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ASX ANNOUNCEMENT

Goldfields Lithium Alliance (GLiA) acquires Widgiemooltha Project lithium rights

HIGHLIGHTS

- **Lithium rights acquired over of 81 square kilometres in the goldfields of WA**
- **1.8km strike of exposed pegmatite documented by the Geological Survey of WA**
- **Close proximity to GLiA's Lepidolite Hill and just 25km south of Mt Marion Lithium Mine**
- **Project assessment commenced**

LOCATION OF THE WIDGIEMOOLTHA PROJECT

Lithium Australia NL (**ASX: LIT**) and Cazaly Resources Limited (**ASX: CAZ)** proprietors of the Goldfields Lithium Alliance (GLiA) has acquired the rights to 'Pegmatitie Minerals' in the Widgiemooltha pegmatite field located ~45km south east of Coolgardie in the Eastern Goldfields of Western Australia and 25km south of the globally significant *Mount Marion Lithium Project* (60.5Mt @ 1.36% Li_2O; NMT:ASX Announcement 5th July; "Mineral Resource Estimate increases 160% to 60.5Mt") (see Figure 1).

PREVIOUS WORK

The Widgiemooltha Project covers an area of approximately 81sq km, is unexplored for lithium to date, despite hosting extensive pegmatites identified by the Geological Survey of Western Australia ("GSWA"). These pegmatites are part of a significant regional dyke swarm. More recently, Maximus Resources Limited ("Maximus") announced confirmation of lithium bearing pegmatites within their nearby Spargoville tenements (ASX: MXR Announcement 15 June 2016: Lithium Exploration Update at Spargoville Project). Maximus reported rock chip results averaging 3.55% Li_2O and was investigating a number of other lithium bearing pegmatites in the field. The Maximus project is 2km east of GLiA's Widgiemooltha Project.

GLiA COMMENCES WORK

GLiA has commenced data searches and desktop studies and is undertaking initial field work to test the potential of the several mapped pegmatite occurrences at the project. Early investigations confirm the exposed pegmatites extend for ~1.8km. Aerial photography suggests the area has potential for several other pegmatite bodies not mapped to date. Plans for further field work include geological mapping, geochemical surveys and rock chip sampling to help determine the extent of the pegmatites and their potential to host significant lithium minerals with a view towards drilling as soon as possible

Cazaly's joint Managing Director, Clive Jones said:

"*This recent acquisition is further proof of the mutual benefits of the Alliance to both Lithium Australia and Cazaly. The Widgiemooltha pegmatite field is an extensive area of previously unexplored pegmatites in a region known to host significant lithium resources as evidenced at the nearby Mount Marion development. Further field work is to commence imminently with a view towards defining the true extent and prospectivity of the pegmatites. Drilling is planned to be commenced as soon as practicable thereafter*".

Lithium Australia's Managing Director, Adrian Griffin said:

"This acquisition further cements the partnership with Cazaly as it brings complementary expertise to our efforts in the Goldfields enabling greater penetration into the opportunities offered by the region. Furthermore, the infrastructure within the Kalgoorlie mining region will be a significant advantage to any potential development opportunities."

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About Lithium Australia NL
LIT is a dedicated developer of disruptive lithium extraction technologies including the versatile Sileach™ process which is capable of recovering lithium from any silicate minerals. LIT has strategic alliances with a number of companies, potentially providing access to a diversified lithium mineral inventory globally. Corporate alliances include Pilbara Minerals, Focus Minerals, Alix Resources, Cazaly Resources, Venus Metals, and Tungsten Mining.

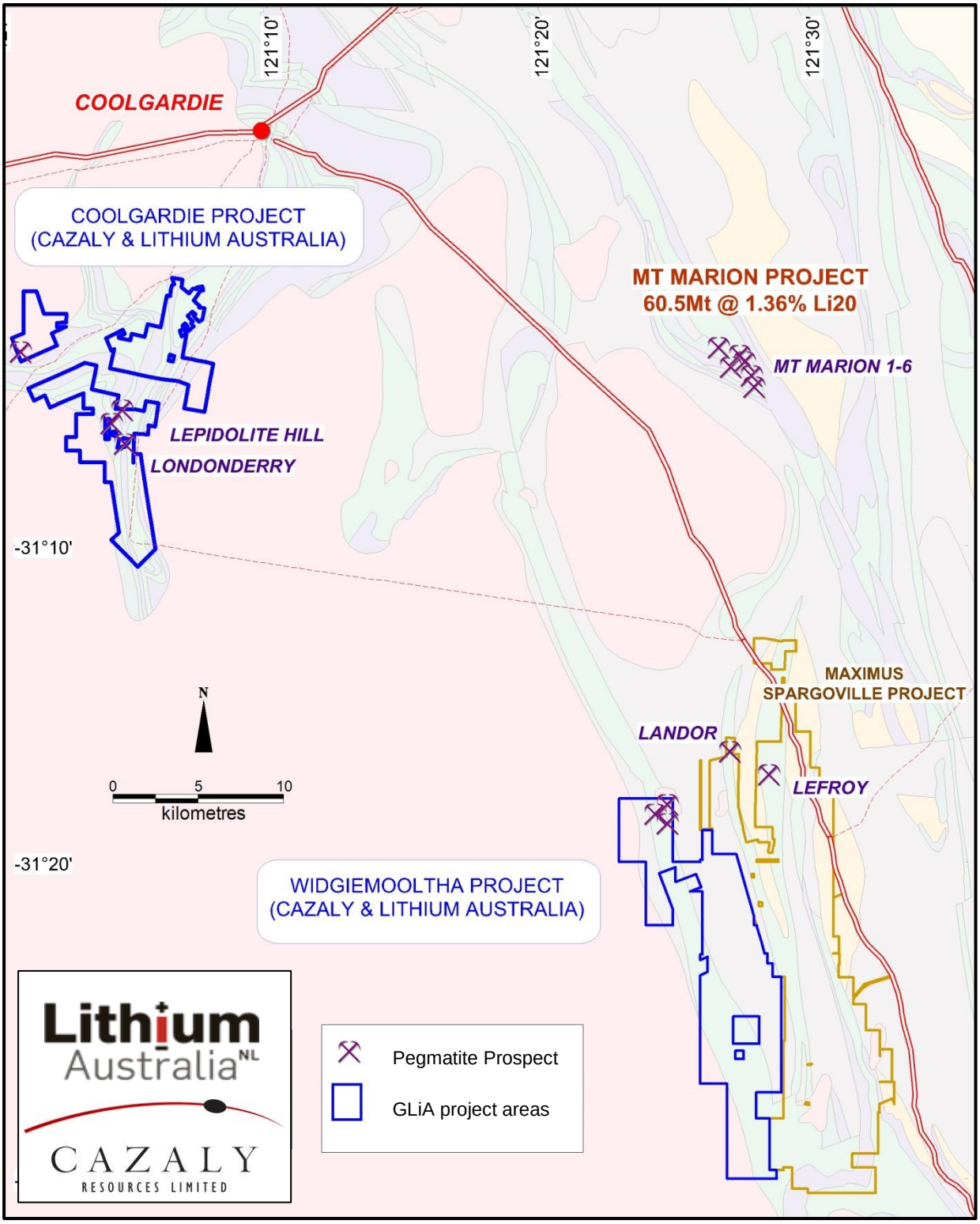

Figure 1. Location of the GLiA Widgiemooltha project which is in close proximity to the well-documented lithium pegmatites of Lepidolite Hill and Mt Marion.