



LITHIUM AUSTRALIA STRIKES GERMAN TIN JV WITH LITHIUM UNDERTONES

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THE BOURSE WHISPERER: Lithium Australia has signed a Joint Venture with Tin International AG, a subsidiary of Deutsche Rohstoff AG (ETR: DR0).

Lithium Australia explained the two entities completed due diligence - LIT on the Sadisdorf project TIN International on the Sileach process.

Lithium Australia said the Joint Venture will initially focus on the Sadisdorf project which is located in the Erzgebirge (Ore Mountains) of Saxony in Germany, an area with a long history of tin mining dating back to the Middle Ages.

Under the terms of the JV, Tin International receives a one-time cash payment of EUR 50,000 and 1,723,806 Lithium Australia shares.

Lithium Australia can earn a 15 per cent interest in the Joint Venture by spending EUR 750,000 in exploration on Sadisdorf until 30 June 2018 or the company can elect to pay the outstanding amount in cash to Tin International.

A further 35 per cent interest (for a total 50% interest) can be earned by spending an additional EUR 1.25 million in exploration until May 2020.

Lithium Australia explained its interest in the historic Sadisdorf tin mine stems from the presence of pervasive greisens which are known to contain abundant lithium mineralisation in the form of zinnwaldite, a lithium mica the company considers to be ideally suited to processing with its 100 per cent-owned Sileach process.

The Joint Venture's initial aims are to extend and upgrade the existing Sadisdorf JORC (2012) resource of 3.36 million tonnes inferred resource grading 0.44 per cent tin at a cutoff of 0.25 per cent tin by the addition of lithium data to quantify a poly metallic Resource.

TIN and LIT intend to expand that resource by further drilling in the first year of the Joint Venture.

The tin orebody is thought to contain the order of 15 per cent zinnwaldite, which the JV believes to be a prime target for supply of lithium into the European battery industry.

"Lithium Australia believes that developing strong European partnerships will be greatly support longer term efforts to supply the European market," Lithium Australia managing director Adrian Griffin said in the company's announcement to the Australian Securities Exchange.

"Developing a lithium project the calibre of Sadisdorf not only achieves that goal, but also adds to the global lithium mica inventory being accumulated by Lithium Australia."