

27 October 2016

ASX ANNOUNCEMENT

LIT TO FUEL THE NEW INDUSTRIAL REVOLUTION WITH LITHIUM PRODUCED FROM SILEACH™ PRELIMINARY RESULTS FROM THE ANSTO-MINERALS-RUN PILOT PLANT

ANSTO Minerals (a division of the Australian Nuclear Science and Technology Organisation) operated a second continuous pilot plant for Lithium Australia NL (ASX: LIT) from 10 - 13 October 2016. This second pilot plant was the follow up to the process piloted at ANSTO Minerals from 12-17 September 2016. The initial pilot plant run demonstrated the successful application of the Sileach™ process for the extraction of lithium from lepidolite ore from Lepidolite Hill, WA. The second pilot plant campaign processed purified liquor generated in the first campaign and involved evaporation, recovery of lithium carbonate and recovery of potassium sulphate, which



Figure 1 – Lithium Carbonate produced by the ANSTO-Minerals-run pilot plant from 10 - 13 October 2016

is being assessed as a potential value adding by-product. These steps were previously developed in a laboratory program performed by ANSTO Minerals.

The pilot plant operated robustly producing 6 kg of ~99% purity lithium carbonate concentrate (see Figure 1) and provided further engineering design data for the Sileach™ process. The lithium carbonate concentrate will be used to produce high purity lithium carbonate and lithium hydroxide products for offtake purposes.

Lithium Australia's MD, Adrian Griffin commented:

"LIT's goal is to establish a low cost lithium production profile – similar to the brine producers. We are very pleased with the results as reported by ANSTO Minerals, Australia's pre-eminent expert in lithium extraction technology. This is another step in de-risking the commercialization of the halogen based Sileach™ process."

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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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