

# ASX ANNOUNCEMENT



12 August 2020

## Lithium Australia raising equity to fund revenue growth

### KEY POINTS

- **Lithium Australia raises \$4 million via heavily oversubscribed placement to institutions and sophisticated and professional investors.**
- **Lithium Australia launches Share Purchase Plan ('SPP').**
- **Funds to be used to accelerate growth of Lithium Australia subsidiaries Envirostream Australia Pty Ltd (battery recycling) and Soluna Australia Pty Ltd (supplier of renewable energy storage systems).**
- **SPP allows eligible shareholders to subscribe for equity on terms identical to those for the placement to sophisticated and professional investors.**

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### Private placement

Lithium Australia NL (ASX: LIT, 'the Company') has received firm commitments for a \$4 million placement to institutions and sophisticated and professional investors through the issue of 75,471,698 fully paid ordinary shares at \$0.053 per share ('the Placement'). The placement was heavily oversubscribed.

BW Equities Pty Ltd acted as lead manager to the Placement. Placement shares will be issued, in accordance with the ASX Listing Rules, under the Company's existing 7.1 and 7.1A capacities. An Appendix 3B and then 2A will follow this release as appropriate.

### The SPP

Lithium Australia intends, by way of the SPP, to offer registered Company shareholders with an address in Australia or New Zealand ('Eligible Shareholders') as at 7.00 pm WST on **11 August 2020** ('Record Date'), an entitlement of fully paid ordinary shares (ASX: LIT) in the capital of the Company.

The SPP, which is targeting an additional equity issue of AU\$2 million, gives Eligible Shareholders the right to subscribe for up to \$30,000 worth of shares in the Company ('New Shares') free of brokerage and fees. Lithium Australia reserves the right (in its absolute discretion) to scale back applications under the SPP if demand exceeds \$2 million, and to close the SPP early.

New Shares will be issued at the same price as those for the Placement, being \$0.053 for each New Share, which represents a 16% discount to the volume weighted average trading price ('VWAP') of Company shares traded on the ASX during the five days immediately prior to the date of this release, in accordance with ASX Listing Rules. An Appendix 3B for the SPP will follow this announcement.

### SPP booklet

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Full details of the SPP can be found in the SPP booklet, scheduled to be sent to Eligible Shareholders on or around 14 August 2020.

Set out below is the proposed indicative timetable for the SPP. Other than the Record Date, the Company reserves the right to vary dates and times at its discretion without notice.

Event	Date
Record Date	7.00 pm (WST) on Tuesday, 11 August 2020
Announcement date	Wednesday, 12 August 2020
Mailing of offer documents to Eligible Shareholders	Friday, 14 August 2020
Offer opens	Friday, 14 August 2020
<b>Offer closes</b>	<b>5.00 pm WST, Monday, 7 September 2020</b>
Announcement of outcome of SPP	<b>Wednesday, 9 September 2020</b>
Allotment Date	<b>Thursday, 10 September 2020</b>
Trading of New Shares commences	Friday, 11 September 2020

In accordance with the instructions in the SPP booklet and on the personalised application form to be sent to Eligible Shareholders, Eligible Shareholders can pay for shares via BPAY® or by completing the application form and returning it to the Company's share registry, together with a cheque or money order, by 5:00 pm WST on Monday, 7 September 2020.

For further information, please contact the Company Secretary on +61 8 6145 0288.

## Application of funds

Monies raised under the Placement and SPP will be used to fund:

- commercialisation of Envirostream Australia's battery recycling business;
- enhancement of Envirostream Australia's marketing and collection network;
- marketing costs for Soluna Australia's renewable-energy storage systems, and
- additional working capital for the Company.

## Request for lifting of trading halt

On [10 August 2020](#) Lithium Australia entered a voluntary trading halt pending the release of an announcement regarding a capital raising. The Company requests that the ASX lift the trading halt to allow trading in the Company's securities to resume.



## Comment from Lithium Australia MD Adrian Griffin

"Strong demand for the Placement is an endorsement of the quality of an investment in the Company. Our diversified exposure to the fast-growing battery industry makes this investment opportunity unique. Lithium Australia has significant intellectual property in terms of battery technology and a sound understanding of the entire battery supply chain. The Company's efforts have been recognised by the Australian federal government through the award of a number of substantial research grants that will progress the nation's advanced battery capabilities.

"Together the Placement and SPP will allow Lithium Australia to fast-track the growth of Soluna Australia and Envirostream Australia, both of which anticipate significant revenue growth this financial year."

Authorised for release by the Board.

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## About Lithium Australia NL

Lithium Australia aims to create a circular battery economy, enhancing sustainability and energy security in the process. Recycling spent lithium-ion batteries is intrinsic to this plan. As the Company continues to rationalise its portfolio of lithium projects/alliances, R&D on its proprietary lithium extraction processes is ongoing, while marketing of its renewable-energy storage systems for the Australian market recently commenced. Through resources, research and innovation, Lithium Australia seeks to vertically integrate lithium extraction, processing and recycling, providing investors with ethical, diversified exposure to the fast-growing battery and energy-metals sectors.

## Media contacts

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