



CHAIRMAN'S ADDRESS
ANNUAL GENERAL MEETING
22 NOVEMBER 2011

I am pleased to report that Liontown has made major advances this year and I believe the Company is poised to deliver some exciting results over the next 12 months.

At the forefront of this has been our shift in focus to Tanzania where we have not only received outstanding results at our Jubilee Reef Gold Project where we have a joint venture with Canadian company, Currie Rose Resources, but also expanded our activities by signing other joint ventures including a deal with African Barrick to explore for iron ore on part of their large ground position in northern Tanzania. We have also applied for own tenements in the country.

Whilst still early days, the results from our maiden drilling program at the Jubilee Reef Project have highlighted the potential for a major gold system, particularly at Masabi Hill. Further drilling is required to further our understanding of the system and to work out the extent of the mineralisation however, we are quietly confident that we may be on the verge of a new discovery. We have a RAB/Aircore rig on site and we are endeavouring to secure a RC/Diamond core rig to follow up the recently announced results.

In a significant achievement, Liontown has entered into a joint venture with African Barrick, whereby Liontown can earn up to 70% of any iron ore discovery on a project area which consists of some 530 square km in the Lake Victoria Goldfield District. We have an initial 6 month period to undertake a preliminary assessment of the iron ore potential of the area before committing to a more detailed exploration program.

The Lake Victoria Goldfield is a similar geological terrain to the Mid-West region of Western Australia where a number of large iron ore resources have been discovered; however, there has been very little exploration for this commodity in the Tanzania. The joint venture will

complement exploration on the Jubilee Reef JV where, in addition to the gold potential, Liontown is also assessing the iron ore potential associated with significant thicknesses of BIF.

In Queensland, our other geographical focus, we concentrated our activities on two projects; in our own right the Panhandle Project, and at Mt Windsor, our joint venture partner Ramelius Resources continued a well funded exploration program. The predominant commodity focus is gold and silver although we remain alert for the potential discovery of other commodities.

At Panhandle, drilling has intersected a major hydrothermal system with strongly anomalous silver, lead and zinc.

At Mt Windsor, Ramelius has spent almost \$3 million since entering the Joint Venture in April 2010. Ramelius, which can earn 60% equity by spending \$7 million over 4 years, has recently completed a 2,850m RC/Diamond drilling program across 4 targets. Assays are pending for most of these holes. In addition to the drilling, geophysical surveys are in progress to define other targets for drilling.

I would also like to thank shareholders for their continued support of the Company in turbulent economic times, and look forward to rewarding that support through generating catalysts for future capital growth in our share price going forward.

Liontown's Managing Director, David Richards will provide a short presentation at the conclusion of the formal meeting.

A handwritten signature in black ink, appearing to read 'Tim Goyder', with a stylized flourish at the end.

TIM GOYDER
Chairman