



ASX ANNOUNCEMENT

4 August 2015

COMPANY DETAILS

LITHIUM AUSTRALIA NL

ABN: 29 126 129 413

ASX CODE: LIT

PRINCIPAL AND REGISTERED OFFICE

Lithium Australia NL
Suite 3
23 Belgravia Street
Belmont WA 6104

P +61 8 6145 0288

F +61 8 9475 0847

POSTAL ADDRESS

PO Box 588
Belmont WA 6984

CORPORATE INFORMATION

(4 August 2015)
132M Ordinary Shares
53M Contributing Partly Paid Shares
12M Unlisted Options

BOARD OF DIRECTORS

George Bauk
(Non-Executive Chairman)
Adrian Griffin
(Managing Director)
Bryan Dixon
(Non-Executive Director)

For further information contact:

Lithium Australia NL
Adrian Griffin (MD)

Tel: +61 (08) 6145 0288

info@lithium-au.com

Web: www.lithium-au

Lithium technology disrupter Lithium Australia confirms new ASX ticker "LIT"

Lithium Australia NL (ASX: LIT) advises that its ASX ticker code will change to "LIT", from CXB, as of today. The change of ticker code will complete the Company's strategic transformation to be a disrupter in the lithium industry.

Attached to this release is an updated brochure reflecting the change of name and ASX ticker code.

ABOUT LITHIUM AUSTRALIA

Lithium Australia (LIT) has a technical alliance with Strategic Metallurgy Pty Ltd to commercialise disruptive lithium extraction technology based on the recovery of lithium from micas; minerals not generally used as a source of lithium chemicals. LIT has a non-binding Heads of Agreement with European Metals Holdings Limited to process lithium mineralisation at Cinovec in the Czech Republic on a 50/50 JV basis. Cinovec contains abundant lithium micas and is one of the world's largest hard-rock lithium occurrences. In addition, LIT has strategic alliances with Pilbara Minerals Limited, Focus Minerals Limited and Tungsten Mining NL, to investigate lithium and rare metals in prospective locations of Western Australia close to well-developed infrastructure. LIT also has lithium exploration assets near Greenbushes and Ravensthorpe in Western Australia. LIT is also evaluating other European opportunities.

MEDIA CONTACT:

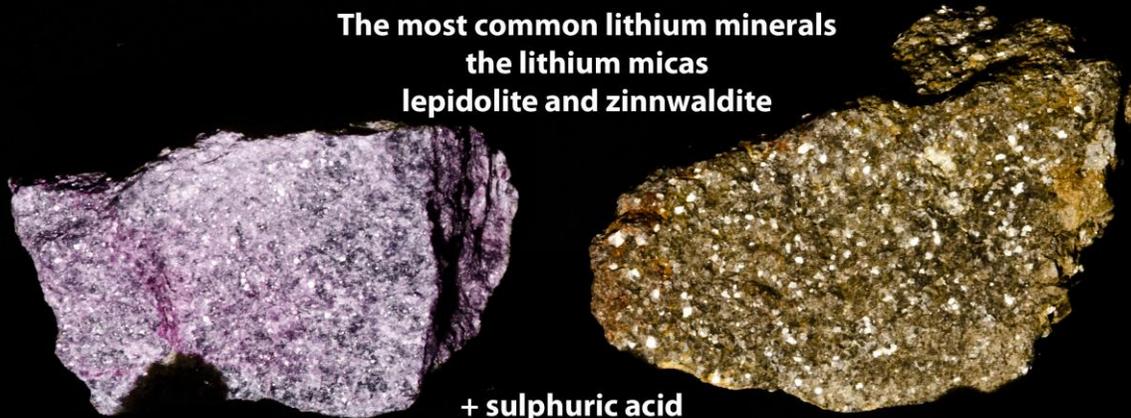
Adrian Griffin Lithium Australia NL 08 6145 0288 | 0418 927 658
Kevin Skinner Field Public Relations 08 8234 9555 | 0414 822 631

For personal use only

DISRUPTIVE TECHNOLOGY TO REVOLUTIONIZE LITHIUM PRODUCTION

Lithium Australia^{NL}

The most common lithium minerals
the lithium micas
lepidolite and zinnwaldite



+ sulphuric acid

= high-purity lithium carbonate + potassium sulphate + aluminium hydroxide



For personal use only

Disclaimer



This presentation is for information purposes only. Neither this presentation nor the information contained in it constitutes an offer, invitation, solicitation or recommendation in relation to the purchase or sale of shares in any jurisdiction.

This presentation may not be distributed in any jurisdiction except in accordance with the legal requirements applicable in that jurisdiction. Recipients should inform themselves of the restrictions that apply in their own jurisdiction. A failure to do so may result in a violation of securities laws in that jurisdiction.

This presentation does not constitute financial product advice and has been prepared without taking into account the recipients' investment objectives, financial circumstances or particular needs, and the opinions and recommendations in this presentation are not intended to represent recommendations to particular persons. Recipients should seek professional advice when deciding if an investment is appropriate. All securities transactions involve risks, which include, among others, the risk of adverse or unanticipated market, financial or political developments.

Certain statements contained in this presentation, including information as to the future financial or operating performance of Lithium Australia NL ('LIT' or 'the Company') and its projects, are forward-looking statements. Such forward-looking statements are necessarily based on a number of estimates and assumptions that, while considered reasonable by LIT, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies, involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements, and may include, among other things, statements regarding targets, estimates and assumptions in respect of commodity prices, operating costs and results,

capital expenditures, ore reserves and mineral resources and anticipated grades and recovery rates and are, or may be, based on assumptions and estimates related to future technical, economic, market, political, social and other conditions.

LIT disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise. The words 'believe', 'expect', 'anticipate', 'indicate', 'contemplate', 'target', 'plan', 'intends', 'continue', 'budget', 'estimate', 'may', 'will', 'schedule' and other, similar expressions identify forward-looking statements. All forward-looking statements made in this presentation are qualified by the foregoing cautionary statements. Investors are cautioned that forward-looking statements are not guarantees of future performance and, accordingly, investors are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty therein.

Many known and unknown factors could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements. Such factors include, but are not limited to: competition; mineral prices; ability to meet additional funding requirements; exploration, development and operating risks; uninsurable risks; uncertainties inherent in ore reserve and resource estimates; dependence on third-party smelting facilities; factors associated with foreign operations and related regulatory risks; environmental regulation and liability; currency risks; effects of inflation on results of operations; factors relating to title to properties; native title and Aboriginal heritage issues; dependence on key personnel, and share-price volatility. They also include unanticipated and unusual events, many of which it is beyond the Company's ability to control or predict.

Photographs in this presentation do not depict assets of the Company.

COMPETENT PERSON'S STATEMENT

The information in this report that relates to reporting of Exploration Results is based on and fairly represents information and supporting documentation prepared by Adrian Griffin, a member of the Australasian Institute of Mining and Metallurgy. Mr Griffin is a shareholder in, and managing director of LIT, and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration. He is qualified as a Competent Person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Griffin consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

Company snapshot

Lithium
Australia^{NL}

LITHIUM AUSTRALIA (LIT) – A UNIQUE FOCUS ON LITHIUM

BOARD OF DIRECTORS

George Bauk (non-executive chairman)

Expert in specialty metals, particularly rare earths – project management, marketing and financing.

Adrian Griffin (managing director)

Exploration, production, mine management.

Bryan Dixon (non-executive director)

Corporate, finance, mine development.

ASX ticker: LIT

ACN 126 129 413

132 M Ordinary Shares

54 M Partly Paid Shares

15 M Unlisted Options

Market cap. \$11 M

info@lithium-au.com

<http://lithium-au.com/>



For personal use only

Disruptive technology to fill the supply gap

Lithium
Australia^{NL}

CONTINUOUS PRODUCTION OF BATTERY-GRADE LITHIUM CARBONATE

ABUNDANT FEED POTENTIAL

- ▶ lithium micas, a 'forgotten resource'
- ▶ advanced resource – world's fourth-largest hard-rock deposit

EXCLUSIVE TECHNOLOGY AGREEMENTS

EXPANDING SUPPLY GAP



Company strategy



PRODUCTION OF BATTERY-GRADE LITHIUM CARBONATE FROM LITHIUM MICAS

- Zero energy footprint
- Waste materials with no mining cost
- High feed grades
- Fast reaction time – low capital cost

UTILIZE A FORGOTTEN RESOURCE

- Capitalize on availability of most abundant lithium minerals
- Utilize advantages of strategic partnerships
- Change operating cost profile
- Prosper from by-product credits

RE-EVALUATE GLOBAL LITHIUM OCCURRENCES

- Turn geological curiosities into reserves

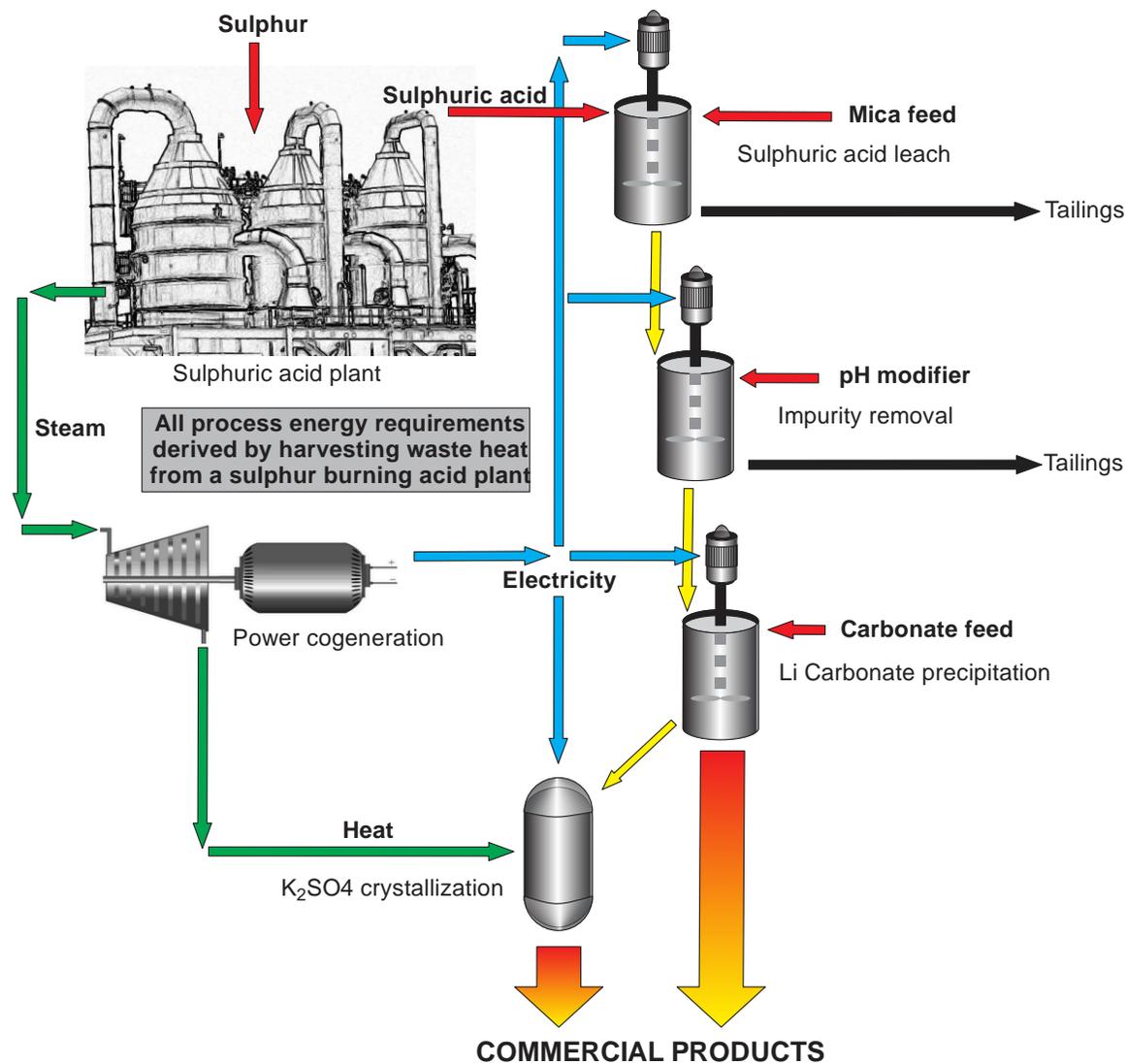
DOMINATE GLOBAL LITHIUM INVENTORIES

For personal use only

Continuous plant test May 2015



For personal use only



Proof of concept

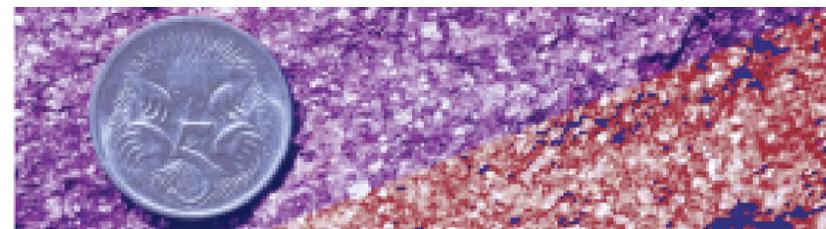
Lithium Australia^{NL}

THE CONCEPT BECOMES REALITY

Cinovec lithium concentrate grade										
Li ₂ O	K ₂ O	CaO	Al ₂ O ₃	FeO	MgO	S	Rb	Cs		
%	%	%	%	%	ppm	ppm	ppm	ppm		
1.81	7.41	1.57	19.3	6.91	367	740	6671	222		

Cinovec lithium carbonate purity >99.6%												
Li ₂ O	K ₂ O	CaO	Al ₂ O ₃	SiO ₂	FeO	MgO	S	P	As	Co	Rb	Cs
%	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm	ppm
40.3	176	57	ND	87	ND	67	1581	162	ND	ND	24	ND
40.3	128	75	ND	54	23	ND	1042	94	ND	ND	8	ND

LIT has produced battery-grade lithium carbonate from Lepidolite Hill and Cinovec, has recovered lithium from two other European deposits and is examining further deposits at Ravensthorpe, Lake Seabrook and Pilgangoora in Western Australia.



Lepidolite - lithium mica



Zinnwaldite - lithium mica



19 K Potassium 39.0983	2 8 8 1	3 Li Lithium 6.941	2 1	13 Al Aluminium 26.9815388	2 8 1	37 Rb Rubidium 85.4678	2 8 18 8 1
--	------------------	------------------------------------	--------	--	-------------	--	------------------------

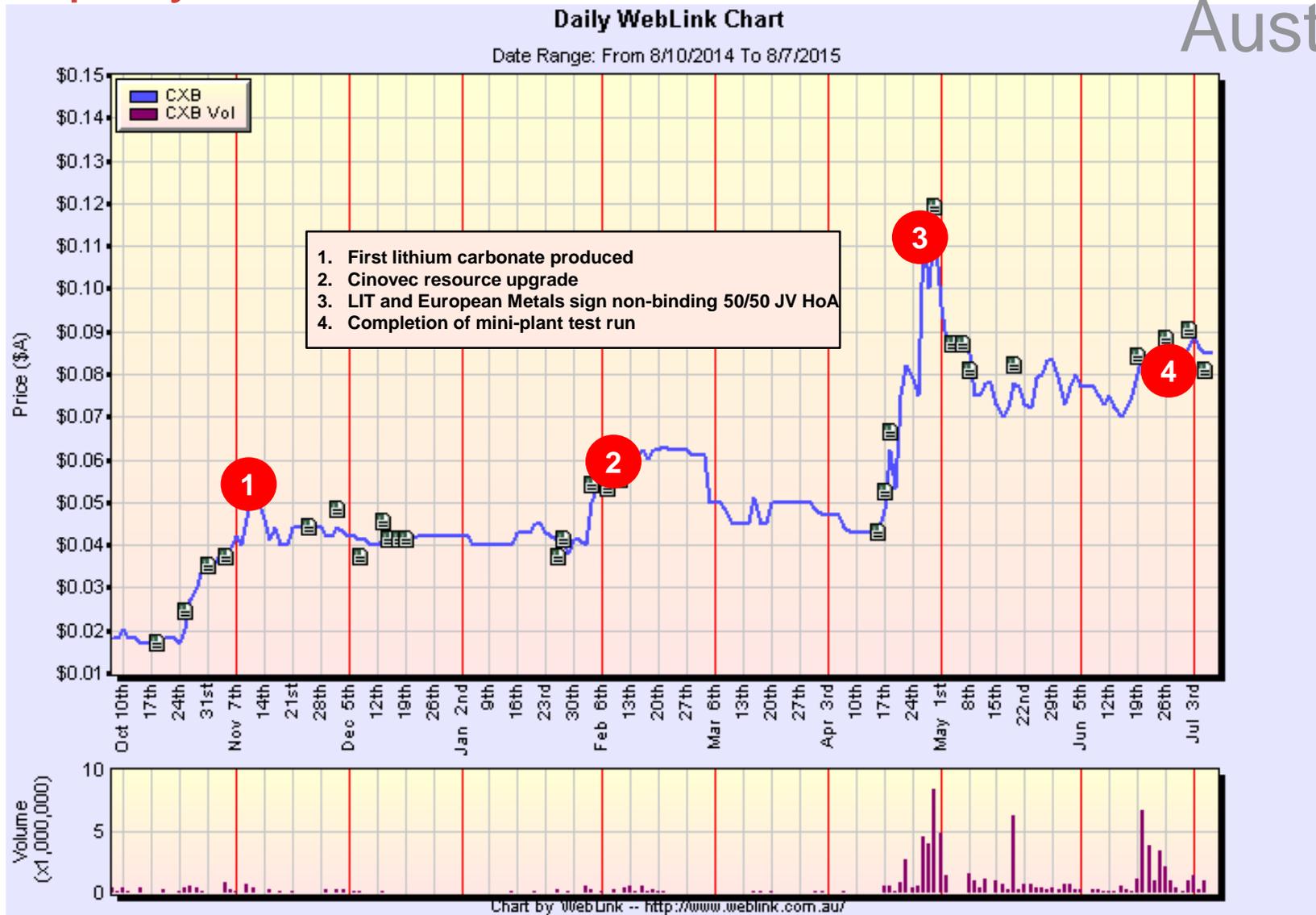


Battery-grade lithium carbonate. Potassium sulphate.

Company achievements



For personal use only



Recent achievements



REPRODUCIBLE RESULTS

- **Lepidolite Hill (Western Australia)**
- **Three greisen deposits (Europe)**

PROJECT EVALUATIONS

- ▶ **Three European and one Australian deposit tested**
- ▶ **Tests include continuous production of lithium carbonate**
- ▶ **Low operating costs = competitive edge**
 - ▶ Energy-efficient process
 - ▶ Valuable by-product credits
 - ▶ Bottom quartile costs <US\$2,000/t of lithium carbonate produced
 - ▶ far less than production from comparable hard-rock deposits
 - ▶ results comparable with those of brine producers
- ▶ **Non-binding HoA with European Metals Holdings Ltd**

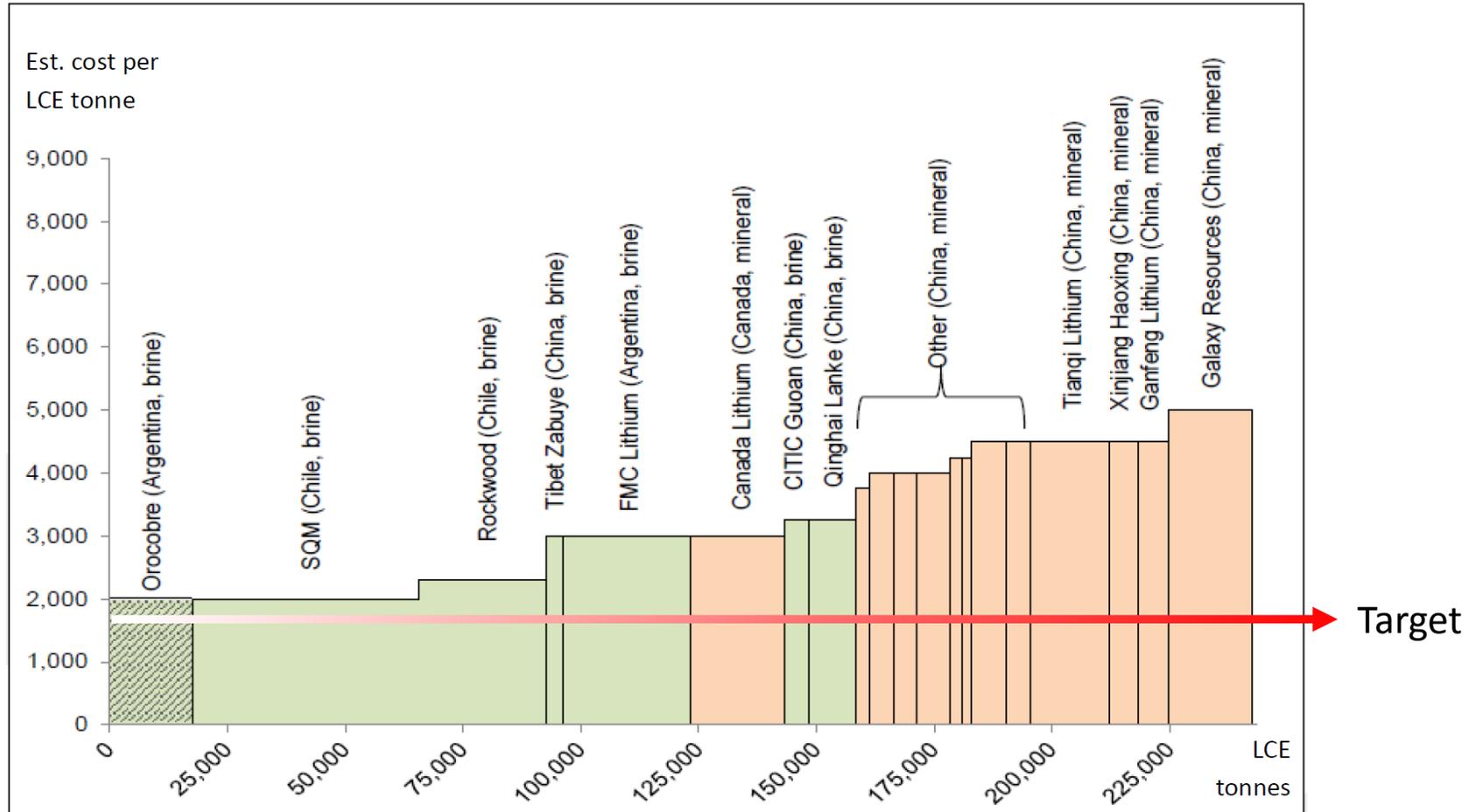
PROCESS EVALUATION

- ▶ **Reproducible results**
- ▶ **Wide range of mineral chemistries**
- ▶ **Scoping level design and evaluation**
- ▶ **Improved by-product credits**

The cost profile



For personal use only

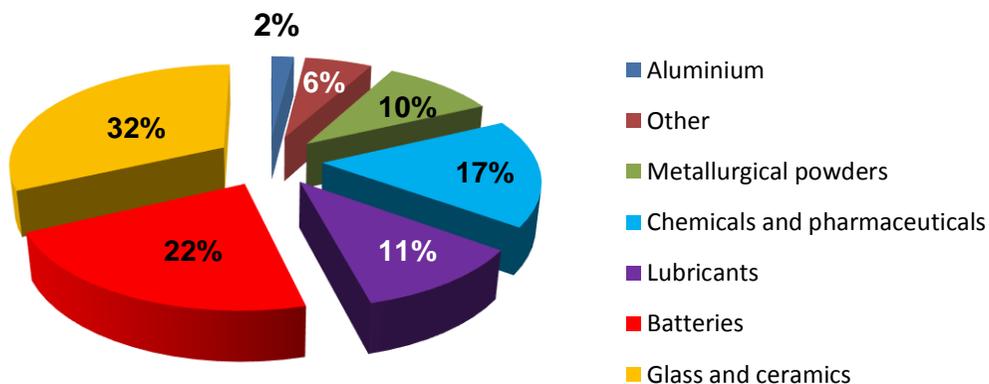


Estimated global lithium cost curve. Source: Roskill (with modifications) and Orocobre 2014 presentation.

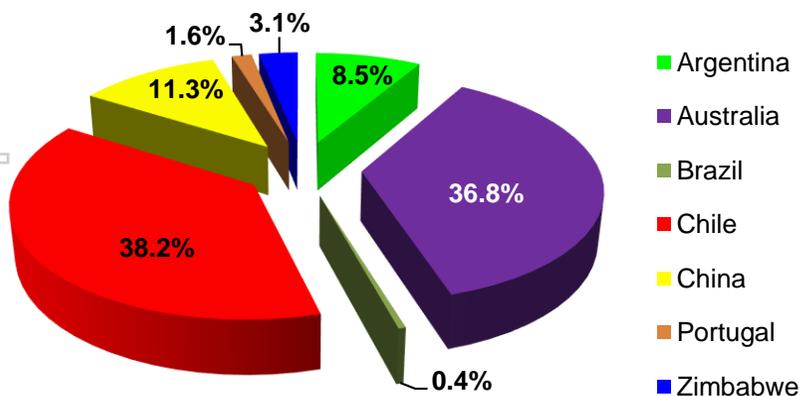
The lithium market



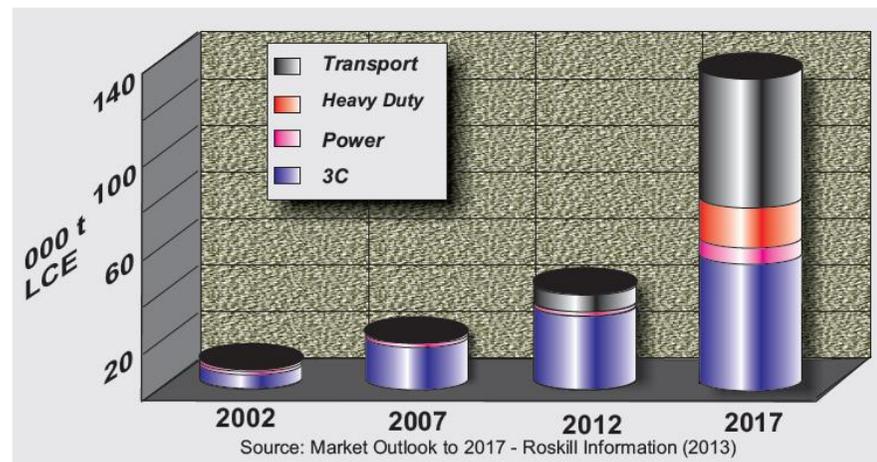
CONSUMPTION BY APPLICATION



PRODUCTION BY COUNTRY



DEMAND FOR LITHIUM BATTERIES



Hard-rock producers

- Talison, Greenbushes – Western Australia
- Sociedade Mineira de Pegmatites – Portugal
- Bikita Minerals (Pvt) Ltd – Zimbabwe
- Various – China

Hard-rock developers

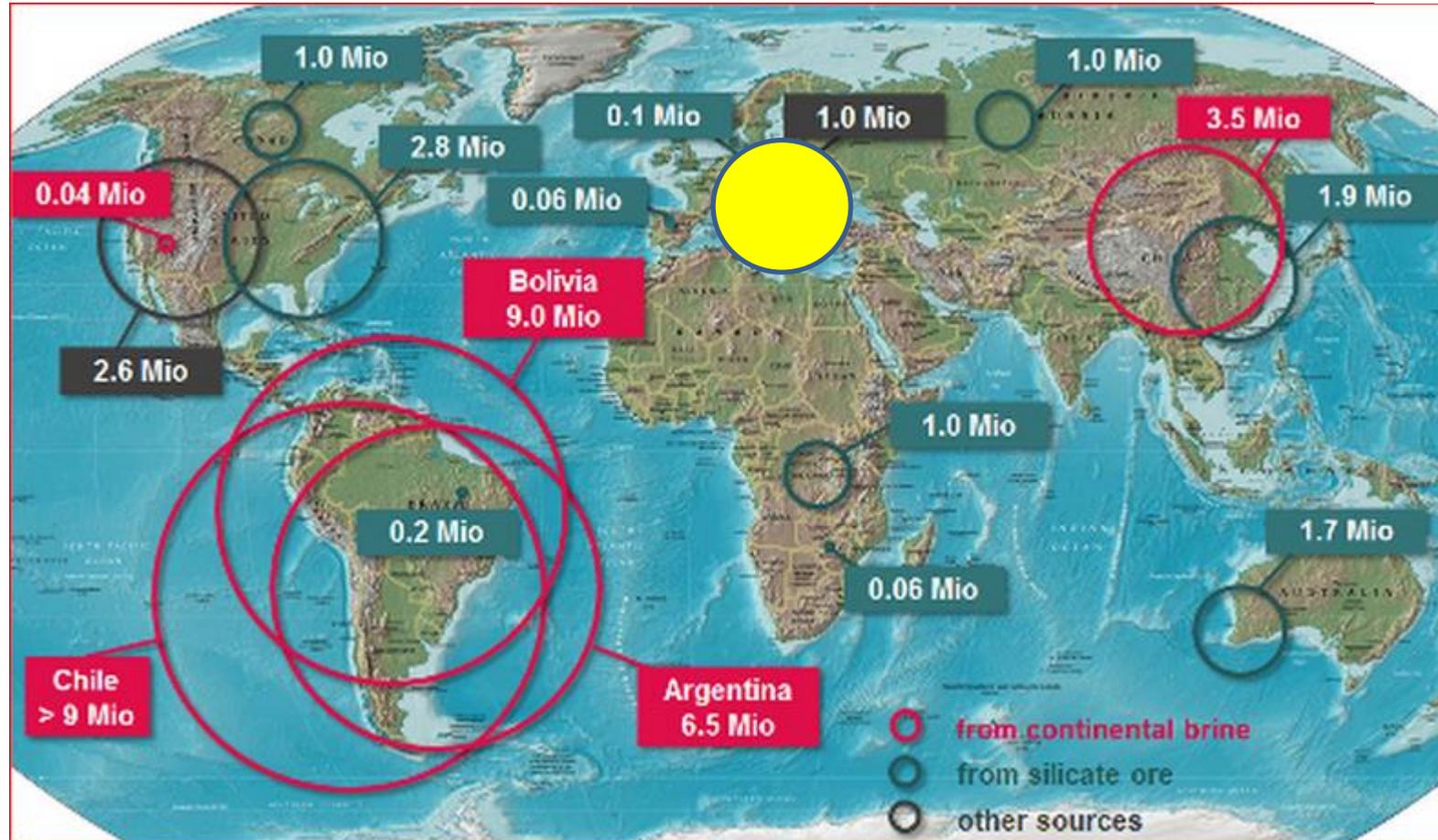
- Pilbara Minerals, Pilgangoora – Western Australia
- NeoMetals, Mt Marion – Western Australia
- General Mining, Mt Cattlin – Western Australia
- Altura, Wodgina – Western Australia
- Nemaska Lithium, Whabouchi – Canada

For personal use only

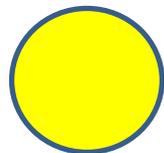
Global lithium resources

Cinovec emerges as a significant lithium resource

Lithium
Australia^{NL}



Source: U.S. Geological Survey, Mineral Commodity Summaries, February 2014



Lithium Inferred Resource: 5.5 Mt LCE, 514.8 Mt @ 0.43% Li₂O (0.1% Li cut-off)
Additional Exploration Target: 3.4 to 5.3 Mt LCE, 350 to 450 Mt @ 0.39-0.47% Li₂O*

* As announced to ASX on 26 June 2015.

For personal use only

First scoping study complete

- **Lithium carbonate of high purity produced**
 - **Capital cost \$US164 M, including sulphuric acid plant and power co-generation**
 - **Zero energy footprint**
 - **Capacity – 20,000 tpa of battery-grade lithium carbonate**
 - **Operating cost <US\$2,000/t after potassium sulphate credits**

Lithium
Australia^{NL}

Global perspective

- **Opportunities identified in:**
 - **Europe (large-scale greisen deposits)**
 - **Africa (including Namibia, South Africa and Zimbabwe)**
 - **North America (Canada and the USA)**
 - **Australia (including WA exclusive processing licence)**

Continuous technology improvement

- **Exploration developments**
 - **Real-time, field-portable lithium assays**
 - **Advanced geochemical modelling**
- **Process technology**
 - **Proprietary technology licences issued**
 - **Process optimization review underway**

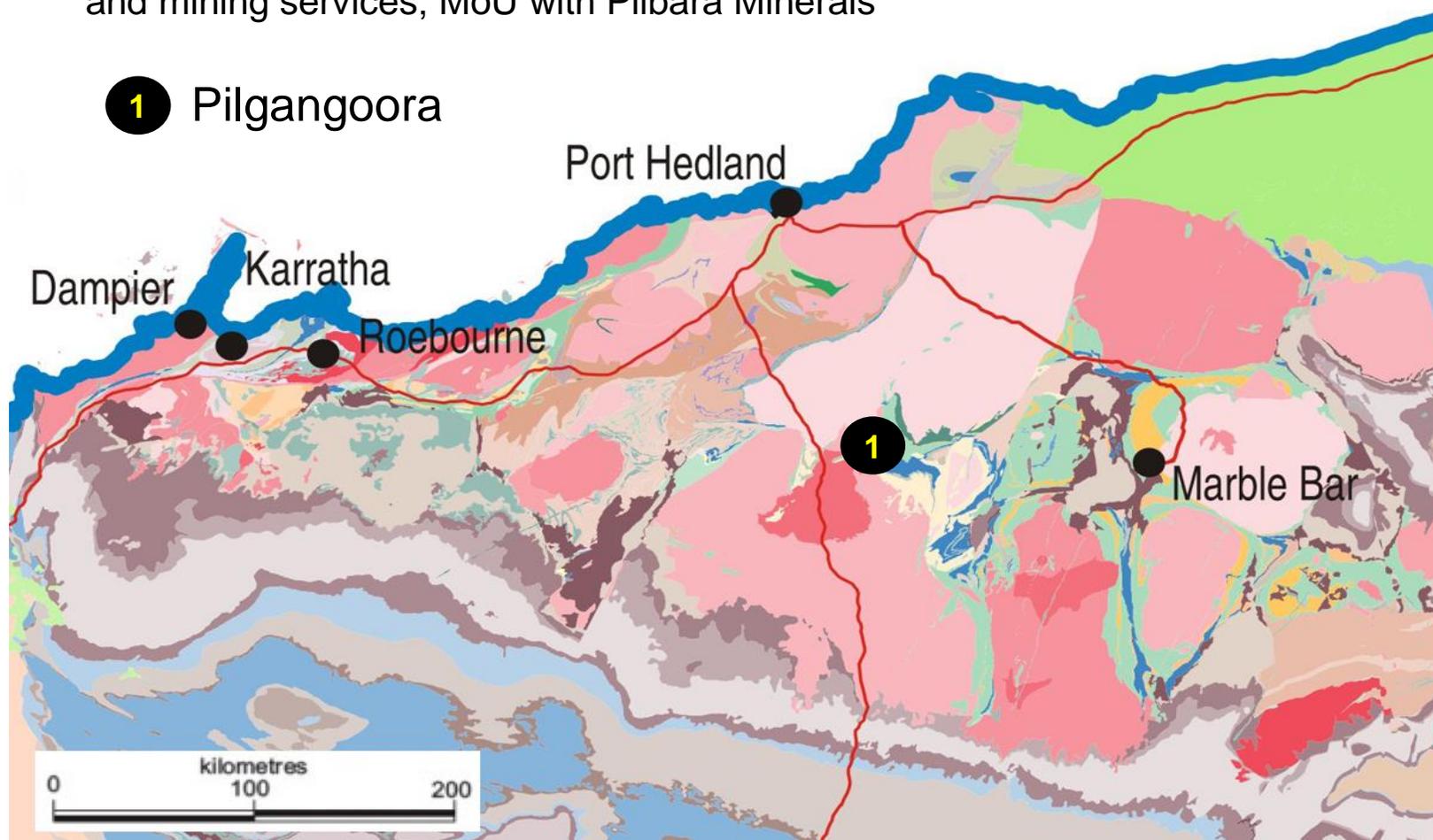
For personal use only

Further opportunities

Lithium
Australia^{NL}

PILGANGOORA PROJECT, THE PILBARA – close to developed public infrastructure, including roads, rail, ports and mining services; MoU with Pilbara Minerals

1 Pilgangoora

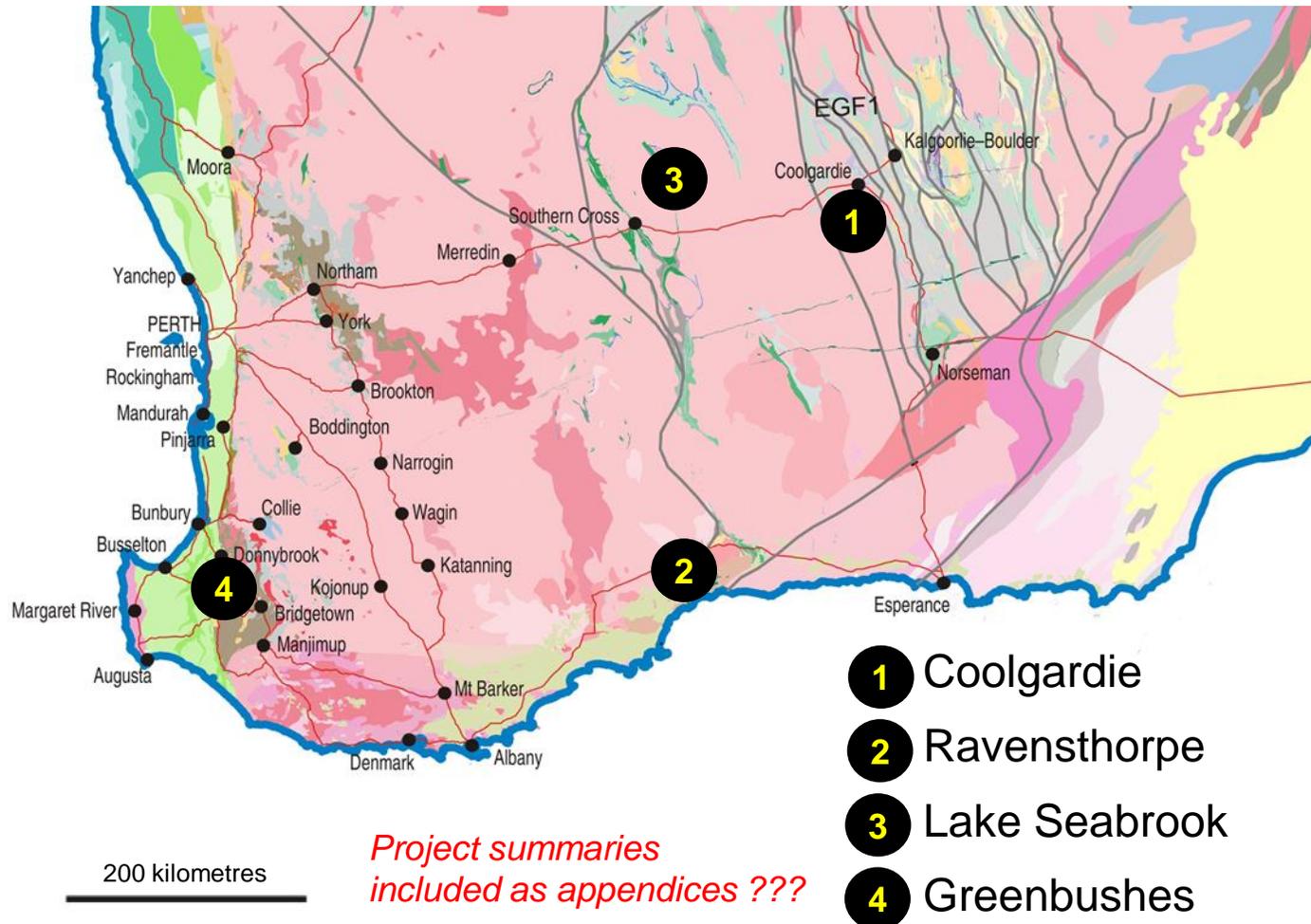


For personal use only

Further opportunities

Lithium
Australia^{NL}

YILGARN CRATON PROJECTS – close to developed public infrastructure, including roads, rail and power



Company advantages

Lithium
Australia^{NL}

VALUE-ADDING FACTORS

Alliance with Strategic Metallurgy

- ▶ Access to technology protected by patent applications
- ▶ On-going technical support

First-mover advantage

LIT is the leader in the production of battery-grade lithium carbonate from micas, and this has enabled a rapid accumulation of assets.

Opportunities previously overlooked

- ▶ Tailings
- ▶ Current mine-waste discharge streams
- ▶ Primary lithium mica deposits

Escalating demand

- ▶ Revolutionary innovations in transport
- ▶ New renewable-energy storage solutions
- ▶ Emergence of smart-grid systems

Cinovec – non-binding HoA

- ▶ Giant lithium mica deposit in the Czech Republic
- ▶ Scoping study complete
- ▶ High-purity lithium carbonate produced
- ▶ Advancing to feasibility



FURTHER INFORMATION:

<http://lithium-au.com/>
info@lithium-au.com

Adrian Griffin +61 8 6145 0288