Lithium Australia NL

ACN: 126 129 413
ASX: LIT

Suite 3
23 Belgravia Street
Belmont WA 6104

PO Box 588
Belmont WA 6984

Phone +61 (0) 8 6145 0288
Fax +61 (0) 8 9475 0847

info@lithium-au.com
lithium-au.com

22 January 2016

ASX ANNOUNCEMENT

Exploration to commence at Ravensthorpe

- **Lithium Australia controls much of the Cocanarup pegmatite field located 20km southwest of Ravensthorpe**
- **The project occupies lies in similar geological setting to the nearby Mt Cattlin lithium project, of Galaxy Resources (ASX:GXY) and General Mining (ASX:GMM)**
- **Three large pegmatite bodies are known to contain lithium micas (zinnwaldite and lepidolite)**
- **Historic mapping and sampling has provided LIT with some confidence that mapped pegmatites have the potential to host large tonnages of lithium mineralisation.**
- **Exploration team to commence evaluation comprising geological mapping and sampling**

Lithium Australia NL (ASX: LIT) is pleased to announce that exploration is about to commence at its wholly owned Ravensthorpe project in the southwest of Western Australia. Lithium Australia holds a single exploration licence with an area of 70km^2 covering a 20km long structural trend which is highly prospective for lithium pegmatites, Figure 1. The corridor extends southwest from the Mt Cattlin lithium and tantalum hard rock operations of Galaxy Resources Limited (ASX:GXY) and General Mining (ASX:GMM) with production scheduled to commence in Q1 2016.

The southern extension of E70/0543 overlies the Cocanarup pegmatite field located some 20km southwest of the historic mining centre of Ravensthorpe. The Cocanarup pegmatites were reported by 1900 in the same phase of prospecting activity that discovered the nearby Mt Cattlin pegmatites, which have been a rich source of spodumene and tantalum.

The Company owns the rights to a large proportion of the Cocanarup pegmatite field, which comprises three discrete pegmatite occurrences intruding the greenstones of the Yilgarn Craton.

Field inspection has confirmed zinnwaldite and lepidolite (lithium “micas”) outcropping over large areas. Lithium can be recovered economically from lithium micas by using the L-Max process, a process exclusively licensed to LIT in Western Australia.

Work on the pegmatites, undertaken by previous operators, focused on tantalum with disappointing results but historic mapping and sampling has provided LIT with confidence that mapped pegmatites have the potential to host large tonnages of lithium mineralisation.

Exploration teams will undertake geological mapping and sampling leading to a better understanding of the spatial and structural settings of the pegmatite units.

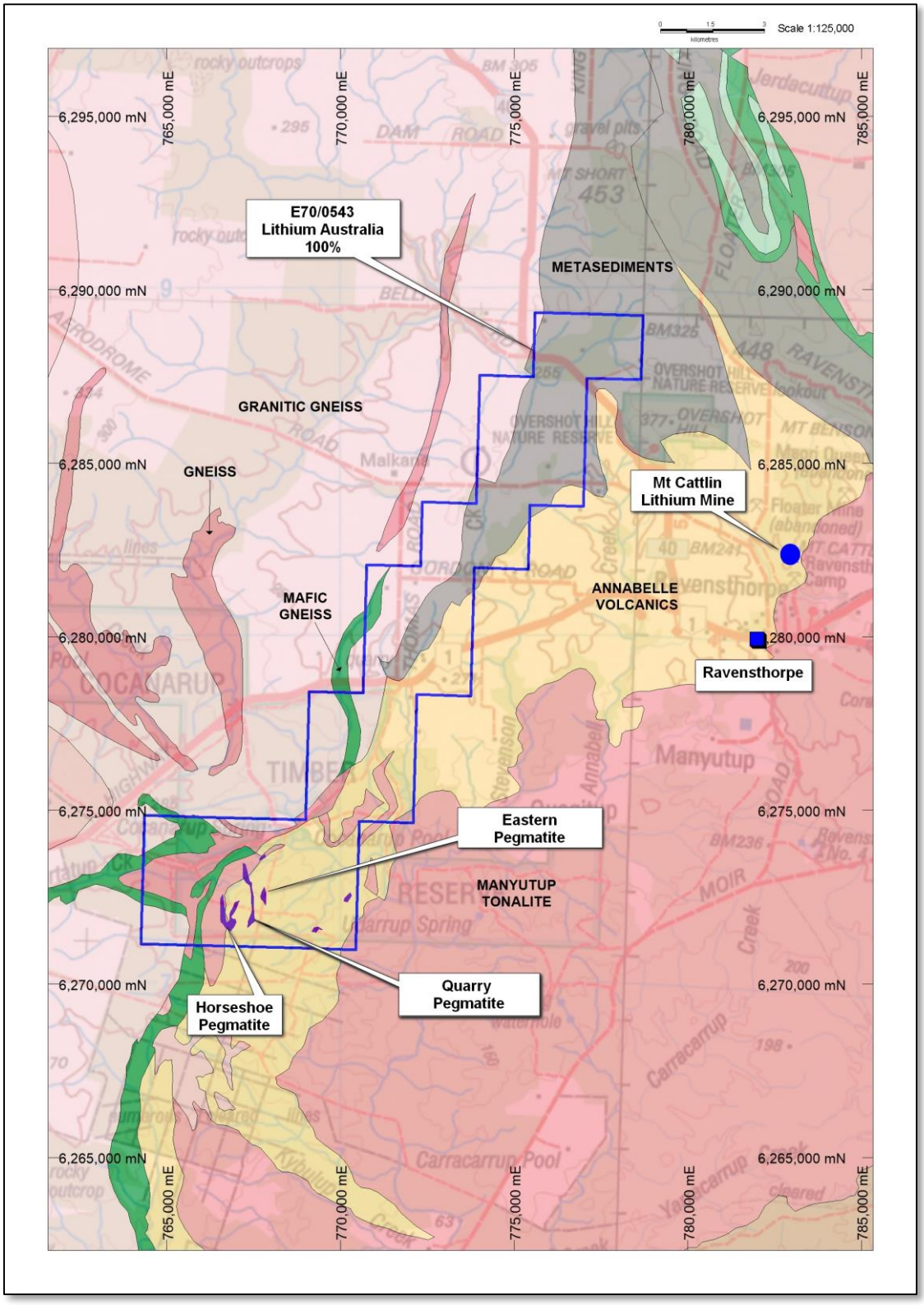

Figure 1: Summary geological plan of the Ravensthorpe project

Summary Geology

The **Quarry Pegmatite**, so named because of a small working at its northern end, consists of two bodies which together outcrop for over 1400m along a north-south axis. Mapping by previous operators show the unit is between 15 and 40 metres wide with a shallow 20^0 dip to the west. Exposures in the quarry contain lepidolite and course grained rosettes of zinnwaldite along with quartz and feldspar, Figures 2 and 3.



Figure:2 Rosettes of zinnwaldite in contact with feldspar – Quarry Pegmatite



Figure 3: Lepidolite, Quarry Pegmatite

The **Horseshoe Pegmatite** is a "u" shaped body in outcrop with dimensions of some 700m by 500m and a thickness of between 40 and 100m. Previous mapping observations have shown the unit to be locally rich in lepidolite. Recent field inspections have confirmed the presence of lepidolite (a lithium mica) at surface, Figure 4.



Figure 4: Lepidolite rich boulder at the Horseshoe Pegmatite

The **Eastern Pegmatite** is exposed discontinuously for over 2000m along the eastern edge of the tenement and has mapped thicknesses between 10 and 70m. As with the Horseshoe Pegmatite there are no fresh exposures but field observations indicate that the body contains rich segregations of zinnwaldite.

Lithium Australia Managing Director, Mr Adrian Griffin:

"The Ravensthorpe project provides an unprecedented opportunity for LIT to advance a wholly owned project. The deposits comprising the Ravensthorpe project were originally explored in the 1980s with a focus on tantalum but results did not warrant ongoing development for that commodity. There was little incentive at the time to follow-up the lithium potential, but the seemingly insatiable demand, created by the battery industry has spurred our renewed interest in the area, an interest clearly shared by General Mining, and Galaxy."

"Some time has been spent assembling our own database of the historical results. This has provided immense encouragement and not only the confirmed presence of lithium micas in the pegmatites but also the potential size of the bodies and the amenability to large scale open cast mining. The planned mapping and sampling, which will commence next week, is the first step in an evaluation which we anticipate will lead to drilling programs to investigate the mineralisation at depth"

Adrian Griffin
Managing Director
Mobile +61 (0) 418 927 658
Adrian.Griffin@lithium-au.com

About Lithium Australia NL:
LIT is a dedicated developer of disruptive lithium extraction technologies. LIT has strategic alliances with a number of companies, potentially providing access to a diversified lithium mineral inventory on three continents.

MEDIA CONTACT:
Adrian Griffin Lithium Australia NL 08 6145 0288 | 0418 927 658
Kevin Skinner Field Public Relations 08 8234 9555 | 0414 822 631

COMPETENT PERSONS STATEMENT
Competent Persons Statement:

The information contained in the report that relates to Exploration Results of projects owned by Lithium Australia NL and is based on information compiled or reviewed by Mr. Adrian Griffin, who is an employee of the Company and is a Member of the Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which is being undertaken to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Griffin has given consent to the inclusion in the report of the matters based on his information in the form and context in which it appears.