MARKET RELEASE

6 January 2016

Lithium Australia NL

TRADING HALT

The securities of Lithium Australia NL (the "Company") will be placed in Trading Halt Session State at the request of the Company, pending the release of an announcement by the Company. Unless ASX decides otherwise, the securities will remain in Trading Halt Session State until the earlier of the commencement of normal trading on Monday, 11 January 2016 or when the announcement is released to the market.

Security Code: LIT

Ben Secrett
Senior Adviser, ASX Listings Compliance (Perth)

Lithium Australia NL

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ASX: LIT

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6 January 2016

Ben Secrett
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ASX Compliance Pty Ltd
Level 40, Central Park
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By email only: ben.secrett@asx.com.au

Dear Ben,

REQUEST FOR TRADING HALT

Lithium Australia NL (ASX:**LIT**) (the Company) requests an immediate halt to the trading of the Company's ordinary shares quoted on the Australian Securities Exchange (**ASX**) in accordance with ASX Listing Rule 17.1.

The trading halt is requested pending an announcement to be made by the Company to the market in connection with a proposed fund raising.

In accordance with Listing Rule 17.1, the Company provides the following information in relation to the request:

1. The trading halt is necessary to assist the Company in managing its continuous disclosure obligations as the Company expects to make an announcement to the market in relation to a fund raising.

2. The Company requests that the trading halt remains in place until the earlier of commencement of normal trading on Monday 11 January 2016, or when an announcement regarding the proposed transaction is released to the market.

3. The Company currently expects to make the announcement to the market before the commencement of normal trading on Monday 11 January 2016.

4. The Company is not aware of any reason why the trading halt should not be granted or of any further information necessary to inform the market about the trading halt.

Please contact me if you require any further information concerning this matter.

Yours sincerely,
LITHIUM AUSTRALIA NL

"Barry Woodhouse"

Barry Woodhouse
COMPANY SECRETARY