

ASX ANNOUNCEMENT

20 July 2017

Tanzanian Natural Resources Legislative Changes - Update

Liontown Resources Limited ("**Liontown**" or "**the Company**") notes that amendments to the legal framework governing the natural resources sector in Tanzania, referred to in the Company's ASX announcement dated 3rd July 2017, have now been passed by the Tanzanian Parliament.

Links to the new legislation can be found on Liontown's website [here](#).

The full impact of the new legislation on Liontown's activities in Tanzania has still yet to be fully determined; however, it does appear to increase risk and uncertainty of the Company's tenure over the Simba and Panapendesa gold resources at the Jubilee Reef Project.

Prior to the passing of the recent amendments, The Tanzanian Mining Act (2010) provided companies with the right to apply for a Retention Licences (RL) over resources that were uneconomic at prevailing prices but that may be mineable within the foreseeable future.

In accordance with applicable law at the time, Liontown lodged a RL application over the Simba and Panapendesa gold resources in April 2017. The new legislation has repealed the right to apply for RLs; however, it is currently unclear as to how existing RL applications will be treated in the absence of a savings provision and new mining act regulations.

Liontown's primary focus remains on its portfolio of lithium projects in Australia.

The Company has therefore closed its Tanzanian office and retrenched all professional staff but will retain a senior consultant in the country to administer its current tenement portfolio until the practical effects of changed legislation are understood.

Further updates on the effects of the legislative changes to the Company's Tanzanian projects will be provided when known.

A handwritten signature in black ink, appearing to read "David Richards".

DAVID RICHARDS
Managing Director

20 July 2017