

LIONTOWN'S LONG LIFE

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Liontown Resources
managing director Tony
Ottaviano.
Picture: Amber Lilley

Kathleen Valley lithium project tipped to span 40 years

Liontown Resources is roaring with a bullish outlook on the lithium market and its flagship project near Leinster where it has projected a mine life of four decades.

Yesterday Liontown boss Tony Ottaviano delivered a compelling case for the underlying fundamentals of the lithium play's Kathleen Valley project.

The former BHP bigwig's presentation to the annual Diggers & Dealers Mining Forum included the potential for tweaks to its pre-feasibility study ahead of a definitive feasibility study earmarked for the next quarter.

It also included a bold plan to power the project through 50 per cent renewable power from first production in 2024 before moving to 100 per cent renewable by 2034.

Liontown's strength has been demonstrated in its share price.

The lithium play's stock has more than doubled since May on the back of surging lithium prices as the world moves to embrace the electric vehicle revolution to meet greenhouse gas

emission reduction targets.

Before Liontown's presentation yesterday, it was pointed out that anyone who bought the lithium play's stock at the 2017 talkfest "would now be sitting on a 10,500 per cent return".

Last month, the company hailed a landmark \$52 million capital raising in its efforts to hasten the pace of development at the Kathleen Valley project. Liontown said it would use the cash to bring Kathleen Valley's development schedule ahead by 12 months in a bid to take advantage of an expected global supply crunch in the battery metal in 2024.

That came before the company this week revealed it would fork out \$30.25m to Ramelius Resources to terminate the royalty held by the goldminer over Kathleen Valley.

Liontown said that removing the royalty, which had stood since 2016, would reduce operating costs while optimising the lithium hopeful's overall economic profile.

Mr Ottaviano, who took the helm at Liontown in May, yesterday said the project added up and the global lithium market was expected to grow.

"It was a big decision for me to move from BHP, but once I did my due diligence and saw the quality of the resource my decision was quite simple," he said.

"We see the lithium global market growing at 19 per cent but we see the sector that we're placed in, the lithium hydroxide sector, growing even more at 25 per cent."

Mr Ottaviano said the company's definitive feasibility study was on track for the December quarter.

"We will be doing certain optimisations around the mine schedule, around the process flow sheet and whether we can (do) better than the PFS in terms of the mine production," he said.

"These are all areas that we'll focus on in terms of improving the value drivers for the project.

"My 30-plus years in business has taught me that there's a golden opportunity here that doesn't present too often where I've got a clean sheet to build something . . ." he said.

Liontown also holds the Buldania lithium project, which hosts a resource estimate of 15 million tonnes at one per cent lithium oxide for 144,530 tonnes of lithium.