



Chairman's Address to 2018 Annual General Meeting

Good morning everyone, my name is Tim Goyder and I am the Chairman of Liontown Resources.

I'd like to begin by briefly recapping what has, without question, been a transformational year for our company during which we achieved multiple milestones across our Australian battery metals portfolio.

Key highlights have included the completion of major drilling programs across our key lithium projects, the establishment of maiden lithium and vanadium resources at our Kathleen Valley and Toolebuc Projects, confirmation of a second major lithium discovery at the Buldania Project, and the commencement of initial economic studies at Kathleen Valley.

I am confident that the strong foundations we have established have positioned us to create significant value for shareholders as we move into a new phase in 2019 when we will continue to grow our resource inventory, complete Scoping and Feasibility Studies and commence discussions with potential off-take partners.

Kathleen Valley

Our exploration success at Kathleen Valley has delivered an impressive maiden high-grade lithium-tantalum Resource of ~21 million tonnes. Importantly, we believe there is a lot more to come at Kathleen Valley in terms of its size potential.

With a grade of ~1.4% Li₂O and 170ppm Ta₂O₅, the Kathleen Valley deposit sits comfortably ahead of most other undeveloped lithium deposits located in Tier-1 mining jurisdictions. In addition, the benefits arising from the Project being located on granted Mining Leases and surrounded by high quality infrastructure cannot be underestimated.

Given these favourable characteristics, we intend to advance the Project as quickly as possible, with metallurgical test work already delivering encouraging results and confirming that a saleable lithium concentrate can be produced.

A Scoping Study is well advanced and we look forward to releasing the results in early 2019.

Buldania

Drilling at the Buldania Lithium Project has confirmed a second outstanding lithium discovery.

At the main Anna prospect, drilling has intersected significant widths and grades of lithium mineralisation including zones of up to 58m at 1.2% Li₂O over a strike length which has recently been extended to approximately 1.3km with the mineralisation remaining open in all directions.



We have continued to increase our prospective footprint in the region and now have a largely contiguous, district-scale land position in the Norseman area of ~650km². We believe the exploration potential is outstanding with more than 20km strike of prospective stratigraphy and a number of recently discovered spodumene-bearing pegmatites yet to be drilled.

It is the scale potential of the consolidated Buldania package that is particularly exciting. Also, the infrastructure in the area is excellent, being located just 30km east of Norseman, WA and a major railway line that services the mineral-exporting port of Esperance 200km to the south. There are also other operating lithium mines in the area, potentially providing future processing alternatives.

Toolebuc

Further afield, we made significant progress during the year at the newly-acquired Toolebuc Vanadium Project in Queensland, with the announcement of a maiden ~84 million tonne JORC vanadium Resource. Having a significant vanadium deposit on our books represents an excellent strategic fit with our Australian battery metals focus. Vanadium has been one of the strongest performing commodities of the past two years, with prices rising more than 400% since 2017 to over US\$30 a pound.

Like our WA projects, the Toolebuc Project has excellent infrastructure links and has the potential to host very large-scale vanadium deposits. We will be working hard to advance this project as quickly as possible, alongside our WA lithium assets.

Independently, each of these three projects has progressed from early-stage exploration to confirmed discoveries with significant defined Mineral Resources – or the potential to quickly establish a maiden Resource – in the space of less than 12 months.

Collectively, these advances provide a strong foundation to transform Liontown into a high-quality raw materials supplier to the booming global battery metals industry. Our small but growing team is energised and intent on progressing all of our assets to the next stage with the objective of unlocking the value of our emerging strategic metals portfolio for the benefit of our shareholders.

Frustratingly, these successes have been achieved against a backdrop of general confusion across the lithium market and very difficult conditions in the junior resources market generally due to an unusual combination of geopolitical and global economic factors which have sparked a renewed bout of global market volatility.

As a result, I do not believe that the quality of our assets or the significant progress we have achieved has been reflected in our share price to any degree. This is a situation which simply cannot last.

We share the view of most of the mainstream lithium producers (and many respected analysts) that the market fundamentals for lithium remain strong and that there will continue to be room for new, quality hard rock lithium projects located in Tier-1 mining jurisdictions for many years to come.

In the meantime, we will continue to focus on advancing our quality projects towards commercial development as quickly as possible.



The achievements of 2018 are testament to the hard work and leadership of our Managing Director, David Richards, and I would like to acknowledge his significant contribution and efforts during the year. He has been well-supported by Liontown' Exploration Manager, Jamie Day, and his dedicated team of skilled employees.

In conclusion, I would also like to take this opportunity to also thank all of our shareholders, my fellow directors and executives for their continued and valued support over the past year.

I look forward to another busy year ahead for Liontown, and I believe we have much more to achieve.

A handwritten signature in blue ink, appearing to read "Tim Goyder".

Tim Goyder
Chairman

Forward Looking Statement

This report contains forward-looking statements which involve a number of risks and uncertainties. These forward looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this announcement. No obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.