21 September 2022

Notice of General Meeting

ACN: 126 129 413
ASX: LIT

Level 1
677 Murray St
West Perth WA 6005

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West Perth WA 6872

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Lithium Australia Limited (ASX: LIT) (**Lithium Australia** or the **Company**) confirms release of its Notice of General Meeting (**Notice**) to shareholders.

The General Meeting will be held at 9:00am (WST) on Wednesday 19 October 2022 at Level 1, 677 Murray Street, West Perth, Western Australia.

A copy of the Notice is attached to this announcement.

Authorised for release by the Board.

Stuart Tarrant
Chief Financial Officer
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George Bauk
Chairman
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Forward-looking statements

This announcement contains forward-looking statements. Forward-looking statements are subject to a variety of risks and uncertainties that it is beyond the Company's ability to control or predict and which could cause actual events or results to differ materially from those anticipated in such forward-looking statements.

About Lithium Australia

Lithium Australia (ASX:LIT) is at the forefront of advanced materials development to ensure an ethical and sustainable future for the global battery industry. Lithium Australia is achieving this via its business divisions:

Envirostream (100%-owned LIT subsidiary): Envirostream, which is leading Australia's battery recycling industry, is at the cutting edge of delivering safe and innovative management solutions to one of the Australian waste industry's biggest (and getting bigger) challenges – battery disposal.

Its state-of-the-art Victorian-based battery processing facilities are providing a sustainable solution by collecting, sorting and processing critical battery metals from all types of spent batteries to power the batteries of tomorrow.

With battery recycling partnerships alongside some of Australia's leading brands (including Bunnings, Officeworks and Battery World), Envirostream benefits from the Australian government-backed battery recycling scheme which is providing rebates across collection, sorting, and processing of batteries. These combined provide the platform for national expansion.

VSPC (100%-owned LIT subsidiary): With over 20 years' experience, VSPC develops leading-edge materials for e-mobility and energy storage applications and, ultimately, a zero-carbon economy. Its patents cover the production of advanced powders for next generation lithium-ion batteries, especially lithium ferro phosphate ('LFP').

Currently, demand for LFP represents more than half the global market for lithium-ion battery materials. The Company is one of only a few entities outside of China with the technical expertise to manufacture LFP powder of the highest quality to meet those burgeoning market pressures.

VSPC is now on a clear path to production. With a Research & Development (R&D) facility (pilot plant) located in Queensland, a Definitive Feasibility Study ('DFS') for an initial 10,000tpa LFP manufacturing facility is well underway, and with customer offtake discussions advancing in parallel, VSPC is positioning for its first commercial footprint.

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Dear Shareholder

LITHIUM AUSTRALIA LIMITED – GENERAL MEETING

Lithium Australia Limited (**Company**) advises that a general meeting of shareholders (**Meeting**) will be held at 9.00am (WST) on Wednesday, 19 October 2022 at Level 1, 677 Murray Street, West Perth, Western Australia.

The Company will not be dispatching physical copies of the notice of Meeting. A copy of the Meeting materials can be viewed and downloaded online as follows:

You can access the Meeting materials online at the Company's website: https://www.lithium-au.com.

A complete copy of the Meeting materials has been posted to the Company's ASX Market announcements page at www.asx.com.au under the Company's ASX code "LIT."

If you have provided an email address and have elected to receive electronic communications from the Company, you will receive an email to your nominated email address with a link to an electronic copy of the Meeting materials and the voting instruction form.

Your personalised proxy form accompanies this letter. To vote by proxy, please complete and submit your proxy form by one of the following methods:

Online:	www.advancedshare.com.au/investor-login
By post:	Advanced Share Registry Limited, PO Box 1156, Nedlands WA 6909
By fax:	+61 8 6370 4203
By mobile:	Scan the QR Code on your Proxy Form and follow the prompts

Your completed proxy form must be received not later than 48 hours before the commencement of the Meeting, being 9.00am (WST) on Monday, 17 October 2022. Proxy forms received later than this time will be invalid.

The Company intends to hold a physical meeting. The Company will notify any changes to this by way of announcement on ASX and the details will also be made available on our website.

The Meeting materials are important and should be read in their entirety. If you are in doubt as to the course of action you should follow, you should consult your financial adviser, lawyer, accountant, or other professional adviser.

Yours sincerely

Catherine Grant-Edwards
Company Secretary

ACN 126 129 413

Notice of General Meeting

A General Meeting of the Company

Time and date: **9:00am (WST) on Wednesday, 19 October 2022**

Location: **Level 1, 677 Murray Street, West Perth, WA 6005**

The Notice of General Meeting should be read in its entirety. If Shareholders are in doubt as to how to vote, they should seek advice from their accountant, solicitor or other professional advisor prior to voting.

Should you wish to discuss any matter, please do not hesitate to contact the Company by telephone on (08) 6145 0288.

Shareholders are encouraged to vote by voting online at www.advancedshare.com.au/investor-login or by lodging the associated proxy form to the Notice.

Lithium Australia Limited
ACN 126 129 413
(Company)

Notice of General Meeting

Notice is hereby given that a general meeting of Shareholders of Lithium Australia Limited will be held at the offices of the Company at Level 1, 677 Murray Street, West Perth, WA 6005 on Wednesday, 19 October 2022 at 9:00am (WST) (**Meeting**).

The Explanatory Memorandum provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of the Notice.

The Directors have determined pursuant to regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on Monday, 17 October 2022 at 4:00pm (WST).

Terms and abbreviations used in the Notice are defined in Schedule 1.

Agenda

1 Resolutions

Resolution 1 – Ratification of prior issue of Tranche 1 Placement Shares

To consider and, if thought fit, to pass with or without amendment, each as a **separate** ordinary resolution the following:

'That, pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the following issues of Placement Shares:

(a) *80,716,958 Placement Shares under Listing Rule 7.1; and*

(b) *103,516,927 Placement Shares under Listing Rule 7.1A,*

on the terms and conditions in the Explanatory Memorandum.'

Resolution 2 – Approval to issue Tranche 1 Placement Options

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

'That, pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of up to 92,116,943 Tranche 1 Placement Options on the terms and conditions in the Explanatory Memorandum.'

Resolution 3 – Approval to issue Director Placement Securities

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

'That, pursuant to and in accordance with Listing Rule 10.11, section 195(4) of the Corporations Act and for all other purposes, Shareholders approve the issue of up to 1,538,462 Director Placement Shares and 769,231 free attaching Director Placement Options to Phil Thick (or his nominees) on the terms and conditions in the Explanatory Memorandum.'

Resolution 4 – Approval to issue Lead Manager Options

To consider and, if thought fit, to pass with or without amendment, as an ordinary resolution the following:

'That, pursuant to and in accordance with Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of 46,443,087 Lead Manager Options to the Lead Manager (or their nominees) on the terms and conditions in the Explanatory Memorandum.'

Voting exclusions

The Company will disregard any votes cast in favour of:

(a) Resolution 1(a) and (b): by or on behalf of any person who participated in the issue of the Tranche 1 Placement Shares, or any of their respective associates;

(b) Resolution 2: by or on behalf of the Placement Participants and any other person who will obtain a material benefit as a result of, the proposed issue of the Tranche 1 Placement Options (except a benefit solely by reason of being a Shareholder), or any of their respective associates;

(c) Resolution 3: by or on behalf of Phil Thick (and his nominees), and any other person who will obtain a material benefit as a result of the issue of the Director Placement Securities (except a benefit solely by reason of being a holder or ordinary securities in the entity), or any of their respective associates;

(d) Resolution 4: by or on behalf of the Lead Manager (and their nominees), and any person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue of the Lead Manager Options (except a benefit solely by reason of being a Shareholder) or any of their respective associates.

However, the above voting exclusions do not apply to a vote cast in favour of the relevant Resolution by:

(a) a person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way;

(b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or

(c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:

(i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and

(ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

BY ORDER OF THE BOARD



Catherine Grant-Edwards
Joint Company Secretary
Lithium Australia Limited
Dated: 19 September 2022

Lithium Australia Limited
ACN 126 129 413
(Company)

Explanatory Memorandum

1. Introduction

The Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at the offices of the Company at Level 1, 677 Murray Street, West Perth, WA 6005 on Wednesday, 19 October 2022 at 9:00am (WST) (**Meeting**).

The Explanatory Memorandum forms part of the Notice which should be read in its entirety. The Explanatory Memorandum contains the terms and conditions on which the Resolutions will be voted.

The Explanatory Memorandum includes the following information to assist Shareholders in deciding how to vote on the Resolutions:

Section 2	Action to be taken by Shareholders
Section 3	Resolution 1(a) and (b) – Ratification of prior issue of Tranche 1 Placement Shares
Section 4	Resolution 2 – Approval to issue Tranche 1 Placement Options
Section 5	Resolution 3 – Approval to issue Director Placement Securities
Section 6	Resolution 4 – Approval to issue Lead Manager Options
Schedule 1	Definitions
Schedule 2	Terms and Conditions of Placement Options

A Proxy Form is located at the end of the Explanatory Memorandum.

2. Action to be taken by Shareholders

Shareholders should read the Notice including the Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

2.1 Impact of COVID-19 on the Meeting

The health and safety of members and personnel, and other stakeholders, is the highest priority and the Company is acutely aware of the current circumstances resulting from COVID-19.

Based on the best information available to the Board at the time of the Notice, the Board considers it will be in a position to hold an 'in-person' meeting to provide Shareholders with a reasonable opportunity to participate in and vote at the Meeting, while complying with the

COVID-19 restrictions regarding gatherings. The Company, however, strongly encourages Shareholders to submit proxies prior to the Meeting.

If the situation in relation to COVID-19 were to change in a way that affected the position above, the Company will provide an update ahead of the Meeting by releasing an ASX announcement.

2.2 Voting in person

Given the current COVID-19 circumstances and in the interests of public health and safety of our Shareholders, the Company will implement arrangements to allow Shareholders to physically attend the Meeting in accordance with COVID-19 protocols and government advice.

The Company will strictly comply with applicable limitations on indoor gatherings in force at the time of the Meeting. If you attend the Meeting in person, you will be required to adhere to COVID-19 protocols in place at the time of the Meeting.

2.3 Proxies

Shareholders are encouraged to vote by voting online or by completing a Proxy Form.

Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Lodgement instructions (which include the ability to lodge proxies electronically) are set out in the Proxy Form to the Notice of Meeting.

Proxy Forms can be lodged:

Online:	www.advancedshare.com.au/investor-login
By mail:	Share Registry – Advanced Share Registry Limited 110 Stirling Hwy, Nedlands WA 6009; or PO Box 1156, Nedlands WA 6909
By fax:	+61 8 6370 4203
By mobile:	Scan the QR Code on your Proxy Form and follow the prompts
Custodian voting:	For intermediary Online Subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions.

2.4 Chair's voting intentions

The Chair intends to exercise all available proxies in favour of all Resolutions, unless the Shareholder has expressly indicated a different voting intention.

3. Resolution 1(a) and (b)– Ratification of prior issue of Placement Shares

3.1 General

On 31 August 2022, the Company announced that it had received binding commitments for a placement to raise approximately $12,075,202 before costs (**Placement**) through the issue of 185,772,347 Shares at $0.065 each (**Placement Shares**), with one free attaching Option for every two Shares subscribed for under the Placement (**Placement Options**). The Placement Options are exercisable at a price of $0.10 each and expiring on the date that is 3 years from the date of issue.

The Placement comprises:

(a) 184,233,885 Placement Shares issued to sophisticated and professional investors who are not related parties of the Company (the subject of Resolution 1(a) and (b)) (**Tranche 1 Placement Shares**);

(b) 92,116,943 free attaching Options to be issued to the subscribers of the Placement Shares subject to Shareholder approval (the subject of Resolution 2) (**Tranche 1 Placement Options**); and

(c) 1,538,462 Shares (**Director Placement Shares**) with 769,231 free attaching Options (**Director Placement Options**) (collectively, the **Director Placement Securities**) to be issued to Phil Thick (or his nominee) who wishes to participate in the Placement subject to the receipt of Shareholder approval (the subject of Resolution 3).

On 7 September 2022, the Company issued the Tranche 1 Placement Shares as follows:

(a) 80,716,958 Placement Shares under Listing Rule 7.1; and

(b) 103,516,927 Placement Shares under Listing Rule 7.1A.

Resolution 1(a) and (b) seeks the approval of Shareholders pursuant to Listing Rule 7.4 to ratify the issue of the Tranche 1 Placement Shares.

Resolution 1(a) and (b) are separate ordinary resolutions.

The Board recommends that Shareholders vote in favour of Resolution 1(a) and (b).

3.2 Listing Rules 7.1, 7.1A and 7.4

Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more Equity Securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

Listing Rule 7.1A provides that an eligible entity may seek shareholder approval at its annual general meeting to allow it to issue Equity Securities comprising up to 10% of its issued capital. The Company obtained this approval at its annual general meeting held on 31 January 2022.

The issue of Tranche 1 Placement Shares does not fit within any of the exceptions to Listing Rules 7.1 and 7.1A and, as it has not yet been approved by Shareholders, effectively uses up part of the Company's placement capacity under each of Listing Rules 7.1 and 7.1A. This reduces the Company's capacity to issue further Equity Securities without Shareholder

approval under those Listing Rules for the 12 month period following the issue of the Tranche 1 Placement Shares.

Listing Rule 7.4 provides an exception to Listing Rules 7.1 and 7.1A. It provides that where a company in general meeting ratifies previous issues of securities made pursuant to Listing Rules 7.1 and 7.1A (and provided that the previous issues did not breach Listing Rules 7.1 and 7.1A), those securities will be deemed to have been made with Shareholder approval for the purpose of Listing Rules 7.1 and 7.1A, as applicable.

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities into the future without having to obtain Shareholder approval for such issues under Listing Rules 7.1 and 7.1A.

If Resolution 1(a) is passed, the issue will be excluded in calculating the Company's 15% limit in Listing Rule 7.1, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the issue date.

If Resolution 1(b) is passed, the issue will be excluded in calculating the Company's 10% limit in Listing Rule 7.1A, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the issue date.

In the event that Resolution 1(a) is not passed, the Tranche 1 Placement Shares will continue to be included in the Company's 15% limit under Listing Rule 7.1, effectively decreasing the number of Equity Securities the Company can issue or agree to issue without obtaining prior Shareholder approval to the extent of 80,716,958 Equity Securities for the 12 month period following the issue of those Tranche 1 Placement Shares.

In the event that Resolution 1(b) is not passed, the Tranche 1 Placement Shares will continue to be included in the Company's 10% limit under Listing Rule 7.1A, effectively decreasing the number of Equity Securities the Company can issue or agreed to issue without obtaining prior Shareholder approval, to the extent of 103,516,927 Equity Securities, for the 12 month period following the issue of the Tranche 1 Placement Shares (assuming the Company's approval under Listing Rule 7.1A remains in force for this period)..

3.3 Specific information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of the Tranche 1 Placement Shares:

(a) the Tranche 1 Placement Shares were issued to sophisticated and professional investors, none of whom is a related party of the Company or a Material Investor (**Placement Participants**). CPS Capital Group Pty Ltd acted as Lead Manager to the Placement. The Placement Participants were identified through a bookbuild process, which involved the Lead Manager seeking expressions of interest to participate in the capital raising from non-related parties of the Company, and are existing contacts of the Company and clients of the Lead Manager;

(b) a total of 184,233,885 Tranche 1 Placement Shares were issued on 7 September 2022 as follows:

(i) 80,716,958 Tranche 1 Placement Shares were issued within the 15% annual limit permitted under Listing Rule 7.1, without the need for Shareholder approval; and

(ii) 103,516,927 Tranche 1 Placement Shares were issued within the 10% limit permitted under Listing Rule 7.1A, without the need for Shareholder approval;

(c) the Tranche 1 Placement Shares issued were fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company's existing Shares on issue;

(d) the Tranche 1 Placement Shares were issued at $0.065 per Share and raised approximately $11,975,202 before costs;

(e) the proceeds from the issue of the Placement Shares are intended to be used towards:

(i) commercialisation of the Company's wholly owned subsidiaries Envirostream Australia Pty Ltd (**Envirostream**) and VSPC Pty Ltd;

(ii) driving the increase of safe recycling of spent battery volumes at Envirostream's operational facilities in Victoria;

(iii) the completion of engineering studies for the expansion of our current facilities and to advance offtake and raw material relationships for the lithium ferro phosphate supply chain; and

(iv) general working capital;

(f) there are no other material terms of the agreements for the issue of the Placement Shares; and

(g) a voting exclusion statement is included in the Notice.

4. Resolution 2 – Approval to issue Tranche 1 Placement Options

4.1 General

Refer to Section 3.1 above for a background to the issue of the Tranche 1 Placement Options.

Resolution 2 seeks the approval of Shareholders pursuant to Listing Rule 7.1 to approve the issue of the Tranche 1 Placement Options.

Resolution 2 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 2.

4.2 Listing Rule 7.1

A summary of Listing Rule 7.1 is in Section 3.2 above.

The issue of the Tranche 1 Placement Options does not fit within any of the exceptions to Listing Rule 7.1. The Company does not have sufficient placement capacity to issue Tranche 1 Placement Options, and the Company is therefore required to seek Shareholder approval pursuant to Listing Rule 7.1 in order to issue the Tranche 1 Placement Options. To do this, the Company is asking Shareholders to approve the issue under Listing Rule 7.1.

To this end, Resolution 2 seeks Shareholder approval to the issue of Tranche 1 Placement Options under and for the purposes of Listing Rule 7.1.

If Resolution 2 is passed, the Company will be able to proceed with the issue of 92,116,943 Tranche 1 Placement Options. In addition, the Tranche 1 Placement Options will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 2 is not passed, the Company will not be able to proceed with the issue of the Tranche 1 Placement Options.

4.3 Specific information required by Listing Rule 7.3

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to the issue of the Tranche 1 Placement Options:

(a) the Tranche 1 Placement Options will be issued to the Placement Participants (refer to Section 3.3(a) for further details of the Placement Participants);

(b) subject to Shareholder approval, a maximum of 92,116,943 Tranche 1 Placement Options will be issued;

(c) the Tranche 1 Placement Options are exercisable at a price of $0.10 each and expire on the date that is 3 years from the date of issue and will otherwise be issued on the terms and conditions in Schedule 2. The Company intends to apply for quotation of the Placement Options, subject to meeting the requirements of ASX and the Corporations Act;

(d) the Tranche 1 Placement Options will be issued within three months after the date of the Meeting;

(e) the Tranche 1 Placement Options are being issued as free attaching Options to the Tranche 1 Placement Shares. Accordingly, nil additional cash consideration will be payable by the Placement Participants;

(f) there are no other material terms to the agreement for the subscription of the Tranche 1 Placement Options; and

(g) a voting exclusion statement is included in the Notice.

5. Resolution 3 – Approval to issue Director Placement Securities

5.1 General

Refer to Section 3.1 above for a background to the issue of the Director Placement Securities.

Resolution 3 seeks Shareholder approval pursuant to Listing Rule 10,11 for the issue of up to 1,538,462 Director Placement Shares and 769,231 free attaching Director Placement Options to Phil Thick (or his nominees) in order to raise up to $100,000 before costs.

Resolution 3 is an ordinary resolution.

The Board, other than Phil Thick who has a personal interest in the outcome of this Resolution by virtue of being the proposed recipient of the Director Placement Securities (or his

nominees) and therefore declines to make a recommendation, recommends that Shareholders vote in favour of Resolution 3.

5.2 Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue Equity Securities to:

(a) a related party (Listing Rule 10.11.1);

(b) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial holder (30%+) in the company (Listing Rule 10.11.2);

(c) a person who is, or was at any time in the 6 months before the issue or agreement, a substantial holder (10%+) in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so (Listing Rule 10.11.3);

(d) an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3 (Listing Rule 10.11.4); or

(e) a person whose relation with the company or a person referred to in Listing Rule 10.11.1 or 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders (Listing Rule 10.11.5),

unless it obtains the approval of its shareholders.

Phil Thick is a related party of the Company by virtue of being a Director. As the issue of the Director Placement Securities involves the issue of Securities to related parties of the Company, Shareholder approval pursuant to Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in Listing Rule 10.12 do not apply in the current circumstances.

Approval pursuant to Listing Rule 7.1 is not required for the issue of the Director Placement Securities as approval is being obtained under Listing Rule 10.11. Accordingly, the issue of the Director Placement Securities will not be included in the use of the Company's 15% annual placement capacity pursuant to Listing Rule 7.1.

If Resolution 3 is passed, the Company will be able to proceed with the issue of the Director Placement Securities to Phil Thick (or his nominees), raising $100,000 before costs.

If Resolution 3 is not passed the Company will not be able to proceed with the issue of the Director Placement Securities, and will not receive the additional $100,000 committed by Phil Thick. The Company does not intend to seek a further approval or raise further capital at this stage. The Company considers that it has adequate working capital to achieve its stated objectives at this time.

5.3 Specific information required by Listing Rule 10.13

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in relation to the proposed issue of the Director Placement Securities:

(a) the Director Placement Securities will be issued to Phil Thick (or his nominees);

(b) pursuant to Listing Rule 10.11.1, Phil Thick is a related party by virtue of being a Director;

(c) a maximum of 1,538,462 Director Placement Shares and 769,231 Director Placement Options will be issued to Phil Thick (or his nominees);

(d) the Director Placement Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;

(e) the Director Placement Options will be exercisable at a price of $0.10 each and will expire on the date that is 3 years from the date of issue and will otherwise be issued on the terms and conditions in Schedule 2. The Company intends to apply for quotation of the Placement Options.

(f) the Director Placement Securities will be issued no later than one month after the date of the Meeting;

(g) the Director Placement Shares are proposed to be issued at an issue price of $0.065 each, being the same price at which the Placement Shares were issued to other participants in the Placement and will raise $100,000 before costs;

(h) the Director Placement Options are being issued as free attaching Options to the Director Placement Shares. Accordingly, nil additional cash consideration will be payable for the issue of the Director Placement Options;

(i) the funds raised will be used for the same purposes as all other funds raised under the Placement as set out in Section 3.3(e);

(j) the proposed issue of the Director Placement Securities is not intended to remunerate or incentivise Phil Thick;

(k) there are no other material terms to the proposed issue of the Director Placement Securities; and

(l) a voting exclusion statement is included in the Notice.

5.4 Chapter 2E of the Corporations Act

In accordance with Chapter 2E of the Corporations Act, in order to give a financial benefit to a related party, the Company must:

(a) obtain Shareholder approval in the manner set out in sections 217 to 227 of the Corporations Act; and

(b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The issue of Director Placement Securities constitutes giving a financial benefit to related parties of the Company.

The Board considers that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Director Placement Securities because the

Securities will be issued on the same terms as Securities issued to non-related party participants in the Placement and as such the giving of the financial benefit is on arm's length terms.

6. Resolution 4 – Approval to issue Lead Manager Options

6.1 General

The Company entered into an agreement with CPS Capital Group Pty Ltd (**Lead Manager**) on 26 August 2022 (**Lead Manager Mandate**) for the provision of capital raising services in respect to the Placement (refer to Section 3.1 above) (**Lead Manager Services**).

Pursuant the Lead Manager Mandate, in consideration for the provision of the Lead Manager Services, the Company agreed to pay the Lead Manager:

(a) a fee of 6% of the gross proceeds raised under the Placement; and

(b) up to 46,443,087 Placement Options to the Lead Manager (or its nominees), each with an exercise price of $0.10 and expiring 3 years from the date of issue and otherwise on the same terms as the Placement Options set out in Schedule 2 (**Lead Manager Options**).

Resolution 4 is an ordinary resolution.

The Board recommends that Shareholders vote in favour of Resolution 4.

6.2 Listing Rules 7.1

A summary of Listing Rule 7.1 is in Section 3.2 above.

The issue of the Lead Manager Options does not fit within any of the exceptions to Listing Rule 7.1. The Company does not have sufficient placement capacity to issue the Lead Manager Options, and the Company is therefore required to seek Shareholder approval pursuant to Listing Rule 7.1 in order to issue the Lead Manager Options. To do this, the Company is asking Shareholders to approve the issue under Listing Rule 7.1.

To this end, Resolution 4 seeks Shareholder approval to the issue of Lead Manager Options under and for the purposes of Listing Rule 7.1.

If Resolution 4 is passed, the issue of the Lead Manager Options can proceed.

If Resolution 4 is not passed, the Company will not be able to proceed with the issue of the Lead Manager Options and the Company will need to pay the Lead Manager $464,431 in lieu of the Lead Manager Options being issued (determined at $0.01 per Lead Manager Option per the Lead Manager Mandate). This payment would be made from the Company’s existing cash reserves.

6.3 Specific information required by Listing Rule 7.3

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to the proposed issue of the Lead Manager Options:

(a) the Lead Manager Options will be issued to the Lead Manager. The Lead Manager is not a related party or Material Investor of the Company;

(b) subject to Shareholder approval, a maximum of 46,443,087 Lead Manager Options will be issued to the Lead Manager (or its nominees).

(c) the Lead Manager Options will be exercisable at $0.10 each and will expire 3 years from the date of issue of the Lead Manager Options and otherwise will be issued on the terms and conditions in Schedule 2. The Company intends to apply for quotation of the Placement Options;

(d) the Lead Manager Options will be issued no later than 3 months after the date of the Meeting;

(e) the Lead Manager Options are to be issued for a nominal amount of $0.0001 each and are being issued as part consideration for the Lead Manager Services;

(f) no additional funds will be raised by the issue of the Lead Manager Options (other than the nominal amount referred to above), and it is the Company's current intention that any funds raised from the exercise of the Lead Manager Options will be applied to the items set out in Section 3.3(e);

(g) the Lead Manager Options will be issued pursuant the Lead Manager Mandate, a summary of the material terms of the Lead Manager Mandate is set out in Section 6.1; and

(h) a voting exclusion statement is included in the Notice.

Schedule 1 Definitions

In the Notice, words importing the singular include the plural and vice versa.

$	means Australian Dollars.
ASX	means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX Limited.
Board	means the board of Directors.
Chair	means the person appointed to chair the Meeting of the Company convened by the Notice.
Company	means Lithium Australia Limited (ACN 126 129 413).
Corporations Act	means the *Corporations Act 2001* (Cth).
Director	means a director of the Company.
Director Placement Securities	means the Director Placement Shares and Director Placement Options, the subject of Resolution 3.
Director Placement Shares	means up to 1,538,462 Shares the subject of Resolution 3.
Director Placement Options	means up to 769,231 Options the subject of Resolution 3.
Envirostream	means Envirostream Australia Pty Ltd (ACN 617 582 420).
Equity Security	has the same meaning as in the Listing Rules.
Explanatory Memorandum	means the explanatory memorandum which forms part of the Notice.
Key Management Personnel	has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any Director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.
Lead Manager	means CPS Capital Group Pty Ltd (ACN 088 055 636).
Lead Manager Mandate	means the mandate between the Company and the Lead Manager dated 26 August 2022.
Lead Manager Options	means up to 46,443,087 Options to be issued to the Lead Manager, the subject of Resolution 4.

Listing Rules	means the listing rules of ASX.
Material Investor	means, in relation to the Company: (a) a related party; (b) Key Management Personnel; (c) a substantial Shareholder; (d) an adviser; or (e) an associate, of the above who will receive securities in the Company which constitute more than 1% of the Company's anticipated capital structure at the time of issue.
Meeting	has the meaning given in the introductory paragraph of the Notice.
Notice	means this notice of general meeting.
Option	means an option, giving the holder the right, but not an obligation, to acquire a Share at a predetermined price and at a specified time in the future.
Placement	has the meaning given in Section 3.1.
Placement Options	has the meaning given in Section 3.1.
Placement Participants	has the meaning given in Section 3.3(a).
Placement Shares	has the meaning given in Section 3.1.
Proxy Form	means the proxy form attached to the Notice.
Resolution	means a resolution referred to in the Notice.
Schedule	means a schedule to the Notice.
Section	means a section of the Explanatory Memorandum.
Securities	means any Equity Securities of the Company.
Share	means a fully paid ordinary share in the capital of the Company.
Shareholder	means the holder of a Share.
Tranche 1 Placement Shares	means the 184,233,885 Placement Shares, the subject of Resolution 1(a) and (b).
Tranche 1 Placement Options	means the 92,116,943 free attaching Placement Options, the subject of Resolution 2.
WST	means Western Standard Time being the time in Perth, Western Australia.

Schedule 2 Terms and Conditions of Placement Options and Lead Manager Options

The terms and conditions of the Placement Options are as follows:

1. (**Entitlement**): Each Placement Option (**Option**) entitles the holder to subscribe for one Share upon exercise of the Option.

2. (**Exercise Price**): The Options have an exercise price of $0.10 per Option (**Exercise Price**).

3. (**Expiry Date**): The Options expire at 5.00 pm (WST) on three years from date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

4. (**Exercise Period**): The Options are exercisable at any time and from time to time on or prior to the Expiry Date.

5. (**Quotation of the Options**): It is the Company's current intention to seek quotation of the Options. There is no certainty that quotation of the Options will be granted. The quotation of the Options will be subject to the Company offering the Options under a prospectus prepared in accordance with Chapter 6D of *the Corporations Act 2001* (Cth) and lodged with ASIC and satisfying the quotation conditions set out in the Listing Rules.

6. (**Notice of Exercise**): The Options may be exercised by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

   The Options held by each holder may be exercised in whole or in part, and if exercised in part, at least 1,000 must be exercised on each occasion.

   Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

7. (**Timing of issue of Shares on exercise**): Within 5 Business Days after the Exercise Date the Company will:

   (a) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;

   (b) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and

   (c) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

8. (**Transferability**): The Options are freely transferable from the date of issue, subject to any restriction or escrow arrangements imposed by ASX or under Australian securities laws and paragraph 9.

9. (**Restrictions on transfer of Shares**): If the Company is required but unable to give ASX a notice under paragraph 7(b), or such a notice for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, Shares issued on exercise of Options may not be traded and will be subject to a holding lock until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act.

10. (**Shares issued on exercise**): Shares issued on exercise of the Options will rank equally with the then Shares of the Company.

11. (**Quotation of Shares on exercise**): If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options in accordance with the Listing Rules.

12. (**Reconstruction of capital**): If at any time the issued capital of the Company is reconstructed, all rights of an Option holder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.

13. (**Participation in new issues**): There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

14. (**Change in exercise price**): There will be no change to the exercise price of the Options or the number of Shares over which the Options are exercisable in the event of the Company making a pro-rata issue of Shares or other securities to the holders of Shares in the Company (other than a bonus issue).

15. (**Adjustment for bonus issues of Shares**): If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

    (a) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Option holder would have received if the Option holder had exercised the Option before the record date for the bonus issue; and

    (b) no change will be made to the Exercise Price.

Lithium Australia

LODGE YOUR PROXY APPOINTMENT ONLINE

ONLINE PROXY APPOINTMENT
www.advancedshare.com.au/investor-login

MOBILE DEVICE PROXY APPOINTMENT
Lodge your proxy by scanning the QR code below, and enter your registered postcode.
It is a fast, convenient and a secure way to lodge your vote.

GENERAL MEETING PROXY FORM

I/We being shareholder(s) of Lithium Australia Limited and entitled to attend and vote hereby:

STEP 1

APPOINT A PROXY

☐ The Chair of the Meeting **OR** _____

PLEASE NOTE: If you leave the section blank, the Chair of the Meeting will be your proxy.

or failing the individual(s) or body corporate(s) named, or if no individual(s) or body corporate(s) named, the Chair of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf, including to vote in accordance with the following directions (or, if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the General Meeting of the Company to be held **at Level 1, 677 Murray Street, West Perth, WA 6005 on 19 October 202[illegible] at 9:0[illegible] (WST)** and at any adjournment or postponement of that Meeting.

Chair's voting intentions in relation to undirected proxies: The Chair intends to vote all undirected proxies in favour of all Resolutions. In exceptional circumstances, the Chair may change his/her voting intentions on any Resolution. In the event this occurs, an ASX announcement will be made immediately disclosing the reasons for the change.

SAMPLE

STEP 2

VOTING DIRECTIONS

Resolutions	For	Against	Abstain*
1(a) Ratification of prior issue of Tranche 1 Placement Shares under Listing Rule 7.1	☐	☐	☐
1(b) Ratification of prior issue of Tranche 1 Placement Shares under Listing Rule 7.1A	☐	☐	☐
2 Approval to issue Tranche 1 Placement Options	☐	☐	☐
3 Approval to issue Director Placement Securities	☐	☐	☐
4 Approval to issue Lead Manager Options	☐	☐	☐

ⓘ * If you mark the Abstain box for a particular Resolution, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)	Joint Shareholder 2 (Individual)	Joint Shareholder 3 (Individual)
Sole Director and Sole Company Secretary	Director/Company Secretary (Delete one)	Director

This form should be signed by the shareholder. If a joint holding, all the shareholders should sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the Corporations Act 2001 (Cth).

Email Address _____

☐ Please tick here to agree to receive communications sent by the Company via email. This may include meeting notifications, dividend remittance, and selected announcements.

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE MEETING, PLEASE BRING THIS FORM WITH YOU. THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.

CHANGE OF ADDRESS

This form shows your address as it appears on Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes.

APPOINTMENT OF A PROXY

If you wish to appoint the Chair as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chair, please write that person's name in the box in Step 1. A proxy need not be a shareholder of the Company. A proxy may be an individual or a body corporate.

DEFAULT TO THE CHAIR OF THE MEETING

If you leave Step 1 blank, or if your appointed proxy does not attend the Meeting, then the proxy appointment will automatically default to the Chair of the Meeting.

VOTING DIRECTIONS – PROXY APPOINTMENT

You may direct your proxy on how to vote by placing a mark in one of the boxes opposite each resolution of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any resolution by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given resolution, your proxy may vote as they choose to the extent they are permitted by law. If you mark more than one box on a resolution, your vote on that resolution will be invalid.

PLEASE NOTE: If you appoint the Chair as your proxy (or if they are appointed by default) but do not direct them how to vote on a resolution (that is, you do not complete any of the boxes "For", "Against" or "Abstain" opposite that resolution), the Chair may vote as they see fit on that resolution.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning Advanced Share Registry Limited or you may copy this form and return them both together.

To appoint a second proxy you must:

(a) on each Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and

(b) return both forms together.

COMPLIANCE WITH LISTING RULE 14.11

In accordance to Listing Rule 14.11, if you hold shares on behalf of another person(s) or entity/entities or you are a trustee, nominee, custodian or other fiduciary holder of the shares, you are required to ensure that the person(s) or entity/entities for which you hold the shares are not excluded from voting on resolutions where there is a voting exclusion. Listing Rule 14.11 requires you to receive written confirmation from the person or entity providing the voting instruction to you and you must vote in accordance with the instruction provided.

By lodging your proxy votes, you confirm to the company that you are in compliance with Listing Rule 14.11.

CORPORATE REPRESENTATIVES

If a representative of a nominated corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A Corporate Representative Form may be obtained from Advanced Share Registry.

SIGNING INSTRUCTIONS ON THE PROXY FORM

Individual:
Where the holding is in one name, the security holder must sign.

Joint Holding:
Where the holding is in more than one name, all of the security holders should sign.

Power of Attorney:
If you have not already lodged the Power of Attorney with Advanced Share Registry, please attach the original or a certified photocopy of the Power of Attorney to this form when you return it.

Companies:
Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held.

LODGE YOUR PROXY FORM

This Proxy Form (and any power of attorney under which it is signed) must be received at an address given below by 9:00am (WST) on 17 October 2022, being not later than 48 hours before the commencement of the Meeting. Proxy Forms received after that time will not be valid for the scheduled Meeting.

ONLINE PROXY APPOINTMENT
www.advancedshare.com.au/investor-login

BY MAIL
Advanced Share Registry Limited
110 Stirling Hwy, Nedlands WA 6009; or
PO Box 1156, Nedlands WA 6909

BY FAX
+61 8 6370 4203

BY EMAIL
admin@advancedshare.com.au

IN PERSON
Advanced Share Registry Limited
110 Stirling Hwy, Nedlands WA 6009

ALL ENQUIRIES TO
Telephone: +61 8 9389 8033

SAMPLE