

# ASX ANNOUNCEMENT



5 August 2021

## Issue of shares to Acuity Capital

Lithium Australia NL (ASX: LIT) (“the Company”) is pleased to announce that it has utilised its Controlled Placement Agreement (“CPA”) with Acuity Capital to raise \$1,775,000 (inclusive of costs) by agreeing to issue 15,000,000 fully paid LIT shares to Acuity Capital at an issue price of \$0.1183.

The 15m LIT shares will be issued out of the Company’s LR7.1A capacity. The issue price of \$0.1183 represents a 4.7% discount to the 15-trading day VWAP of \$0.1241 to 4 August 2021 (inclusive).

The funds raised will be used towards commercialisation of Envirostream’s recycling business, funding for the VSPC feasibility studies, funding for the LieNA® pilot plant and working capital. For more information on the CPA, please see previous Company announcements including 31 July 2017, 17 October 2017, 31 October 2017, 14 November 2017, 13 February 2018, 10 December 2019, 3 February 2020 and 22 January 2021.

In addition, LIT is pleased to announce that it has agreed with Acuity Capital to increase the maximum available capital under its CPA by an additional \$12.5 million.

As previously announced, the CPA provided the Company with up to \$12.5m of standby equity capital (see announcements above). The Company and Acuity Capital have agreed to increase the CPA facility to \$25 million. The Company has previously utilised the CPA to raise ~\$12m. Following the increase of the CPA limit to \$25m, the remaining standby equity capital available to the Company under the CPA is approximately \$13m.

As consideration for the above the Company has agreed to increase the shares held as security by Acuity Capital under the CPA to a total of 45 million shares through the issue of an additional 30 million shares out of its LR7.1 capacity (“Collateral Shares”). The Company may at any time cancel the CPA (including buying back and cancelling the Collateral Shares) for nil cash consideration (subject to any required regulatory and shareholder approvals).

Please note there is no requirement on Lithium Australia to utilise the CPA and there were no fees or costs associated with the increase in the CPA.

Relevant Appendix 2As and a cleansing statement will follow.

Please contact Barry Woodhouse if there are any questions in relation to this share issue.

Authorised for release by the Company Secretary.

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