6984

CORPORATE INFORMATION
(17 August 2015)
134M Ordinary Shares
50M Contributing Partly Paid Shares
12M Unlisted Options

BOARD OF DIRECTORS
George Bauk
(Non-Executive Chairman)
Adrian Griffin
(Managing Director)
Bryan Dixon
(Non-Executive Director)

For further information contact:

Lithium Australia NL
Adrian Griffin (MD)

Tel: +61 (08) 6145 0288
Email: info@lithium-au.com
Web: www.lithium-au.com

Forfeited Shares Auction – Terms of Sale

HIGHLIGHT
Terms of sale for public auction for forfeited partly-paid shares in Lithium Australia NL

Venue: Exchange Plaza Conference Room
8th Floor Exchange Plaza
2 The Esplanade
Perth WA 6000
Time: 11.30am (WST), Friday 28 August 2015

There will be a public auction of up to 5,929,072 shares, credited as paid to 1.1 cents per share for LIT's 5 cent ordinary partly paid shares, due to non-payment of a call on these shares. A reserve price will be set by the directors; however by statute the reserve price must not exceed the sum of the amount of the call due and unpaid on the share at the time of forfeiture and the amount of any other calls that become payable on or before the due date of the sale.

1. Shares to be auctioned:	Up to 5,929,072 ordinary partly-paid shares in the capital of the Company.
2. Sale procedure:	Offers are to be made in cents per share or fractions thereof. The shares will be offered in parcels no larger than 10% of the total number to be offered.
3. Payment	In accordance with Listing Rule 7.39.1 settlement must be effected on the day of the auction, or if the purchaser chooses, the next day on which banks are open for business.
4. Settlement procedure:	At settlement the purchaser shall execute a standard transfer form in the amount of shares acquired.
5. Reserve price	The Board of Lithium Australia NL will set a reserve price.

The Board notes its responsibilities under section 254R *Corporations Act 2001* which includes redemption of forfeited partly paid shares at any time up to or on the last business day before the proposed sale. Please contact the Company if you wish to redeem your forfeited partly paid shares.

Adrian Griffin
Managing Director

ABOUT LITHIUM AUSTRALIA

Lithium Australia (LIT) has a technical alliance with Strategic Metallurgy Pty Ltd to commercialise disruptive lithium extraction technology based on the recovery of lithium from micas; minerals not generally used as a source of lithium chemicals. LIT has a non-binding Heads of Agreement with European Metals Holdings Limited to process lithium mineralisation at Cinovec in the Czech Republic on a 50/50 JV basis. Cinovec contains abundant lithium micas and is one of the world's largest hard-rock lithium occurrences. In addition, LIT has strategic alliances with Pilbara Minerals Limited, Focus Minerals Limited and Tungsten Mining NL, to investigate lithium and rare metals in prospective locations of Western Australia close to well-developed infrastructure. LIT also has lithium exploration assets near Greenbushes and Ravensthorpe in Western Australia. LIT is also evaluating other European opportunities.