ASX ANNOUNCEMENT

4 August 2015

COMPANY DETAILS

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

PRINCIPAL AND REGISTERED OFFICE
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Belmont WA 6984

CORPORATE INFORMATION
(4 August 2015)
132M Ordinary Shares
53M Contributing Partly Paid Shares
12M Unlisted Options

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

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Lithium technology disrupter Lithium Australia confirms new ASX ticker "LIT"

Lithium Australia NL (ASX: LIT) advises that its ASX ticker code will change to "**LIT**", from CXB, as of today. The change of ticker code will complete the Company's strategic transformation to be a disrupter in the lithium industry.

Attached to this release is an updated brochure reflecting the change of name and ASX ticker code.

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.

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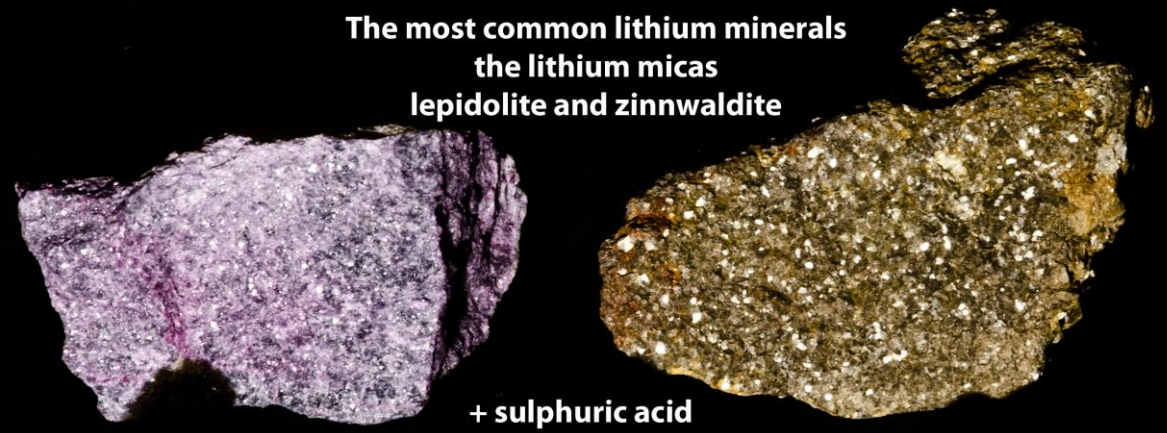
DISRUPTIVE TECHNOLOGY TO REVOLUTIONIZE LITHIUM PRODUCTION

Lithium Australia NL



= high-purity lithium carbonate + potassium sulphate + aluminium hydroxide



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Certain statements contained in this presentation, including information as to the future financial or operating performance of Lithium Australia NL ('LIT' or 'the Company') and its projects, are forward-looking statements. Such forward-looking statements are necessarily based on a number of estimates and assumptions that, while considered reasonable by LIT, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies, involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements, and may include, among other things, statements regarding targets, estimates and assumptions in respect of commodity prices, operating costs and results, capital expenditures, ore reserves and mineral resources and anticipated grades and recovery rates and are, or may be, based on assumptions and estimates related to future technical, economic, market, political, social and other conditions.

LIT disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise. The words 'believe', 'expect', 'anticipate', 'indicate', 'contemplate', 'target', 'plan', 'intends', 'continue', 'budget', 'estimate', 'may', 'will', 'schedule' and other, similar expressions identify forward-looking statements. All forward-looking statements made in this presentation are qualified by the foregoing cautionary statements. Investors are cautioned that forward-looking statements are not guarantees of future performance and, accordingly, investors are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein.

Many known and unknown factors could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements. Such factors include, but are not limited to: competition; mineral prices; ability to meet additional funding requirements; exploration, development and operating risks; uninsurable risks; uncertainties inherent in ore reserve and resource estimates; dependence on third-party smelting facilities; factors associated with foreign operations and related regulatory risks; environmental regulation and liability; currency risks; effects of inflation on results of operations; factors relating to title to properties; native title and Aboriginal heritage issues; dependence on key personnel, and share-price volatility. They also include unanticipated and unusual events, many of which it is beyond the Company's ability to control or predict.

Photographs in this presentation do not depict assets of the Company.

COMPETENT PERSON'S STATEMENT

The information in this report that relates to reporting of Exploration Results is based on and fairly represents information and supporting documentation prepared by Adrian Griffin, a member of the Australasian Institute of Mining and Metallurgy. Mr Griffin is a shareholder in, and managing director of LIT, and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration. He is qualified 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 Griffin consents to the inclusion in this report of the matters based on information in the form and context in which it appears.*

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Company snapshot

Lithium Australia NL

LITHIUM AUSTRALIA (LIT) – A UNIQUE FOCUS ON LITHIUM

BOARD OF DIRECTORS

George Bauk (non-executive chairman)
Expert in specialty metals, particularly rare earths – project management, marketing and financing.

Adrian Griffin (managing director)
Exploration, production, mine management.

Bryan Dixon (non-executive director)
Corporate, finance, mine development.



ASX ticker: LIT
ACN 126 129 413
132 M Ordinary Shares
54 M Partly Paid Shares
15 M Unlisted Options
Market cap. $11 M

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Disruptive technology to fill the supply gap

CONTINUOUS PRODUCTION OF BATTERY-GRADE LITHIUM CARBONATE

ABUNDANT FEED POTENTIAL

- **lithium micas, a 'forgotten resource'**
- **advanced resource – world's fourth-largest hard-rock deposit**

EXCLUSIVE TECHNOLOGY AGREEMENTS

EXPANDING SUPPLY GAP



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Company strategy

PRODUCTION OF BATTERY-GRADE LITHIUM CARBONATE FROM LITHIUM MICAS

- Zero energy footprint
- Waste materials with no mining cost
- High feed grades
- Fast reaction time – low capital cost

UTILIZE A FORGOTTEN RESOURCE

- Capitalize on availability of most abundant lithium minerals
- Utilize advantages of strategic partnerships
- Change operating cost profile
- Prosper from by-product credits

RE-EVALUATE GLOBAL LITHIUM OCCURRENCES

- Turn geological curiosities into reserves

DOMINATE GLOBAL LITHIUM INVENTORIES

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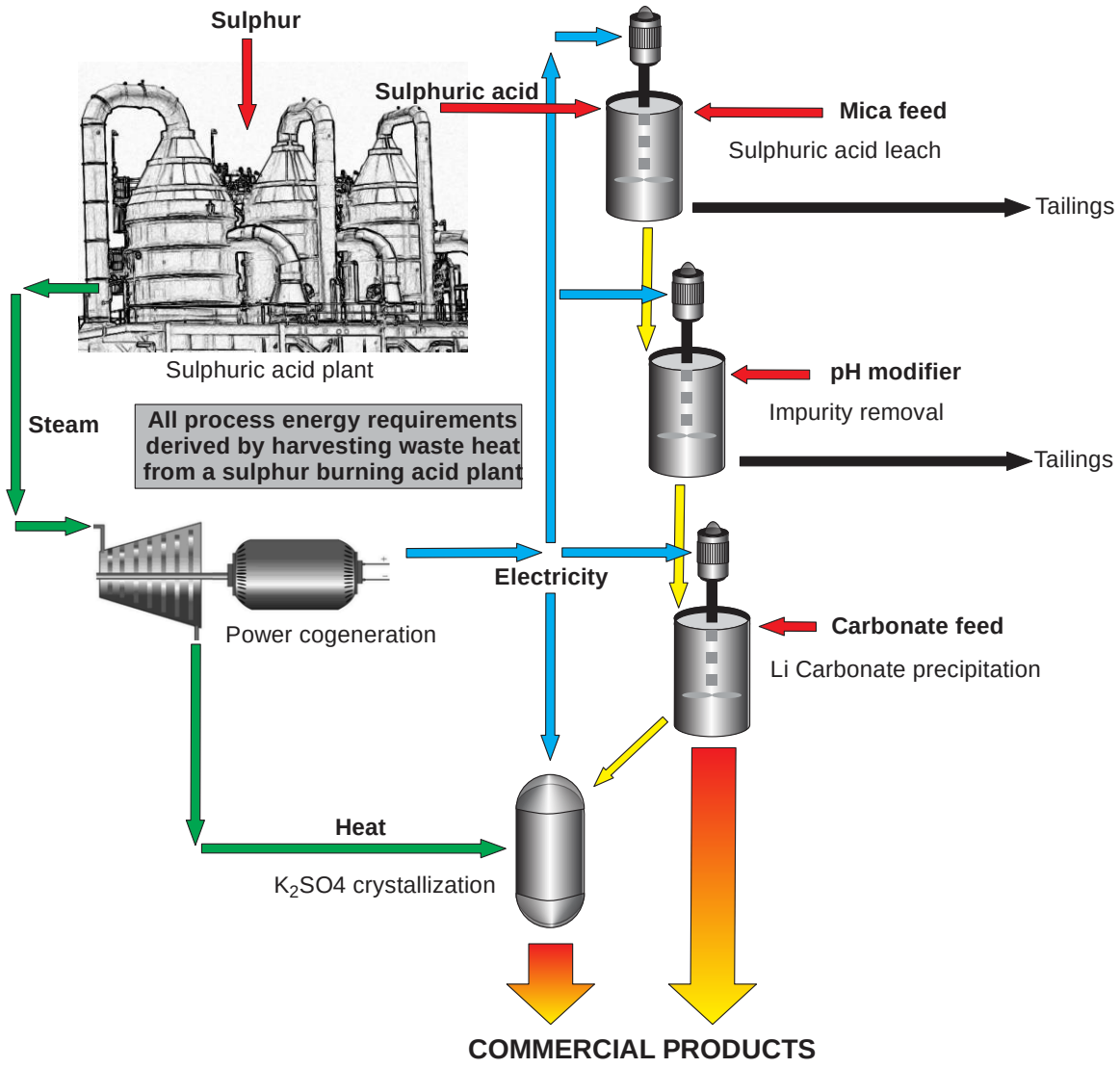
Continuous plant test May 2015





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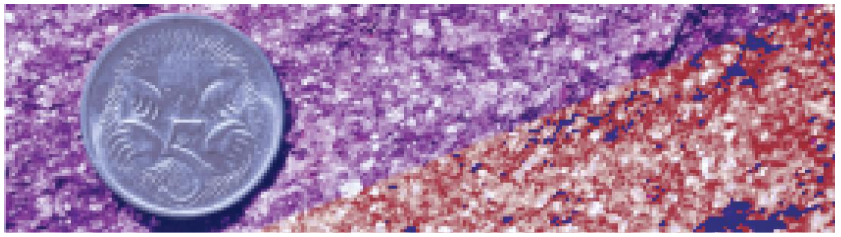
Proof of concept

Lithium Australia NL

THE CONCEPT BECOMES REALITY

		Cinovec lithium concentrate grade										
		Li_2O	K_2O	CaO	Al_2O_3	FeO	MgO	S	Rb	Cs		
		%	%	%	%	%	ppm	ppm	ppm	ppm		
		1.81	7.41	1.57	19.3	6.91	367	740	6671	222		
Cinovec lithium carbonate purity >99.6%												
Li_2O	K_2O	CaO	Al_2O_3	SiO_2	FeO	MgO	S	P	As	Co	Rb	Cs
%	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm
40.3	176	57	ND	87	ND	67	1581	162	ND	ND	24	ND
40.3	128	75	ND	54	23	ND	1042	94	ND	ND	8	ND



Lepidolite - lithium mica

$K(Li,Al,Rb)_3(Al,Si)_4O_{10}(F,OH)_2$

Zinnwaldite - lithium mica

$K(Li,Al,Fe)_3(Al,Si)_4O_{10}(F,OH)_2$

19	3	13	37
2 8 8 1	2 1	2 8 1	2 8 18 8 1
K	**Li**	**Al**	**Rb**
Potassium	Lithium	Aluminium	Rubidium
39.0983	6.941	26.9815388	85.4678



Battery-grade lithium carbonate. **Potassium sulphate.**

LIT has produced battery-grade lithium carbonate from Lepidolite Hill and Cinovec, has recovered lithium from two other European deposits and is examining further deposits at Ravensthorpe, Lake Seabrook and Pilgangoora in Western Australia.

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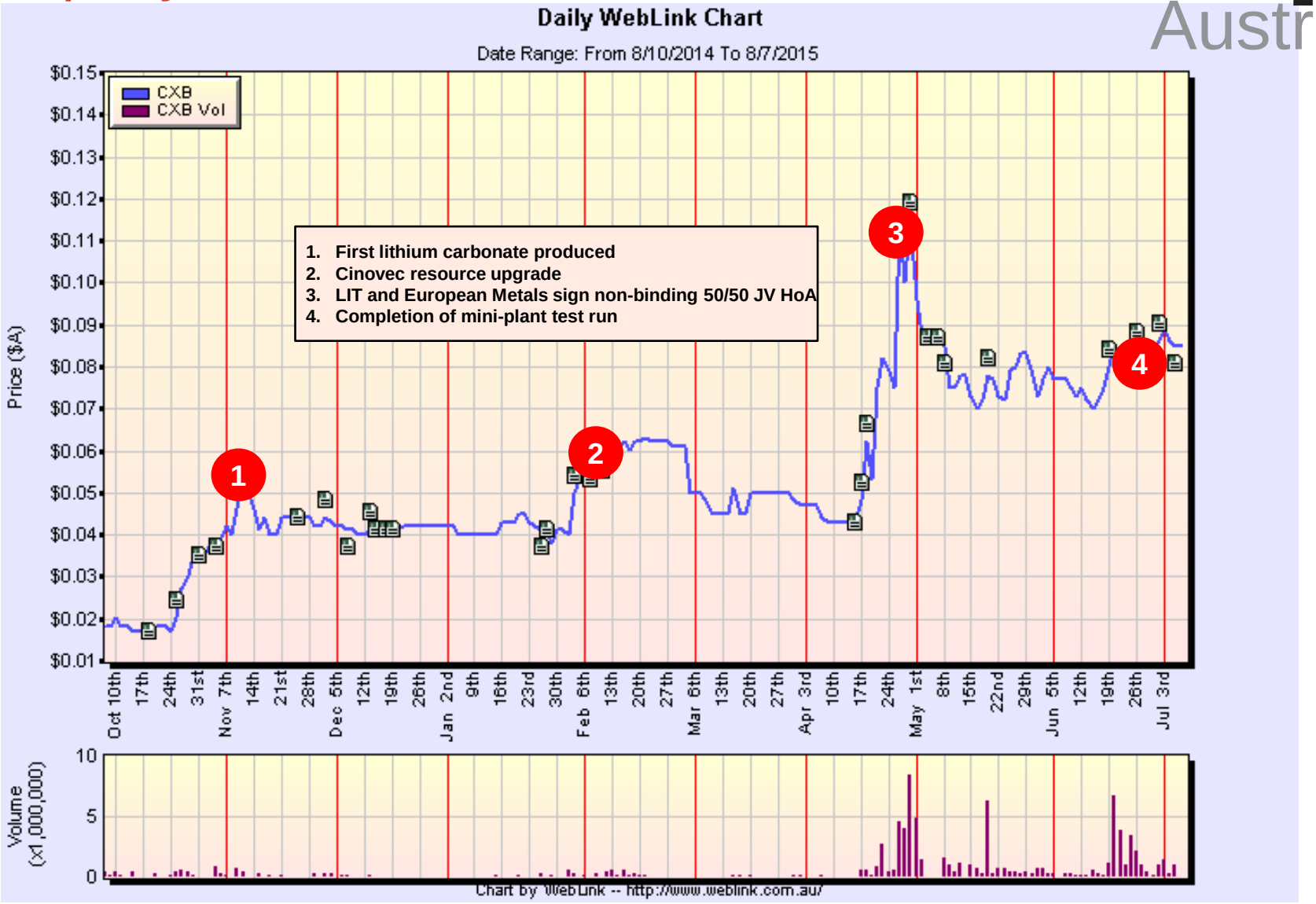
Company achievements



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Recent achievements

REPRODUCIBLE RESULTS

- **Lepidolite Hill (Western Australia)**
- **Three greisen deposits (Europe)**

PROJECT EVALUATIONS

- **Three European and one Australian deposit tested**
- **Tests include continuous production of lithium carbonate**
- **Low operating costs = competitive edge**
  - Energy-efficient process
  - Valuable by-product credits
  - Bottom quartile costs <US$2,000/t of lithium carbonate produced
    - far less than production from comparable hard-rock deposits
    - results comparable with those of brine producers
  - **Non-binding HoA with European Metals Holdings Ltd**

PROCESS EVALUATION

- **Reproducible results**
- **Wide range of mineral chemistries**
- **Scoping level design and evaluation**
- **Improved by-product credits**

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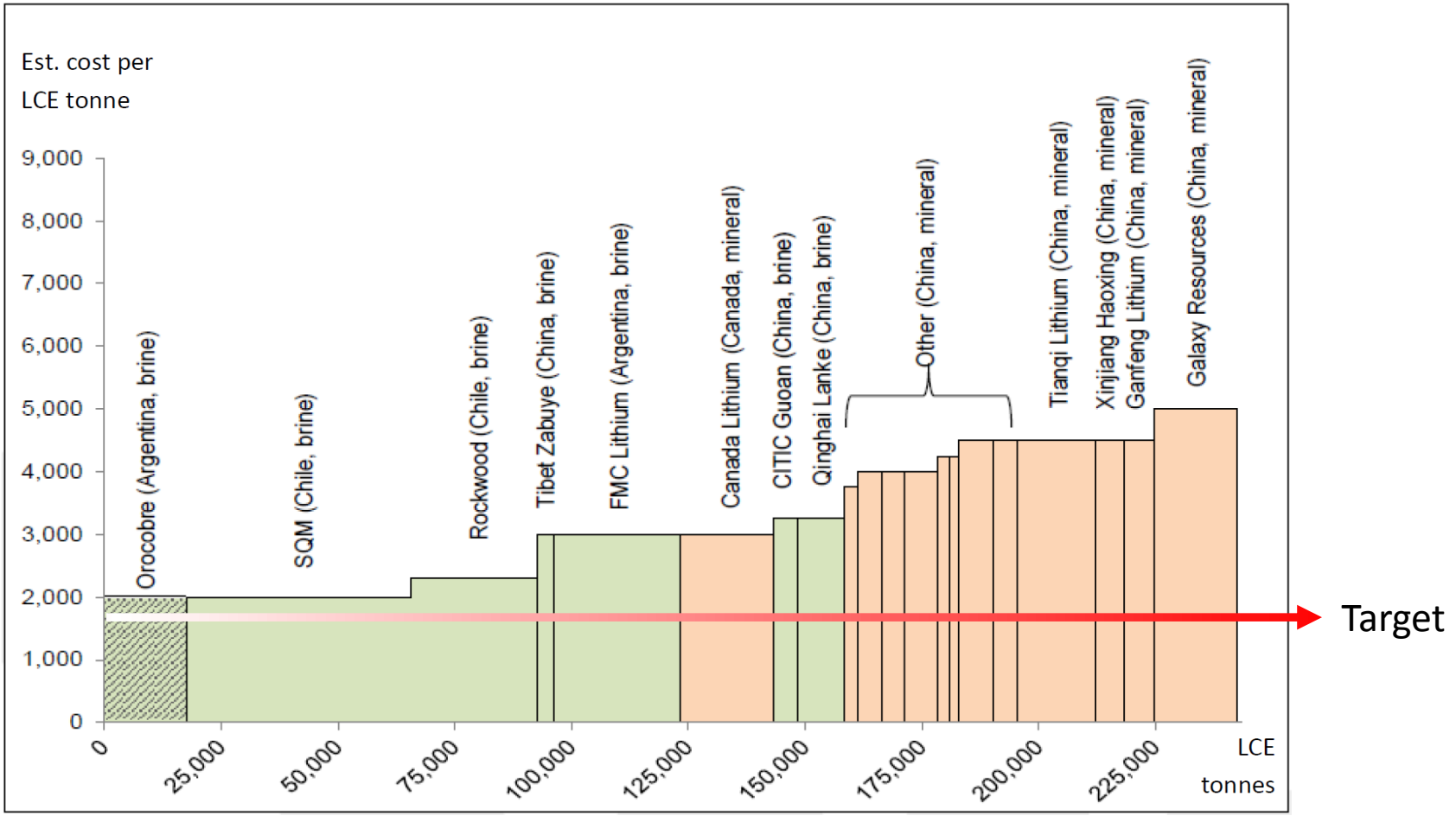
The cost profile



Estimated global lithium cost curve. Source: Roskill (with modifications) and Orecobre 2014 presentation.

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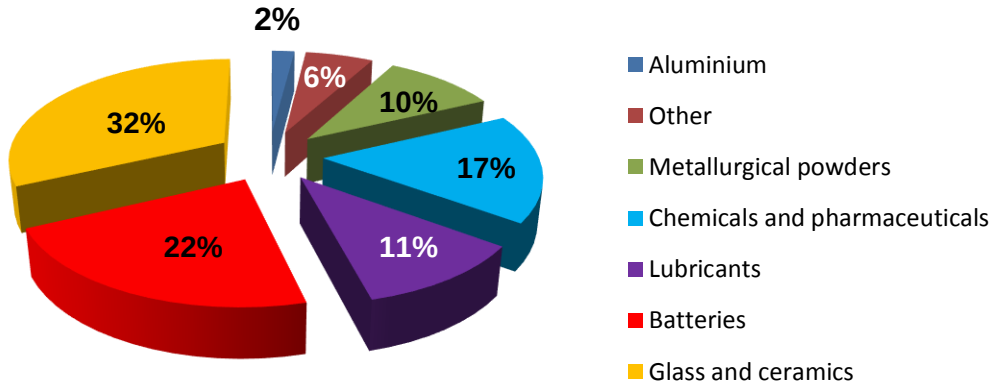
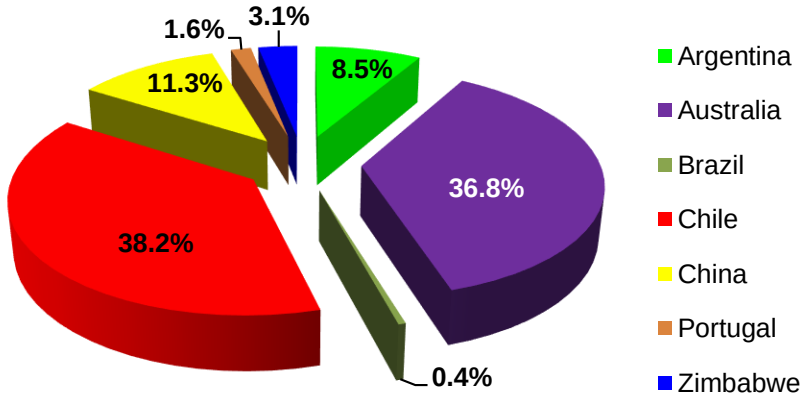
The lithium market

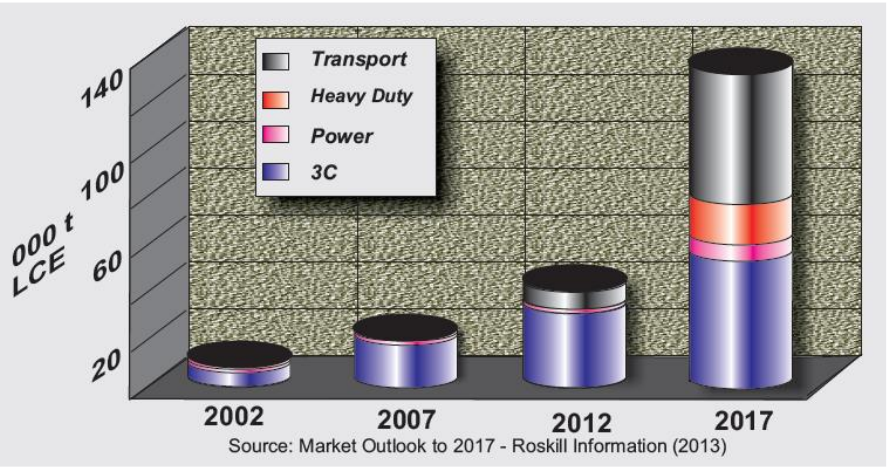
CONSUMPTION BY APPLICATION



PRODUCTION BY COUNTRY



DEMAND FOR LITHIUM BATTERIES



Hard-rock producers

Talison, Greenbushes – Western Australia
Sociedade Mineira de Pegmatites – Portugal
Bikita Minerals (Pvt) Ltd – Zimbabwe
Various – China

Hard-rock developers

Pilbara Minerals, Pilgangoora – Western Australia
NeoMetals, Mt Marion – Western Australia
General Mining, Mt Cattlin – Western Australia
Altura, Wodgina – Western Australia
Nemaska Lithium, Whabouchi – Canada

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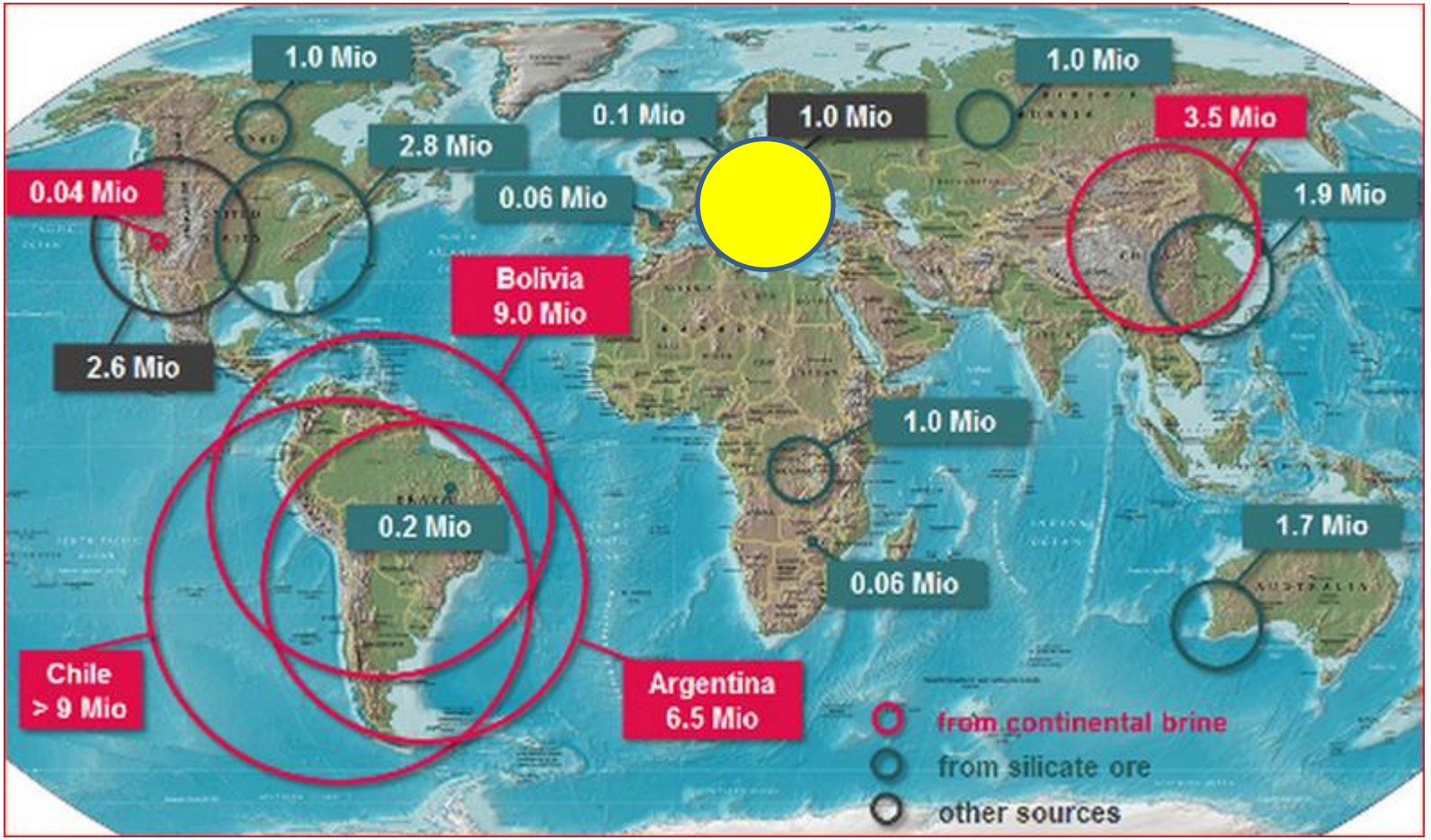
Global lithium resources

Cinovec emerges as a significant lithium resource

Lithium Australia NL



Source: U.S. Geological Survey, Mineral Commodity Summaries, February 2014

Lithium Inferred Resource: 5.5 Mt LCE, 514.8 Mt @ 0.43% Li_2O (0.1% Li cut-off)
Additional Exploration Target: 3.4 to 5.3 Mt LCE, 350 to 450 Mt @ 0.39-0.47% Li_2O*

** As announced to ASX on 26 June 2015.*

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First scoping study complete

- **Lithium carbonate of high purity produced**
  - **Capital cost $US164 M, including sulphuric acid plant and power co-generation**
  - **Zero energy footprint**
  - **Capacity – 20,000 tpa of battery-grade lithium carbonate**
  - **Operating cost <US$2,000/t after potassium sulphate credits**

Global perspective

- **Opportunities identified in:**
  - **Europe (large-scale greisen deposits)**
  - **Africa (including Namibia, South Africa and Zimbabwe)**
  - **North America (Canada and the USA)**
  - **Australia (including WA exclusive processing licence)**

Continuous technology improvement

- **Exploration developments**
  - **Real-time, field-portable lithium assays**
  - **Advanced geochemical modelling**
- **Process technology**
  - **Proprietary technology licences issued**
  - **Process optimization review underway**

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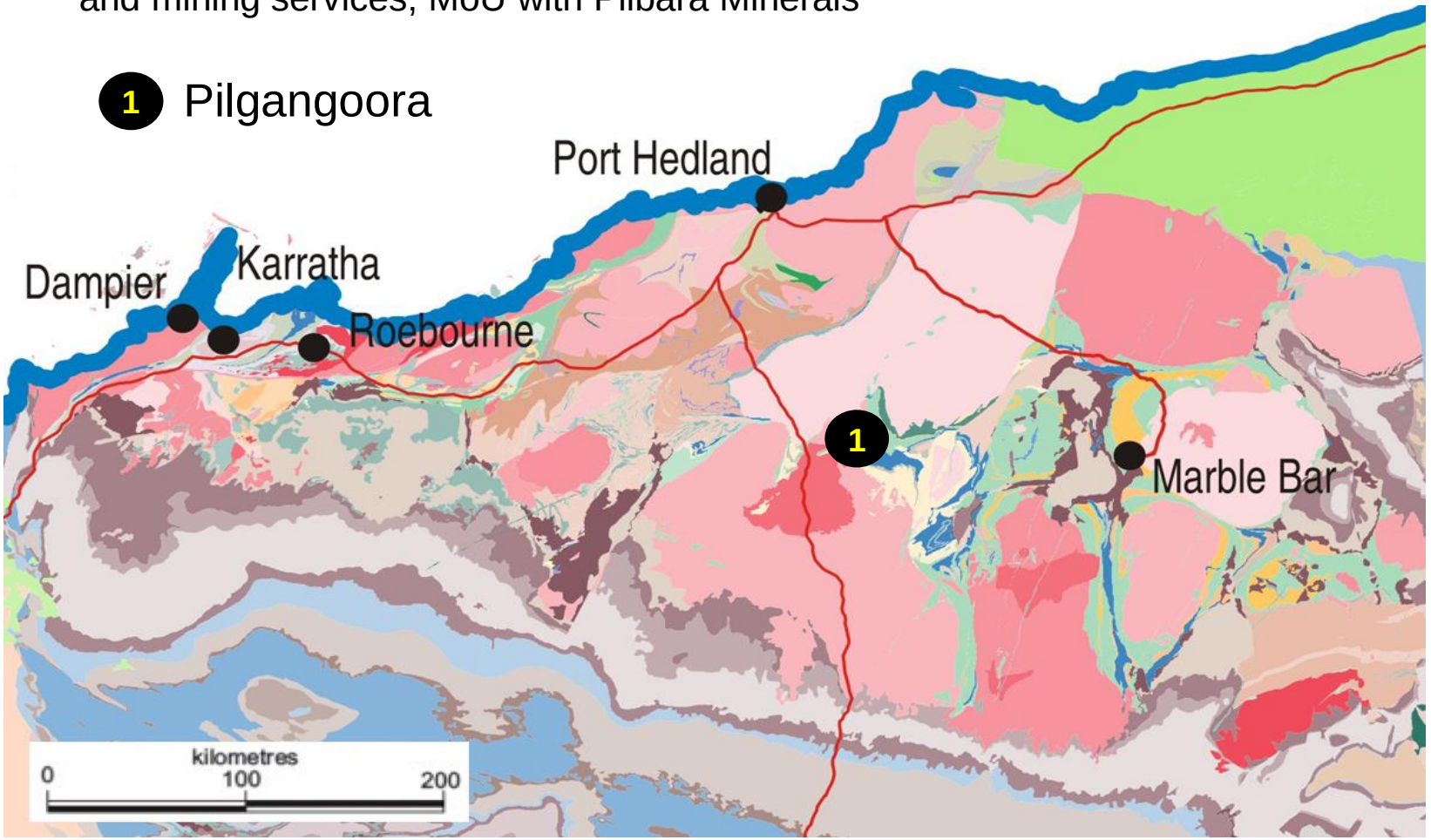
Further opportunities

PILGANGOORA PROJECT, THE PILBARA – close to developed public infrastructure, including roads, rail, ports and mining services; MoU with Pilbara Minerals



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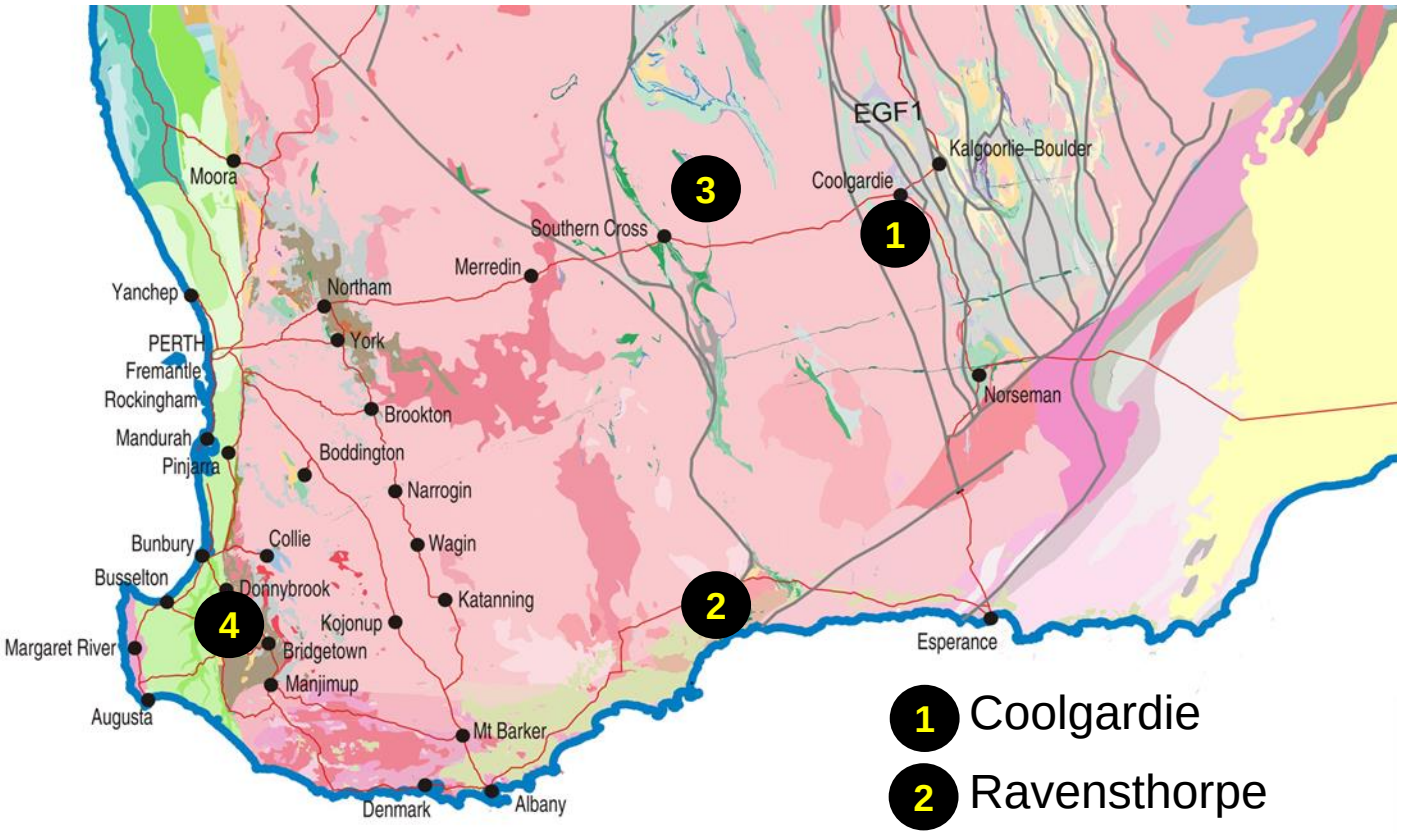
Further opportunities

YILGARN CRATON PROJECTS – close to developed public infrastructure, including roads, rail and power



Project summaries included as appendices ???

1. Coolgardie
2. Ravensthorpe
3. Lake Seabrook
4. Greenbushes

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Company advantages

VALUE-ADDING FACTORS

Alliance with Strategic Metallurgy
- Access to technology protected by patent applications
- On-going technical support

First-mover advantage
LIT is the leader in the production of battery-grade lithium carbonate from micas, and this has enabled a rapid accumulation of assets.



Opportunities previously overlooked
- Tailings
- Current mine-waste discharge streams
- Primary lithium mica deposits

Escalating demand
- Revolutionary innovations in transport
- New renewable-energy storage solutions
- Emergence of smart-grid systems

Cinovec – non-binding HoA
- Giant lithium mica deposit in the Czech Republic
- Scoping study complete
- High-purity lithium carbonate produced
- Advancing to feasibility

FURTHER INFORMATION:

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