

7 April 2017

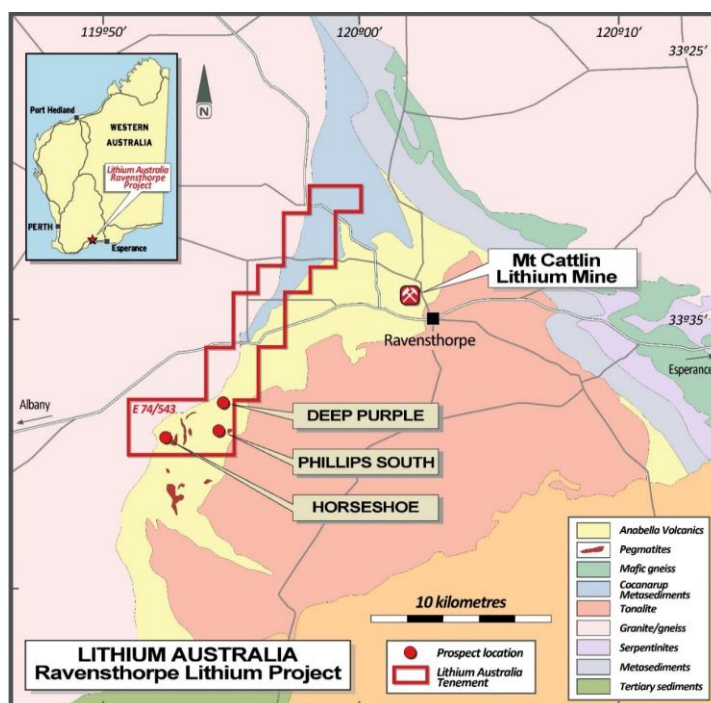
ANNOUNCEMENT

Aboriginal Heritage Survey completed at the Ravensthorpe Project

Lithium Australia NL (ASX: LIT) is pleased to announce it has completed the Aboriginal Heritage Surveys over LIT's Ravensthorpe lithium prospects; Horseshoe and Deep Purple, 15 km west-southwest of Ravensthorpe, Western Australia.

No sites of cultural significance were found within the prospect area. The survey was the last approval required before the planned costeaning and reverse circulation drilling programs planned for the near future.

The Horseshoe Prospect hosts an Exploration Target¹ of 900,000 tonnes of lithium mineralisation at a minimum grade of 1% Li₂O (with a size range from 525,000 t to 1,281,000 t and grade range of 0.8% - 1.2% Li₂O). Delays in undertaking the heritage survey and the planned costeaning and drilling were experienced due to the heavy rainfall in the Southwest Region of Western Australia during the month February 2017. The resulting flooding washed out many of the creek crossings, preventing access to the prospect areas.



¹ Exploration Target: The potential quantities and grades are conceptual in nature and there has been insufficient exploration to-date to define a Mineral Resource. It is not certain that further exploration will result in the determination of a Mineral Resource under the "Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves, the JORC Code" (JORC 2012). The Exploration Target is not being reported as part of any Mineral Resource or Ore Reserve.

Managing director, Adrian Griffin said:

“Exploration success at Ravensthorpe adds significant potential to our regional portfolio that has recently been strengthened by the recent airborne geophysical surveys at Lake Johnston. The identification of abundant lithium pegmatites at Ravensthorpe is of great significance as long since realized by Galaxy Resources, at nearby Mt Cattlin.

The Ravensthorpe pegmatites host a diversity of lithium minerals, including lepidolite, spodumene and zinnwaldite. These minerals are easily processed to produce battery-grade lithium chemicals using Lithium Australia’s Sileach™ process”

Adrian Griffin

Managing Director

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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. 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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Competent Persons Statement:

The information in this report that relates to Exploration Results together with any related assessments and interpretations is based on information compiled by Mr Peter Spitalny on behalf of Mr Adrian Griffin, Managing Director of Lithium Australia NL. Mr Spitalny is a Member of the Australasian Institute of Mining and Metallurgy and has sufficient experience relevant to the styles of mineralisation under consideration and to the activity which he has undertaken to qualify as a Competent Person. Mr Peter Spitalny consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.