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ASX ANNOUNCEMENT

LITHIUM AUSTRALIA's SILEACH™ PILOT PLANT TESTS MOVE TO CONTINUOUS LITHIUM CARBONATE PRODUCTION AT ANSTO MINERALS

Highlights

- **Lithium Australia (ASX:LIT) advances lithium carbonate production**

Lithium Australia NL (ASX: LIT) has commenced piloting for continuous production of lithium carbonate under the second stage of the Company's new test program at the Sileach™ pilot plant in Sydney operated by ANSTO Minerals (a division of the Australian Nuclear Science and Technology Organisation). The step-up to "continuous" lithium carbonate production commenced in the past 24 hours and followed the initial pilot scale extraction of lithium from pegmatite ore sourced from Lepidolite Hill, located 15km south of Coolgardie in Western Australia, as announced by Lithium Australia to the ASX on 4 October 2016.

The second stage of pilot testing will recover lithium carbonate, and potassium salts from solutions generated during the previous pilot plant test. Lithium carbonate is used in lithium-ion batteries and potassium salts, which are valuable by-products of the process, are used as a major component of fertiliser.



Sileach™ continuous pilot plant operation, ANSTO Minerals, Lucas Heights, NSW.

Lithium Australia's Managing Director, Mr Adrian Griffin:

"Pilot testing the Company's 100% owned Sileach™ process at the ANSTO Minerals has been very successful to date, extracting over 95% of the lithium. We anticipate very good results for the carbonate production step as the initial solutions are largely devoid of impurities."

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About Lithium Australia
Lithium Australia NL is a dedicated developer of disruptive lithium extraction technologies, and 100% owner of the Sileach™ process for the recovery of lithium from silicates. LIT has strategic alliances with a number of companies, potentially providing access to a diversified lithium mineral inventory. LIT aspires to create the union between resources and the best available technology and to establish a global lithium processing business.

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