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## Lithium Australia completes sale of Lepidolite Hill Lithium Project

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### HIGHLIGHTS

- Lithium Australia has completed a sale of 70% of the Lepidolite Hill Lithium Project to Eastern Resources (ASX:EFE).
- Consideration of A\$150,000 received from Eastern Resources to date with the final A\$400,000 due once mining licence is granted.
- A joint venture partnership between Lithium Australia and Eastern Resources will now be formed.
- Before the DFS notification, Eastern Resources can elect to acquire Lithium Australia's remaining 30% interest by paying A\$1,000,000 in cash or shares.

### Background

Lithium Australia Limited (ASX: LIT) ('Lithium Australia', or 'the Company') is pleased to announce that it has completed the previously announced acquisition and joint venture agreement with Eastern Resources Ltd (ASX: EFE) ('Eastern Resources'), for the sale of a 70% interest in the Lepidolite Hill Lithium Project ('Agreement')<sup>1</sup>.

The Company has received A\$150,000 (Tranche 1: A\$50,000 and Tranche 2: A\$100,000) in cash with the final tranche of A\$400,000 payable within 10 business days of the date that Mining Lease M15/1874 is granted and transferred to Eastern Resources. Eastern Resources may, up until a notification that a definitive feasibility study (DFS) has been completed, elect to acquire Lithium Australia's 30% participating interest by paying A\$1,000,000 in cash or Eastern Resources shares (determined on a 20-day VWAP).

A joint venture will be formed to develop the Lepidolite Hill Lithium Project, where Eastern Resources will be the initial manager. The Company's 30% interest will be free carried until a definitive feasibility study has been completed.

Lithium Australia and Eastern Resources will collaborate towards an offtake agreement of up to 30% of the lithium product extracted from the Lepidolite Hill Lithium Project.

Authorised for release by the Board.

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<sup>1</sup> See ASX announcement dated 8 May 2023.

## Forward-looking statements

This announcement contains forward-looking statements. Forward-looking statements are subject to a variety of risks and uncertainties that it is beyond the Company's ability to control or predict and which could cause actual events or results to differ materially from those anticipated in such forward-looking statements.

## About Lithium Australia

Lithium Australia Limited (ASX: LIT) (**'Lithium Australia'**, or **'the Company'**) delivers customer focused solutions for the lithium-ion circular battery materials industry that will accelerate global electrification. We will do this through lithium-ion battery recycling at Envirostream, development of leading-edge cathode active materials for e-mobility and energy storage applications at VSPC, and through the development of other novel technology solutions, such as the lithium extractive processing technology LieNA<sup>®</sup>.

Our values ground our thinking and approach. Our people's capabilities are at the heart of our success. They are focussed on creating a safe and inclusive work environment, working with a people centred approach to build meaningful partnerships, and actively respecting and trusting one another. All with the aim to deliver creative technology solutions to improve sustainability and help decarbonise the world.

**Envirostream (100%-owned LIT subsidiary):** Recycling of end of life ('EOL') batteries via Envirostream underpins the Company's ESG credentials. Envirostream, which is leading Australia's battery recycling industry, is well-positioned to take advantage of the expected significant increase in volumes of spent batteries available for recycling, particularly as a result of vehicle electrification and Australia's national battery stewardship scheme.

**VSPC (100%-owned LIT subsidiary):** The production of LFP cathode powder for lithium-ion batteries ('LIBs') via VSPC represents a significant commercial opportunity. An accelerated strategy is being developed to increase production capacity of LFP and lithium manganese ferro phosphate ('LMFP'), both of which are subject to strong industry support for offtake development.

**LieNA<sup>®</sup> (100%-owned LIT technology):** The LieNA<sup>®</sup> processing technology allows a unique method of refining fine or low-grade spodumene to produce high-purity lithium chemicals. With an expected increase in lithium chemicals demand and an industry focus on improving sustainability of lithium chemical production worldwide, the company is now seeking potential partners to commercialise the opportunity.