

December 2021 Quarterly Report

Transformational Quarter for Liontown with release of the DFS for the Kathleen Valley Lithium Project, landmark Native Title Agreement and completion of \$450m Institutional Placement putting Liontown on track to become a world-class battery materials producer with class-leading ESG credentials.

Highlights:

Kathleen Valley Lithium Project (100% owned)

Definitive Feasibility Study (DFS)

- Confirms Kathleen Valley's status as a Tier-1 global mining and processing lithium project, delivering outstanding economics and sector-leading sustainability credentials.
- ~23-year mine life, based on production rate of 2.5Mtpa at start-up to deliver ~500ktpa of spodumene concentrate, increasing to 4Mtpa in Year 6 to deliver ~700ktpa of spodumene.
- The Project delivers compelling economics with a Post Tax NPV_(8%) of A\$4.2B, a payback of 2.3 years and a Life of Mine (LOM) free cash flow (post tax) of A\$12.2B.
- Overall planned renewable power is projected to be 60% at start-up – Liontown is expected to be one of the first mining companies in Australia to have this level of renewables at start-up.
- Final Investment Decision targeted for Q2, 2022; production expected to commence H1, 2024.

Downstream Scoping Study (DSS) – proposed refinery

- Potential growth opportunity for Kathleen Valley to proceed in a staged manner to an integrated mining, processing and refinery producing battery-grade lithium hydroxide monohydrate (LHM).
- End-state integrated mine to refinery production of ~86ktpa of LHM, making it one of the largest refineries outside of China in a Tier-1 operating jurisdiction.
- Compelling economics supports being a downstream fully integrated lithium producer and justifies progressing to a Pre-Feasibility Study.
- The DSS contemplated a ~86Ktpa lithium hydroxide monohydrate (LiOH.H₂O) ("LHM") refinery at Kathleen Valley commencing production in Q2 2029. This delivers a compelling post-tax integrated Project NPV_{8%} (real) of A\$9.6B and IRR of 56% with an average annual EBITDA of A\$2.6B during refinery operation.

Native Title Agreement

- Pivotal Native Title Agreement (NTA) signed with the Tjiwarl Native Title Holders, a group of families who are the Traditional Owners of the land at Kathleen Valley, representing a major milestone for the Project that enables the finalisation of remaining permitting submissions ahead of Final Investment Decision.

Offtake

- In January 2022, Lontown executed a binding Offtake Term Sheet with South Korean-based LG Energy Solutions for the supply of 100,000 dry metric tonnes (DMT) of spodumene concentrate SC6.0 in the first year, increasing to 150,000 DMT per year in subsequent years.
- The landmark Offtake Term Sheet is strongly aligned with Lontown's offtake strategy, which is targeting Tier-1 customers downstream in the global battery value chain.
- Lontown continues to progress negotiations with other potential Tier-1 global customers which would complement its off-take strategy.

\$450m Institutional Placement

- Institutional Placement that raised **~A\$450 million** (before costs) completed in December 2021.
- **Strong demand** received from **high-quality domestic and offshore institutions** providing a strong endorsement of Lontown's world-class Kathleen Valley Lithium Project.
- Lontown now has **a significant capital base from which to accelerate development of Kathleen Valley**.
- SPP for all eligible existing shareholders to **raise up to A\$40 million** (before costs) closed on 28 January 2022 with results pending.

ESG Report

- In November 2021, Lontown released its inaugural Environmental, Social and Governance (**ESG**) Report, summarising the Company's strategy and performance on its most critical ESG issues for the year ended 30 June 2021.
- Lontown has established a Climate Strategy Roadmap, that puts it on a trajectory to achieve **net zero emissions by 2034**.

Minerals 260 Demerger and IPO

- Minerals 260 Limited (**ASX:MI6**) (**Minerals 260**), which was established for the demerger of Lontown's non-lithium Western Australian exploration assets, was successfully demerged and completed its Initial Public Offering (IPO), listing on the ASX in October 2021.

Corporate

- Lontown was included in the benchmark **S&P ASX 200 Index** of the Australian Securities Exchange, effective from 20 December 2021, and the MSCI Australia Index, effective from 30 November 2021, reflecting the substantial increase in its market capitalisation, daily trading volumes and the depth of its share register.
- **Ms Jennifer Morris** OAM joined the Company's Board as an independent Non-Executive Director following her election at the Annual General Meeting in November 2021.
- Cash balances and funds on deposit as at 31 December 2021 of A\$461m.

Management Overview

Liontown's Managing Director and CEO Tony Ottaviano commented:

"The December Quarter was one of the most significant periods in Liontown's history. The remarkable achievements of the past few months have put us on a rapid growth trajectory to become one of the world's most significant new lithium producers at our Tier-1 Kathleen Valley Lithium Project.

"The Definitive Feasibility Study handed down in November was a major milestone for Liontown, with the study results confirming the potential to develop a globally significant spodumene operation with exceptional financial metrics and returns. Importantly, the DFS highlighted a growth pathway that will see Kathleen Valley become a 700ktpa spodumene operation within six years of operations.

"Plus, the Downstream Scoping Study has mapped out a long-term value maximising pathway for Liontown based on a fully integrated mining, processing and refining operation producing battery grade Lithium Hydroxide. This is a very exciting opportunity, both for us and the State of Western Australia.

"The signing of a landmark Native Title Agreement with the Tjiwarl Native Title Holders has set a new benchmark for collaboration with Traditional Owners across the mining industry. Importantly, this agreement has set the foundations for a long-term partnership with the Tjiwarl that we believe will stand the test of time as we develop a new long-life lithium mining and processing hub at Kathleen Valley.

"These huge achievements paved the way for the \$450 million institutional placement we completed in December. This pivotal capital raising has de-risked our development pathway and put us firmly on track to achieve our objective of becoming a world-class battery materials company.

"The signing of a historic first Offtake Term Sheet with LG Energy Solutions in January represented another fantastic outcome for Liontown. The Offtake Term Sheet represents a strong validation for the Tier-1 credentials of the Kathleen Valley Project as one of the world's premier new spodumene projects. Having a customer of the calibre and standing of LGES endorse the Project, by signing up to become a foundation customer, represents a significant vote of confidence in Kathleen Valley.

This announcement has been authorised for release by the Board.



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1. Kathleen Valley Lithium Project, WA (Liontown: 100%)

The Kathleen Valley Lithium Project (**Kathleen Valley** or the **Project**) is in Western Australia, ~680km north-east of Perth and ~350km north-north-west of Kalgoorlie, within the Eastern Goldfields of the Archaean Yilgarn Craton (**Figure 1**). Liontown commenced work at Kathleen Valley in 2017 and has since defined a world-class Mineral Resource Estimate of **156Mt @ 1.4% Li₂O and 130ppm Ta₂O₅** and completed a Definitive Feasibility Study which confirms the potential for a long-life, standalone mining and processing operation.

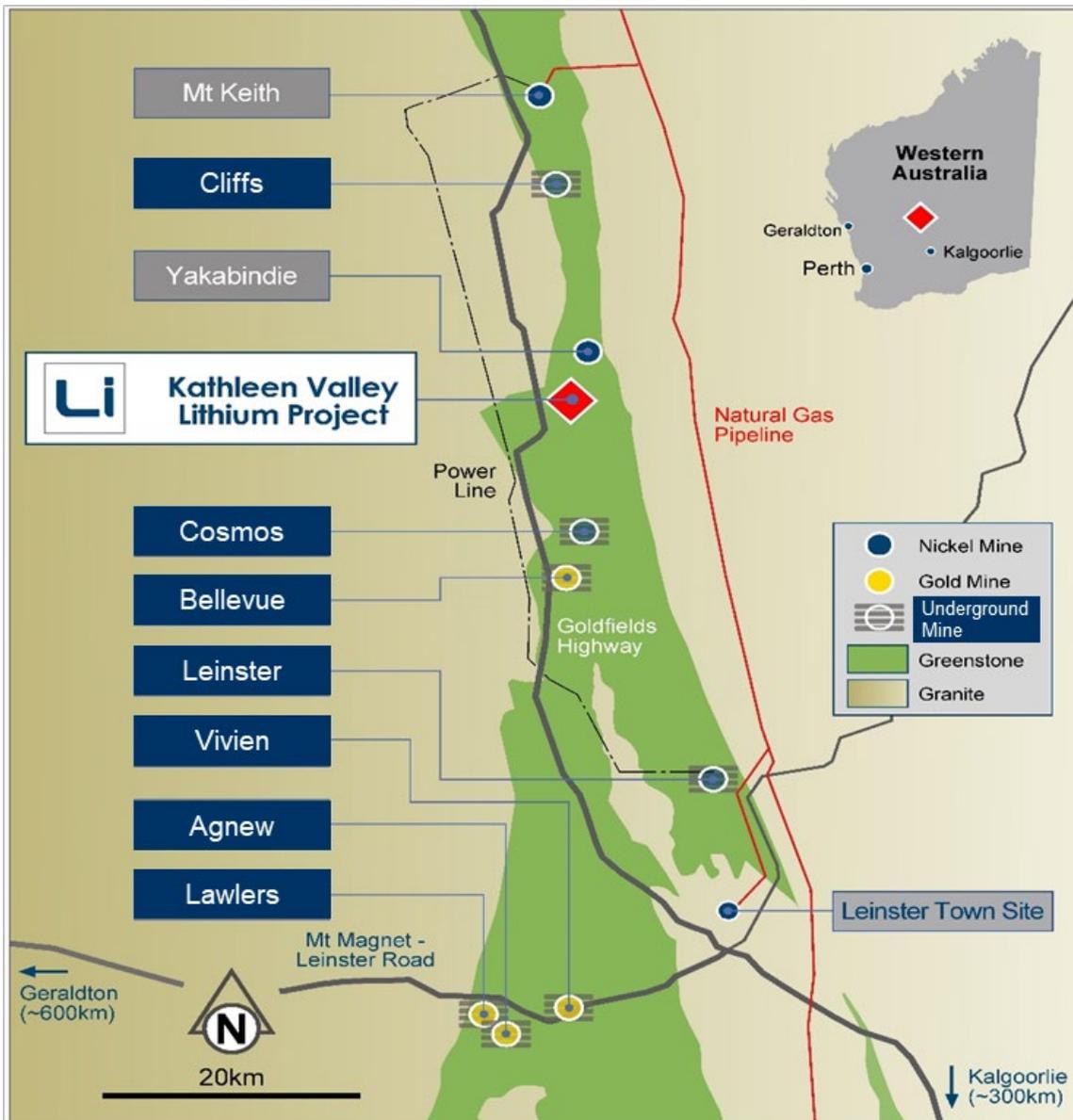


Figure 1: Kathleen Valley Lithium Project – Location and Geology Plan.

During the Quarter, Liontown made substantial progress towards development of the Kathleen Valley Lithium Project, achieving the following significant milestones:

- Completion of a **Definitive Feasibility Study** to develop a second-generation lithium tantalum mining and processing operation with throughput capacity of 2.5Mtpa expanding to 4Mtpa in year six of operations.
- Completion of an **updated Scoping Study** into the viability of refining the spodumene concentrate onsite to produce Lithium Hydroxide.
- Executed pivotal **Native Title Agreement** with the Tjiwarl Native Title Holders, a group of families who are the Traditional Owners of the land at Kathleen Valley.

Subsequent to Quarter end, Liontown has continued to progress the Project with execution of its first Offtake Term Sheet with South Korean-based LG Energy Solutions for the supply of spodumene concentrate from Kathleen Valley. It also awarded a key ~A\$10m contract to Metso-Outotec for the design, fabrication and delivery of a Semi Autogenous Grinding (SAG) Mill which represents the largest single piece of equipment required to be purchased for the Project by size, value and lead time.

Definitive Feasibility Study

Overview

The Company completed the Definitive Feasibility Study (DFS) for its 100%-owned Kathleen Valley Lithium Project in November 2021, with the results confirming the potential to develop a leading second-generation lithium-tantalum mining and processing operation in Western Australia's Northern Goldfields.

Building on the PFS completed in October 2020, the DFS outlined a Tier-1 global lithium project with exceptionally strong financial and technical merits, combined with a class-leading sustainability and ESG framework that is being fully integrated with the Project's development.

The DFS examined the establishment of an initial 2.5Mtpa mining and Whole-of-Ore Flotation (WOF) processing operation delivering an annual steady state 511ktpa of spodumene concentrate at a grade of 6% Li₂O (SC6.0) and 428tpa of 30% tantalum concentrate (inclusive off-site upgrade) at full production.

Production will expand to 4Mtpa during Year 6, allowing production to scale-up to a peak production of over 700Ktpa of SC6.0 and 587tpa of 30% tantalum concentrate.

Ore will initially be sourced from two small open pits, however from Year 2 of operations ore will be sourced from underground, with ore processed to concentrate the lithium and tantalum before being sold to third parties.

Figure 2 shows the proposed site layout including mining areas, processing facilities and non-process infrastructure.

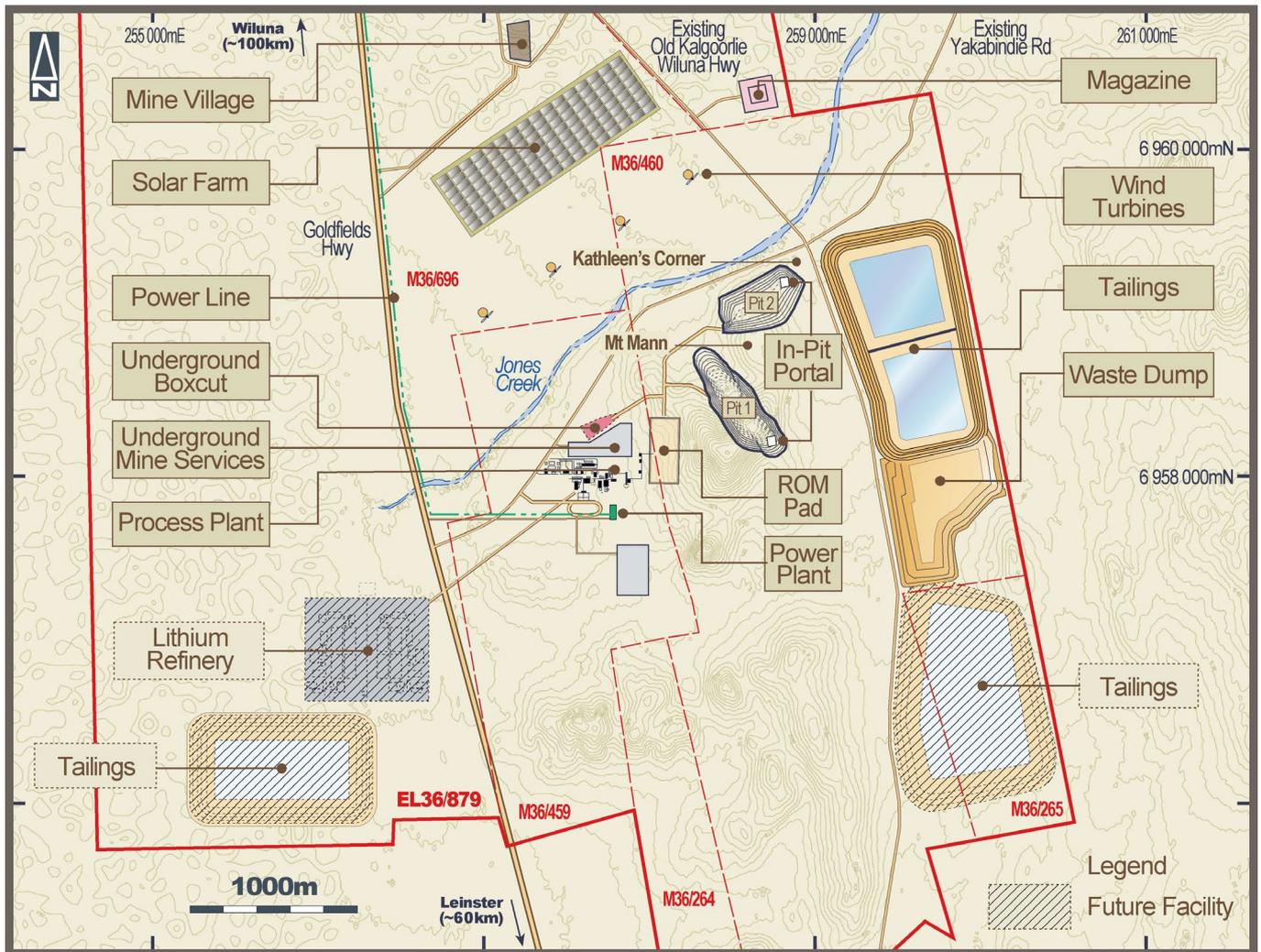


Figure 2: Kathleen Valley Project – Proposed mine site layout.

An integrated and value-adding ESG focus was adopted as part of the DFS, ensuring that project permitting, social licence and engineering-related initiatives are permeated throughout the mine schedule, power usage/supply mix and project layout. Importantly, an economic 'yardstick' was attached to all ESG considerations to ensure they add value to the project.

The sustainability, financial and operational outcomes demonstrated in the DFS were significantly enhanced compared to the October 2020 PFS because of the strong SC6.0 price outlook, a modified process plant flowsheet and, importantly, optimised mine plans which provide early access to higher-grade mineralisation without significant capital penalty.

The DFS used Roskill's long-term forecast prices resulting in a weighted average price assumption for spodumene concentrate of US\$1,392/t FOB for SC6.0 product.

Capital costs were updated as part of the DFS to reflect the current "hot market" conditions in the WA resource sector and in global supply chains generally, with an overall increase of 15-20% (weighted) in steel, copper and labour prices incorporated in to cost estimates. A productivity allowance was also incorporated to account for COVID-19 impost.

In addition, several key capital items in both the mine and processing plant have been scaled at 4Mtpa throughput capacity as part of the initial upfront capital spend to facilitate the planned increase in production capacity to 4Mtpa in Year 6 with minimal impact on the operations of the Project. The expansion to 4Mtpa will be funded from cash-flow.

Updated Ore Reserve

Snowden Mining Industry Consultants (Snowden) was responsible for the mining component of the DFS. Snowden prepared the Ore Reserve Estimate (JORC 2012) for the Kathleen Valley underground and open pit mines as of November 2021, which is summarised in **Table 1**.

Table 1: Kathleen Valley Project – Ore Reserve Estimate (November 2021).

Category	Tonnage (Mt)	Li ₂ O (%)	Li ₂ O (T)	Ta ₂ O ₅ (ppm)	Ta ₂ O ₅ (T)
Underground					
Proved	-	-	-	-	-
Probable	65.4	1.34	878,966	119	7,799
Sub-Total	65.4	1.34	878,966	119	7,799
Open Pit					
Proved	2.7	1.30	33,581	141	374
Probable	0.5	0.93	4,696	148	75
Sub-Total	3.2	1.21	38,277	142	449
TOTAL	68.5Mt	1.34%	917,243t	120ppm	8,247t

Notes:

- Tonnages and grades are diluted and reported at Li₂O cut-off grade of 0.5% (open pit) and 0.7 -1.2% (Underground) and use a US\$740/ dmt FOB SC6.0 pricing assumption;
- Tonnages and grades have been rounded.

The Ore Reserve Estimate is based on the updated Mineral Resource Estimate (MRE) of **156Mt at 1.4% Li₂O and 130ppm Ta₂O₅** reported on 8 April 2021. The Measured, Indicated and Inferred MRE was prepared by independent specialist resource and mining consulting group Optiro Pty Ltd and is summarised in **Table 2**.

Table 2: Kathleen Valley Project – Mineral Resource Estimate (April 2021)

Cut-off grade Li ₂ O %	Resource Category	Million tonnes	Li ₂ O %	Ta ₂ O ₅ ppm
0.55	Measured	20	1.3	145
	Indicated	109	1.4	130
	Inferred	27	1.3	113
TOTAL		156	1.4	130

Notes:

- Reported above a Li₂O cut-off grade of 0.55%;
- Tonnages and grades have been rounded to reflect the relative uncertainty of the estimate.

The Ore Reserve and Mineral Resource are reported and classified in accordance with the guidelines of the 2012 Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code; 2012). The Mineral Resource is reported inclusive of the Ore Reserve.

Mineral Resources were converted to Ore Reserves in line with the material classifications which reflect the level of confidence within the Resource estimate. The Ore Reserve reflects that portion of the Measured and Indicated Mineral Resource which can be economically extracted by open pit and underground mining methods.

The Ore Reserve estimate considers the modifying factors and other parameters, including geotechnical, mining, metallurgical, hydrology, capital and operating costs, prices and recoveries, social, environmental, statutory, and financial aspects of the Project. **Figure 3** shows the proposed open pit and underground development.

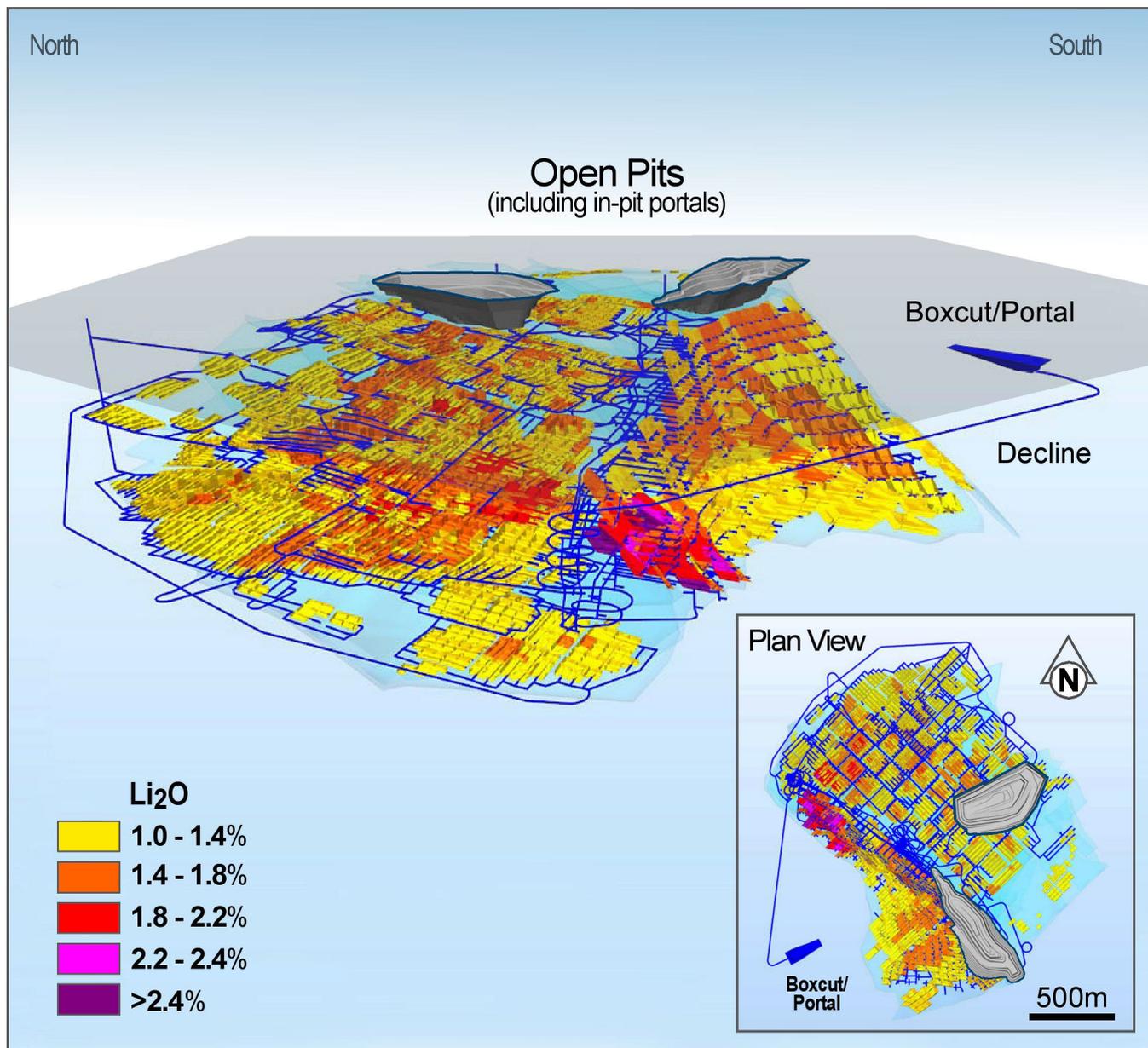


Figure 3: Kathleen Valley Project – Proposed mine development showing ore stopes by grade

Metallurgy

An extensive metallurgical test work program completed for the DFS confirmed the ability to produce a low impurity 6-6.5% Li₂O concentrate while also producing a ~12% Ta₂O₅ concentrate onsite.

The metallurgical process developed consists of 2-stage crushing followed by milling, a sequential magnetic-gravity circuit for tantalum extraction followed by whole-ore flotation (WOF) and filtration to produce a +6% Li₂O Concentrate. The plant design was optimised by Lycopodium to ensure efficient ramp-up, throughput and recovery certainty but also provisioning for better operability and maintenance.

DFS Financial Outcomes

Based on a proposed increased 2.5-4Mtpa standalone mining and processing operation, the DFS has demonstrated very strong financial metrics for the Project as shown in **Table 3**.

Table 3: Kathleen Valley Project – DFS Base Case Key Metrics.

Study Outcomes	DFS
Post-tax NPV _{8%} (real, post-tax) (A\$B)	\$4.2B
Internal Rate of Return (IRR %)	57%
Payback (years post-production)	2.3
Life of mine (years)	~ 23 years
Pre-production capital cost (A\$M) ⁽³⁾⁽⁴⁾	\$473M
Cash operating cost (Years 1-5, US\$/dmt) ⁽¹⁾⁽²⁾ (including tantalum credits)	~US\$314/dmt of SC6.0
Cash operating cost (Years 1-10, US\$/dmt) ⁽¹⁾⁽²⁾ (including tantalum credits)	~US\$319/dmt of SC6.0
Cash operating costs (LOM, US\$/dmt) ⁽¹⁾⁽²⁾ (including tantalum credits)	~US\$327/dmt of SC6.0
Cash operating costs (LOM, US\$/dmt) ⁽¹⁾⁽²⁾ (including tantalum credits and royalty)	~US\$433/dmt of SC6.0
AISC (Years 1-10 US\$/ dmt) ⁽⁵⁾	~US\$452/dmt of SC6.0
Average steady state production	SC6.0 - 511ktpa first four years and 658ktpa after year six (excludes 12-month ramp-up at start), 30% Ta ₂ O ₅ concentrate - 428tpa first four years and 587tpa after year six (excludes 12-month ramp-up at start).

Notes:

¹ Cash operating costs include all mining, processing, transport, freight to port, port costs and site administration, tantalum credits and overhead costs. Excludes sustaining capital, expansion capital and royalties.

² Royalties are predominantly sales price dependent therefore not included, DFS Li₂O weighted average price of US\$1,172/t FOB for years 1-5, US\$1,287/t FOB for years 1-10, US\$1,392/t FOB for LOM. Royalties equate to US\$88/t for years 1-5, US\$98/t for years 1-10 and US\$106/t for the for LOM.

³ Pre-Production Capital Costs includes Project Capex, \$107M preproduction, \$23M paste fill plant & \$31M contingency.

⁴ Project CAPEX excludes working capital, finance costs, sustaining capital and corporate costs associated with project development.

⁵ All in Sustaining Capital Costs (AISC), as referred to in this announcement, are cash operating costs including all mining, processing, transport, freight to port, port costs, site administration/ overhead costs, tantalum credits, all royalties and sustaining capital. Excludes expansion capital.

The production inventory and forecast financial information referred to in the DFS comprise Proved Ore Reserves (3.3%), Probable Ore Reserves (79.5%) and Inferred Mineral Resources (17.2%).

The DFS was completed to an overall +/- 15% accuracy using the key parameters and assumptions set out in **Table 4**. All monetary values in this document are expressed in Australian dollars unless noted otherwise.

Table 4: DFS Key Parameters and Assumptions.

Parameter	DFS
General and Economic	
Discount rate (real, post-tax) (%)	8%
Weighted average LOM SC6.0 (US\$ per tonne FOB Geraldton)	US\$1,392
Weighted average Tantalum LOM 30% conc. (US\$ per contained lb FOB Fremantle)	US\$84
Exchange rate – AUD:USD	0.73
Mining and Production	
Average LOM strip ratio (Open pit)	6.8:1
Processing rate	2.5 to 4Mtpa
Ore Reserve	68.5Mt @ 1.34% Li ₂ O, 120ppm Ta ₂ O ₅
Life-of-Mine Production Target (79.6Mt UG & 3.2Mt OP)	82.7Mt @ 1.30% Li ₂ O, 117ppm Ta ₂ O ₅
% Li ₂ O & Ta ₂ O ₅ grades (diluted) years 1-10 processed (%/ ppm)	1.40/126
LOM average % Li ₂ O & Ta ₂ O ₅ grades (diluted) processed (%/ ppm)	1.30/117
Average Li ₂ O recovery (%) ⁽¹⁾	78%
Overall Ta ₂ O ₅ recovery (% including off-site upgrade losses of ~4%)	38%
SC6.0 (grade %)	6%
Ta ₂ O ₅ Concentrate final grade (%)	30%
Moisture content of SC6.0 concentrate (%)	9%
Average steady state annual tonnes of SC6.0 concentrate (Years 2-5/ Years 6-22)	511ktpa / 658ktpa
Average steady state annual tonnes of 30% Ta ₂ O ₅ concentrate (Years 2-5/ Years 6-22)	428tpa / 587tpa
Cost Assumptions	
LOM average open pit mining costs ⁽²⁾ (\$/dmt open pit ore mine, excluding pre-production)	\$28
LOM average underground mining costs (\$/dmt underground ore mine)	\$45
LOM average underground sustaining costs (\$/dmt underground ore mined, excluding pre-production)	\$4.7
LOM average mining G&A costs (\$/dmt ore mined, excluding pre-production)	\$5.4
LOM average processing cost (\$/dmt ore processed) ⁽³⁾	\$22
Logistics and transport (\$/wmt conc. Inc Port Charges)	\$69
General and admin (\$/dmt ore processed, including mine G&A)	\$8
Private and state royalties (\$/dmt SC6.0)	\$145
NPV Date	FID (Q2, 2022)
Corporate tax rate (%)	30%
Estimated opening tax losses (\$M)	\$55

Notes:

¹ Based on test work derived grade-recovery relationship for DFS mine plan grades of Li₂O normalised to 6%. Also note a ~3% reduction was applied to testwork results.

² Includes ROM rehandle.

³ Averaged over 6 years at 2.5 Mtpa and 17 years at 4 Mtpa.

Implementation & Schedule

The project execution strategy proposed for Kathleen Valley is an Engineering, Procurement and Construction Management (EPCM) approach and this formed the basis of the capital estimate and the schedule. Liontown continues to work towards securing the EPCM partner to build and commission the Project.

Over the next six months, the Company will complete detailed engineering and further mine planning to enable an informed final investment decision (FID) to be made in Q2, 2022. First production is planned for H1, 2024.

Downstream Scoping Study

Overview

The Company released an updated Downstream Scoping Study (DSS) for Kathleen Valley following completion of the DFS in November 2021, with the results reinforcing the exceptional financial and economic returns that would be generated by the addition of an on-site, downstream processing plant to produce a battery-grade precursor product.

In parallel with the DFS, Lycopodium was engaged to update the previous downstream scoping study published in October 2020 and evaluate the impact of integrating the mine, process plant and a downstream refinery, that would be built via a staged approach (Integrated Project) at Kathleen Valley and produce battery-grade Lithium Hydroxide Monohydrate (LHM) incorporating SC6.0 production envisaged as part of the DFS.

The DSS provided a strong basis to proceed with a Downstream Pre-Feasibility Study which will further investigate the robust fundamentals and compelling economics of a downstream refinery at Kathleen Valley.

Figure 4 shows the proposed site layout of the Integrated Project including mining areas, processing facilities, refinery and non-process infrastructure.

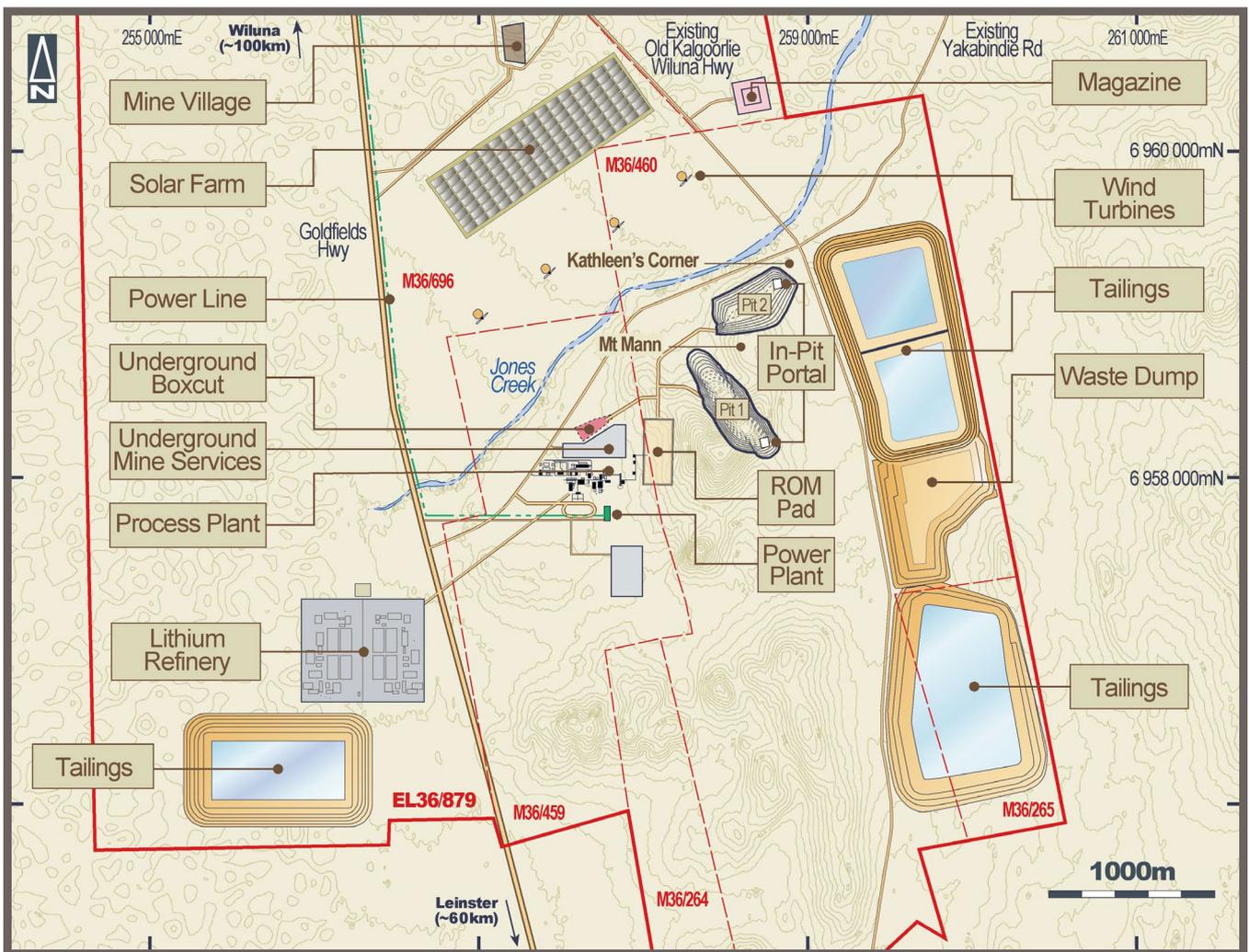


Figure 4: Kathleen Valley Project – Proposed Integrated Project mine site layout.

Metallurgy and Process Flowsheet

The envisaged LHM flowsheet was sized to process up to 570ktpa of SC6.0 comprising three parallel processing trains to produce a nominal total of 86ktpa battery grade LHM. Additional SC6.0 produced over and above the 570ktpa processed via the refinery would be sold in the spot market in line with DFS pricing assumptions.

The refinery flowsheet comprises SC6.0 calcination, followed by sulphation roasting, leaching, neutralisation, impurity removal, Pregnant Leach Solution (PLS) concentration, causticisation, Glauber’s salt crystallisation, anhydrous sodium sulphate crystallisation, LHM crystallisation, product drying and packaging.

A staged low risk approach to the construction of the downstream refinery has been adopted in the Company’s analysis with a single refining train expected to be commissioned in year six of the SC6.0 plant operation with a one year ramp-up, followed by a further two trains three years later (refer **Figure 5**).

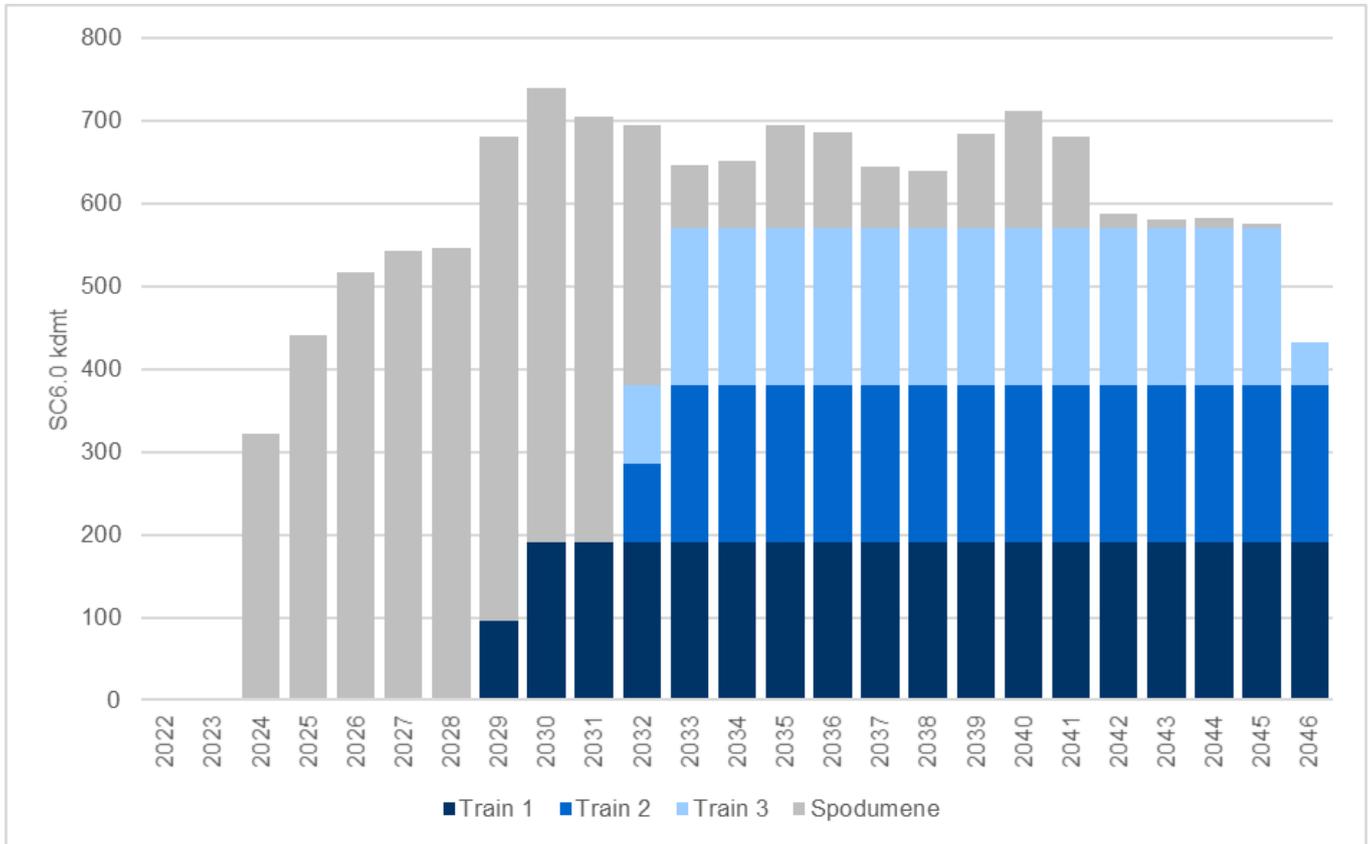


Figure 5: Kathleen Valley Project – Proposed Staged refinery expansion (by processing Train).

Downstream Scoping Study Financial Outcomes

Based on a proposed 4Mtpa standalone mining, processing and staged refining operation, the DSS has demonstrated strong financial metrics for the Integrated Project (**Table 5 and Figure 6**) as outlined below:

Table 5: Kathleen Valley Integrated Project – Key Metrics.

Description	LHM ⁽⁹⁾
Integrated Project Economics	
Post-tax NPV _{8%} (A\$B real, post-tax)	\$9.6
Internal Rate of Return (IRR %)	56%
LOM Free Cashflow (A\$B, post tax)	\$32.4
SC6.0 Metrics	
Average cost of SC6.0 produced per DFS (US\$/dmt LOM including tantalum credits, royalties <u>and</u> excludes transport and logistics) ⁽⁷⁾⁽⁸⁾	US\$378
SC6.0 Transport costs to Geraldton including Port Charges (US\$/dmt SC6.0 for product <u>sold</u> and not converted to LHM)	US\$55
SC6.0 AISC per DFS (US\$/dmt SC6.0 <u>produced</u>), excluding transport ⁽¹⁰⁾	US\$400
LHM Metrics	
Design production rate per LHM train (ktpa LHM)	28.8ktpa
LOM Integrated Capex (A\$B, SC6.0 Plant + Refinery) ^{(2) (3) (5)}	\$2.0B
Average weighted LHM pricing Real Spot (US\$/dmt <u>sold</u>) ⁽⁶⁾	US\$29,401
LOM Average LHM cash operating costs (US\$/t LHM <u>produced</u>) ^{(1) (4)(7)(8)}	US\$5,864

Notes:

¹ Cash operating costs for LHM produced includes all mining, processing, downstream refining, transport, state & private royalties, freight to port, port costs, site administration, overhead costs and tantalum credits. Excludes sustaining capital.

² Integrated Capex for LHM production includes \$538M for the mine/ SC6.0 processing plant (DFS) and \$1.5B for the downstream refinery. Excludes working capital, finance costs, sustaining capital and corporate costs associated with project development.

³ SC6.0 plant capital to DFS level +/-15% accuracy, DSS to +/-30% accuracy.

⁴ DFS included no contingency on SC6.0 operating costs, DSS included no contingency on operating costs.

⁵ DFS included (\$31M) capital contingency, DSS included (\$258M) contingency on capital costs. Project totals exclude working capital, finance costs, sustaining capital and corporate costs associated with project development.

⁶ LHM pricing per Roskill price estimates for 2024-2041, 2041 price assumed for years after 2041.

⁷ SC6.0 Pricing per price per DFS 11th November 2021, ASX announcement "Kathleen Valley DFS confirms Tier-1 global lithium project with outstanding economics and sector-leading sustainability credentials".

⁸ All SC6.0 concentrate metrics based on a normalised 6% concentrate basis.

⁹ All Costs expressed in Australian \$ unless noted otherwise.

¹⁰ All In Sustaining Capital Costs (AISC), as referred to above, are cash operating costs including all mining, processing, site administration/ overhead costs, state and private royalties, tantalum credits and sustaining capital.

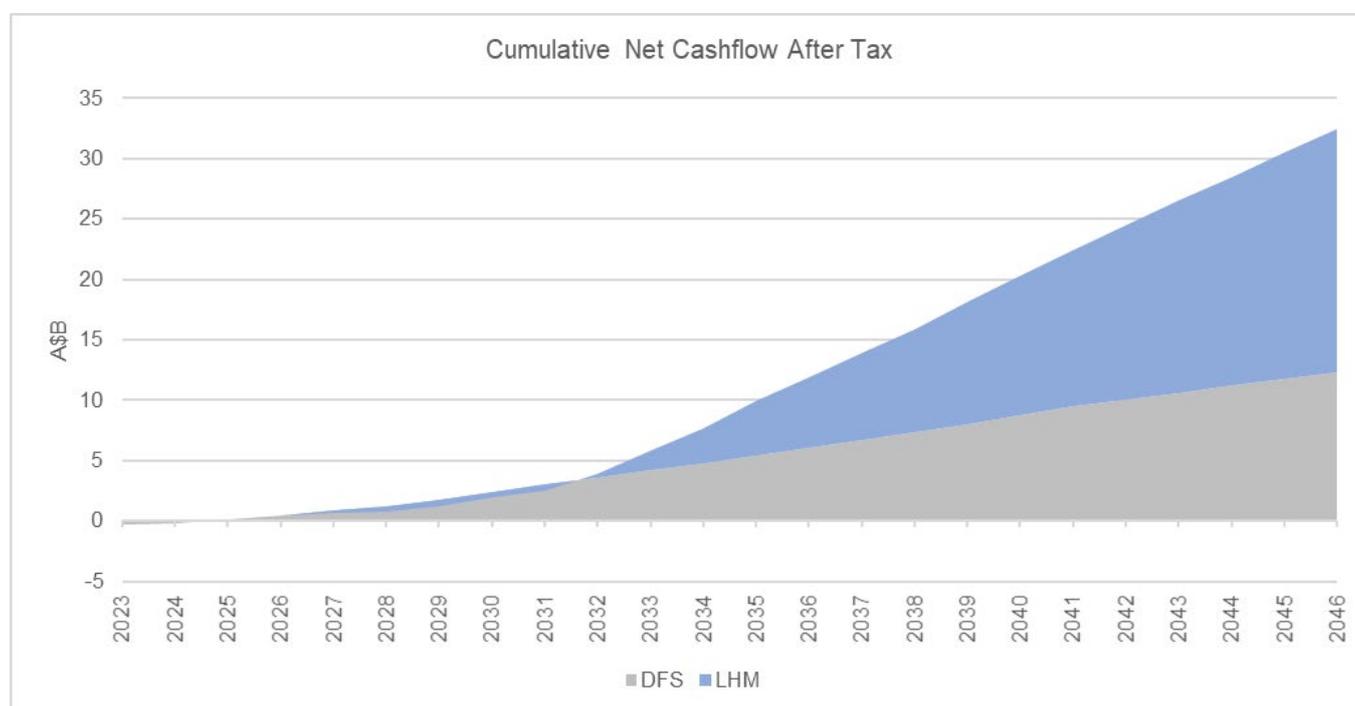


Figure 6: Integrated Project Cumulative Free Cash-Flow and Payback Period.

Table 6: Integrated Project Key Parameters.

Parameter	LHM
General and Economic	
Discount rate (real, post-tax)	8%
SC6.0 weighted average price (US\$/dmt FOB) for product sold as SC6.0	US\$1,289
Weighted average LHM Price (US\$/dmt FOB) for LHM sold	US\$29,401
Weighted average Tantalum concentrate price (US\$ per contained pound FOB Fremantle)	US\$84
Exchange rate – AUD : USD	0.73
Mining and Production of SC 6.0	
Spodumene plant Processing rate (2.5Mtpa to 4Mtpa per DFS)	4 Mtpa
Ore Reserve	68.5Mt @ 1.34% Li ₂ O, 120ppm Ta ₂ O ₅
Life-of-Mine Production Inventory	82.7Mt @ 1.30% Li ₂ O, 117ppm Ta ₂ O ₅
LOM average % Li ₂ O and ppm Ta ₂ O ₅ grades (diluted, % / ppm)	1.30 / 117
Average Li ₂ O Concentrate overall average recovery (%)	78%
Ta ₂ O ₅ average overall recovery (% includes offsite upgrade losses)	38%
Feedstock SC6.0 concentrate grade (% Li ₂ O)	6%
Moisture content of SC 6.0	9%
Downstream Integrated Refinery	
Number of processing Trains (#)	3
Recovery Li (%)	90%
Calcination Temperature (°C)	1,100
Sulphuric Acid Addition (mol/mol)	1.25 (H ₂ SO ₄ : Li ₂ O)
Acid Roast Temperature (°C)	250
Acid Leaching Residence Time (minutes)	120
LHM Crystalliser Stages (per train)	3
LHM production based on 190ktpa SC6.0 feed rate per LHM train	28.8ktpa LHM
Conversion ratio of SC6.0 tonnes per LHM tonne	6.6
Cost Assumptions	
SC6.0 LOM average operating cost excluding transport (US\$/dmt SC6.0 produced) ⁽¹⁾	US\$378
SC6.0 transport cost (to Geraldton incl. Port Charges) (US\$/dmt SC6.0 sold)	US\$55
LHM weighted average processing conversion cost (US\$/dmt LHM excluding cost of SC6.0 feedstock) ⁽²⁾	US\$3,303
LHM transport cost (to Fremantle incl. Port Charges) (US\$/dmt LHM)	US\$70
Royalties	As per DFS, based on spodumene feedstock market value
Corporate tax rate	30%
NPV Date	FID for SC6.0 DFS (Q2, 2022)
Estimated opening tax losses (A\$M)	\$55

Notes:

¹ Includes royalties and tantalum credits, excludes sustaining capital. Refer to the separate DFS announcement published on 11th November 2021.

² For each tonne of LHM produced, 6.6 tonnes of SC6.0 are required to be processed

The DSS was based on the material assumptions outlined in **Table 6** above. While the Company considers all the material assumptions to be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of outcomes indicated by the DSS will be achieved. Given the uncertainties involved, investors should not make any investment decisions based solely on the results of the DSS.

In accordance with ASX Listing Rules 5.16 and 5.17, the Company confirms the following in respect of the production targets and forecast financial information resulting from the DSS:

- *The production inventory and forecast financial information referred to in the DFS to produce SC6.0 comprise Proved Ore Reserves (3.3%), Probable Ore Reserves (79.5%) and Inferred Mineral Resources (17.2%). The Inferred material included in the inventory is 14.3Mt @ 1.11% Li₂O & 102ppm Ta₂O₅. The Inferred material has been scheduled such that less than 10% is mined in the first 10 years, with the remainder mined through to the end of the mine life.*
- *The Inferred material does not have a material effect on the technical and economic viability of the project. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the production target itself will be realised.*

Further Work

The compelling economic upside to the DSS justifies LioneTown commencing the Downstream PFS, which will refine the envisaged strategy of developing an integrated processing and LHM refining operation in distinct stages utilising the SC6.0 feedstock from Kathleen Valley.

Bulk Sample Testwork

LioneTown completed a large-scale spodumene concentrate production program during the Quarter using a bulk sample collected from Kathleen Valley.

The pilot scale testwork program successfully produced premium +6% spodumene (Li₂O) concentrate and tantalum concentrate, supporting off-take discussions and further supporting the potential to develop a leading second-generation lithium-tantalum mining and processing operation at Kathleen Valley.

For the testwork program, the Company collected ~5 tonnes of representative mineralised pegmatite from the Kathleen Valley core inventory. Samples were selected to reflect variation in both depth and spatial distribution and composited in line with the mining zones identified as part of the DFS outlined above.

The purpose of the bulk sample processing work was to produce representative high-grade +6% Li₂O KV concentrate and sufficient Tantalum Ta₂O₅ concentrate to support current off-take negotiations and to provide feedstock for the planned Lithium Hydroxide hydrometallurgical testwork program.

Native Title Agreement

In November 2021, LioneTown and the Tjiwarl Native Title Holders (the Tjiwarl) signed a landmark Native Title Agreement for the Project. The signing of the agreement followed a 2.5-year collaboration between senior negotiators representing the Tjiwarl AC and LioneTown, with the outcome cementing the strong and cooperative working relationship that has been established between the two parties.

The agreement represents a significant approval, enabling the finalisation of key permit submissions for Kathleen Valley.

As part of the agreement, LioneTown will commit to a broad range of actions as a fundamental part of its development strategy at Kathleen Valley, including Land and Water Management, Aboriginal Heritage Management, Cultural Awareness and Access, Social Opportunities and Development, Employment and Contracting opportunities and Compensation.

Importantly, the agreement defines a process and pathway for ongoing active engagement with the Tjiwarl as the Project develops and matures.



Figure 7: Signing of the Native Title Agreement, represented by (L-R): Kado Muir (Tjiwarl AC Director), Tim Goyder (Liontown Chairman), Edwin Beaman Snr (Tjiwarl AC Director), Tony Ottaviano (Liontown CEO and Managing Director).

Offtake

Liontown's offtake strategy for Kathleen Valley is targeting large foundation agreements which aim to deliver diversification both by geographic location and customer position in the global battery value chain, while at the same time retaining some capacity to sell into the rapidly growing spot market. The Company has received very strong interest from a range of parties in long-term offtake from the Kathleen Valley Lithium Project.

Subsequent to Quarter end, Liontown executed its first binding offtake term sheet (**Offtake Term Sheet**) with one of the world's premier battery manufacturers, LG Energy Solution, Ltd. (**LGES**).

The agreement with South Korean-based LGES is for the supply of up to 150,000 dry metric tonnes (**DMT**) per annum of spodumene concentrate produced at Kathleen Valley expected to commence in 2024, representing approximately one-third of the Project's start-up SC6.0 production capacity of ~500ktpa.

LGES is a global leader in delivering advanced lithium-ion batteries for electric vehicles (EVs), mobility & IT applications and energy storage systems (ESS) and is continuing to rapidly expand its business amid growing demand for lithium-ion batteries from the EV sector globally.

Liontown and LGES will work together to enter a definitive full form binding offtake agreement.

Liontown continues to progress negotiations with other potential Tier-1 global customers which would complement its offtake strategy.

Order for SAG Mill

In January 2022, Lontown awarded a key contract for the design, fabrication and delivery of a Semi Autogenous Grinding (SAG) Mill for Kathleen Valley to Metso-Outotec.

Following the completion of the DFS in November 2021, the Company has completed further engineering optimisation to confirm the scope and duty of the SAG Mill to a sufficient level of detail to enable it to place the order.

The contract, which has a value of ~A\$10 million and is in accordance with DFS estimates, is for the design, fabrication and delivery of a 7.9m (26") diameter and 4.4m effective grinding length 5.5MW SAG Mill. This is inclusive of all lining, lubrication, cooling, electrical and mechanical drive systems necessary for installation and commissioning. The SAG Mill will accommodate both base production of 2.5Mtpa and the planned expansion to 4Mtpa in Year 6 of the mine plan.

The SAG Mill is one of several critical long-lead items identified for early award and represents the largest single piece of equipment required to be purchased for the Project by size, value and lead time.

Detailed engineering and design for the Project continues and Lontown is targeting the award of all key equipment packages over the next 6 months to maintain schedule and meet its target of first production of lithium concentrate in 2024.

COVID-19

Lontown is committed to maintaining a safe environment for its employees, contractors, visitors and the communities in which it works. The Company has implemented a range of measures in response to Covid-19 in order to ensure the health and safety of its people and to enable the continuation of its activities without interruption where possible.

Lontown continues to monitor Government advice in relation to Covid-19 in order to update existing protocols and prepare for the opening of the WA border. Whilst the Company's activities are currently largely office based, plans are being developed for the commencement of construction at Kathleen Valley later in the year and increases in the size of its workforce.

2. Buldania Project, WA (Liontown: 100%)

Liontown has been actively exploring the Buldania Project since early 2018 after acquiring 100% of the rights to lithium and related metals from Avoca Resources Pty Ltd (a wholly-owned subsidiary of Karora Resources).

Work by Liontown initially focused on the spodumene-bearing Anna pegmatite, partially delineated by previous nickel and gold explorers, with drilling by the Company subsequently defining a maiden Indicated and Inferred Mineral Resource Estimate (MRE) of 14.9Mt @ 0.97% Li₂O and 44ppm Ta₂O₅, containing 144,530t of Li₂O or 372,889t of lithium carbonate equivalent (LCE).

During the Quarter, Liontown completed an RC drilling program comprising 42 drill holes (BDRC0179-0220) for 6,338m. Drilling was designed to test regional geochemical targets for shallow LCT pegmatite hosted Lithium mineralisation peripheral the Anna resource area and in the NW of the project (**Figure 8**).

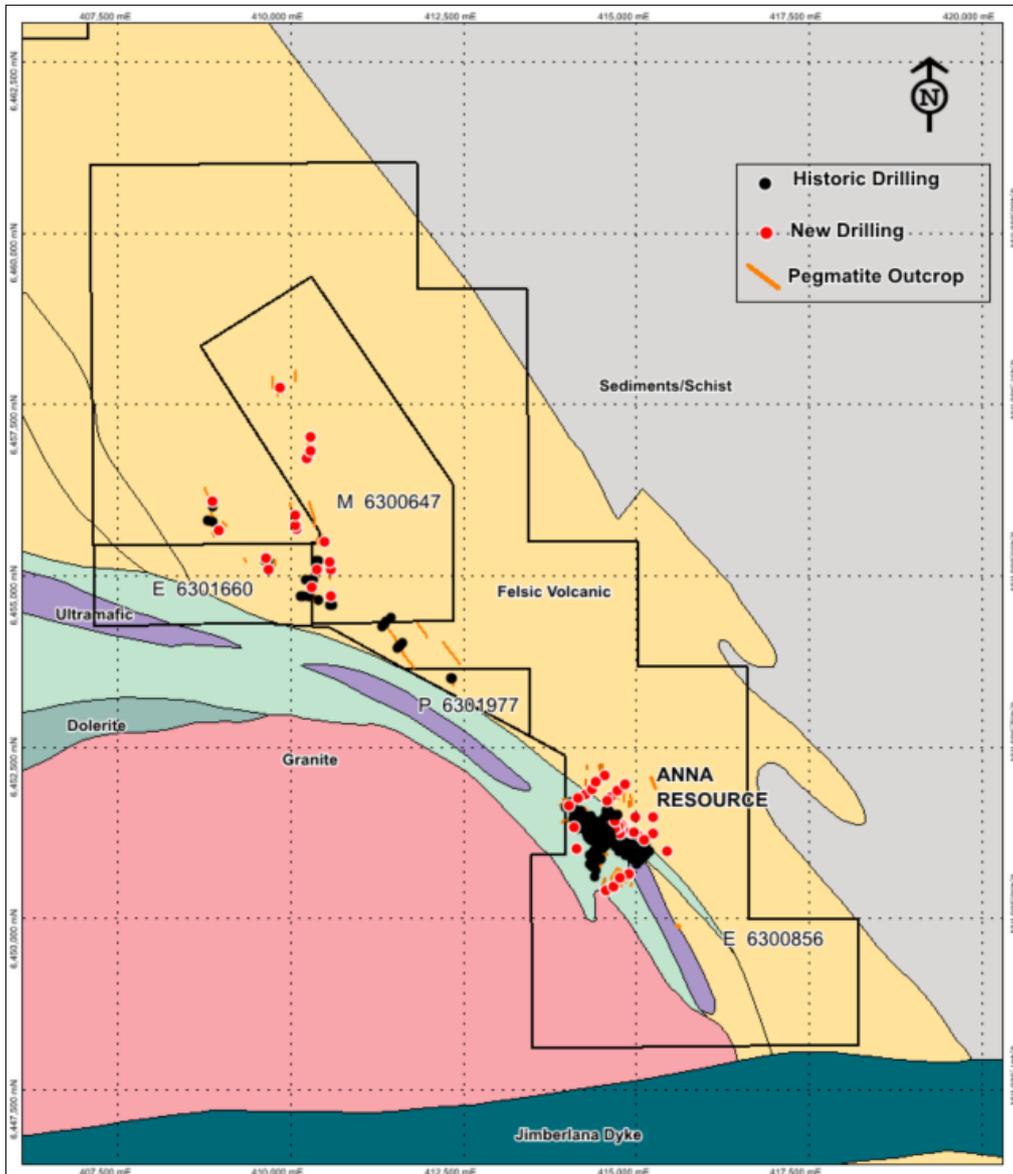


Figure 8: Buldania Lithium Project: Geology with Recent RC (red dots).

The geological observations from the regional drilling indicate multiple, thin, stacked LCT pegmatites throughout the broader area, however the majority were not spodumene bearing. Where spodumene was observed the drilling was immediately adjacent to the Anna resource area. Final assay results are awaited.

3. Institutional Placement

In December 2021, Liontown successfully completed a fully underwritten A\$450 million institutional placement of approximately 272.7 million new fully paid ordinary shares (**New Shares**) to new and existing investors at an offer price of A\$1.65 per New Share (**Placement**). In addition to the Placement, the Company also announced a Share Purchase Plan (**SPP**) at the same price as the Placement, to raise up to A\$40 million.

The landmark Equity Raising marks a pivotal step for Liontown towards delivering on its strategy of becoming a world-class battery materials company with sector-leading sustainability credentials.

The proceeds of the Placement provide Liontown with maximum optionality and flexibility around remaining debt and offtake discussions, while retaining the ability to accelerate development and growth to take full advantage of the robust outlook for the lithium market.

Importantly, the Equity Raising provides certainty of funding for the Stage 1 capital cost of the initial 2.5Mtpa development at Kathleen Valley. Liontown is well advanced on funding discussions with multiple options available for securing the expected remaining funding required to complete Stage 1 works. The Board expects to advance the remaining funding required prior to making a final investment decision which is anticipated to occur Q2 2022.

The SPP closed on 28 January 2022 and results are expected to be announced on 4 February 2022.

4. Environmental, Social and Governance

In November 2021, Liontown released its inaugural Environmental, Social and Governance (**ESG**) Report, summarising the Company's strategy and performance on its most critical ESG issues for the year ended 30 June 2021.

The ESG framework developed has included a strong focus on positive and meaningful engagement with Traditional Owners and other local stakeholders as part of our long-term social licence to operate, minimising future carbon emissions, water usage and land disturbance and ensuring that our corporate governance is consistent with industry best-practice.

Liontown has established a Climate Strategy Roadmap, which will be formalised over the next 12 months that puts it on a trajectory to achieve net zero emissions by 2034. Whilst challenging, the Company is well positioned to embrace this challenge through a commitment to adopt proven technology within realistic time frames. Liontown is designing and building a state-of-the-art project for the future with 60% renewable power, a bio-fuel ready mine and transport fleet and a redesigned mine plan with a focus on reduced ground disturbance incorporated by the time we deliver first production in 2024 to reduce Scope 2 emissions.

A copy of the report can be obtained from the [Company's website](#).

5. Tenement schedules and expenditures

In accordance with ASX Listing Rule 5.3, please refer to Appendix 1 for a listing of tenements. During the Quarter the Company spent \$890,000 (net of \$3,025,000 GST refund relating to the Kathleen Valley royalty cancellation payment to Ramelius Resources Ltd) on exploration and evaluation activities (YTD: \$36,812,000 including net \$30,250,000 for Kathleen Valley royalty cancellation payment) and \$1,909,000 on administration costs (YTD: \$3,157,000).

Payments reported in Appendix 5B, Section 6.1, relate to Directors' fees, consulting fees and salaries paid to Director related parties and amounts paid to Minerals 260 for transfer of employee leave entitlements.

6. Corporate

Demerger and IPO of Minerals 260

In October 2021, Liontown completed the demerger and Initial Public Offer (IPO) of its Western Australian non-lithium exploration assets, being the Moora, Koojan JV and Dingo Rocks Projects as well as the Yalwest tenement applications, via the newly-incorporated Minerals 260 Limited.

Following receipt of shareholder approval on 22 September 2021, Liontown completed the demerger of Minerals 260 by way of a pro rata in-specie distribution of 160,000,000 fully-paid ordinary shares in Minerals 260. Eligible Liontown Shareholders received 1 Minerals 260 share for every 11.94486 shares held in Liontown Resources on the record date of 28 September 2021.

The Minerals 260 IPO successfully raised \$30 million and closed heavily oversubscribed. Minerals 260 commenced trading on the Australian Securities Exchange on 12 October 2021 under the ASX code "MI6".

Mr David Richards formally retired from his position as Liontown's Technical Director and commenced his new role as Managing Director of Minerals 260 effective 1 October 2021. Mr Richards retired as a Non-Executive Director of Liontown at the Annual General Meeting in November 2021.

Mr Richards has been instrumental in building the foundations of what is now an ASX-200 company and he led the team that discovered the Kathleen Valley lithium deposit. The Directors of Liontown thank Mr Richards for his outstanding contribution to the Company and wish him similar success with Minerals 260.

Appointment of Jennifer Morris OAM

Highly-regarded company director Ms Jennifer Morris OAM joined the Company's Board as an independent Non-Executive Director having been elected at the Annual General Meeting in November 2021.

The appointment adds further experience, independence and diversity to Liontown's Board as it continues on its rapid growth trajectory to become a leading global battery materials producer through the development of its world-class Kathleen Valley Lithium-Tantalum Project in Western Australia.

Ms Morris is an accomplished corporate executive and non-executive Director and is currently a non-executive Director of ASX-listed iron ore producer Fortescue Metals Group Ltd (ASX: FMG) and copper producer Sandfire Resources Ltd (ASX: SFR).

S&P/ASX 200 & MSCI Australia Index

Liontown was included in the benchmark S&P ASX 200 Index of the Australian Securities Exchange, effective from 20 December 2021, reflecting the substantial increase in its market capitalisation, daily trading volumes and the depth of its share register.

Liontown was also included in the MSCI Australia Index with effect from 30 November 2021.

Cash Position

At the end of the Quarter, Liontown's cash balance was \$171m and funds on deposit were \$290m, totalling \$461 million.

Competent Person Statements

The Information in this Report that relates to Exploration Results, Mineral Resources and Metallurgical Test Work for the Kathleen Valley Project is extracted from the ASX announcement "Strong progress with Kathleen Valley Definitive Feasibility Study as ongoing work identifies further key project enhancements" released on 8 April 2021 which is available on www.ltresources.com.au.

The Information in this Announcement that relates to Production Target and DFS for the Kathleen Valley Project is extracted from the ASX announcement "Kathleen Valley DFS confirms Tier-1 global lithium project with outstanding economics and sector-leading sustainability credentials" released on 11 November 2021 which is available on www.ltresources.com.au.

The Information in this Announcement that relates to the DSS for the Kathleen Valley Project is extracted from the ASX announcement "Updated Downstream Scoping Study Highlights Next Growth Horizon for Kathleen Valley Project" released on 11 November 2021 which is available on www.ltresources.com.au.

The Information in this Report that relates to Mineral Resources for the Buldania Project is extracted from the ASX announcement "Liontown announces maiden Mineral Resource Estimate for its 100%-owned Buldania Lithium Project, WA" released on 8 November 2019 which is available on www.ltresources.com.au.

Anna Deposit, Buldania Project – Mineral Resource Estimate as at 8 November 2019

Resource category	Million tonnes	Li ₂ O %	Ta ₂ O ₅ ppm
Indicated	9.1	0.98	45
Inferred	5.9	0.95	42
Total	14.9	0.97	44

Notes:

- Reported above a Li₂O cut-off grade of 0.5%
- Tonnages and grades have been rounded to reflect the relative uncertainty of the estimate

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates or production targets or forecast financial information derived from a production target (as applicable) in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Forward Looking Statement

This announcement 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.

APPENDIX 1

The following information is provided in accordance with ASX Listing Rule 5.3 for the Quarter.

1. Listing of tenements held in Australia (directly or beneficially):

Country	Project	Tenement No.	Registered Holder	Nature of interests		
Australia	Kathleen Valley	M36/264	LRL (Aust) Pty Ltd (wholly owned subsidiary of Liontown Resources Limited).	100% - nickel claw back rights retained by other party		
		M36/265				
		M36/459				
		M36/460				
		M36/696	Liontown Resources Limited	0% - pending application		
		E36/879	Liontown Resources Limited	100% - all metal rights		
		L36/236	LRL (Aust) Pty Ltd	100%		
		L36/237				
		L36/248		0% - pending application		
		L36/250				
		L36/251				
		L36/255				
		L36/256				
		L53/253				
		L53/254				
		L53/255				
		L53/256				
		G36/52				
		Buldania			E63/856	Avoca Resources Pty Ltd
	P63/1977					
	M63/647					
	M63/676					
	E63/1660		LRL (Aust) Pty Ltd	100%		
	E63/2165		LRL (Aust) Pty Ltd	0% - pending application		
	Toolebuc ⁽¹⁾	EPM26490	Liontown Resources Limited	100%		
		EPM26491				
		EPM26492				
EPM26494						
EPM26495						

Note (1) – Conditional agreement to divest the Toolebuc Project entered during the quarter end.

2. Listing of tenements acquired (directly or beneficially) during the quarter:

Nil

3. Tenements relinquished, reduced or lapsed (directly or beneficially) during the quarter:

Country	Project	Tenement No.	Registered Holder	Nature of interests
Australia	Moora	E70/5217	ERL (Aust) Pty Ltd	Projects demerged effective 4 October 2021.
		E70/5286		
		E70/5287		
	Koojan	E70/5312	Coobaloo Minerals Pty Ltd	Projects demerged effective 4 October 2021.
		E70/5337		
		E70/5429		
		E70/5450		
		E70/5515		
		E70/5516		
	Dingo Rocks	E63/2070	ERL (Aust) Pty Ltd	Projects demerged effective 4 October 2021.
	Yalwest	E59/2541	ERL (Aust) Pty Ltd	Projects demerged effective 4 October 2021.
		E59/2604		

4. Listing of tenements applied for (directly or beneficially) during the quarter:

Country	Project	Tenement No.	Registered Holder	Nature of interests
Australia	Kathleen Valley	L36/255	LRL (Aust) Pty Ltd	0% - pending application
		L36/256		
		G36/52		
	Buldanian	E63/2165	ERL (Aust) Pty Ltd	0% - pending application

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Liontown Resources Ltd

ABN

39 118 153 825

Quarter ended ("current quarter")

31 December 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers ¹	858	858
1.2	Payments for		
	(a) exploration & evaluation ²	(890)	(36,812)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(959)	(1,650)
	(e) administration and corporate costs	(950)	(1,507)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	30	42
1.5	Interest and other costs of finance paid	(7)	(8)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material) ³	(112)	(403)
1.9	Net cash from / (used in) operating activities	(2,030)	(39,480)

¹Includes receipts for recharge of costs associated with Minerals 260 demerger, IPO and project expenditure.

²YTD includes payment to Ramelius Resources Limited of \$30.025m for cancellation of a Kathleen Valley royalty. The current quarter cashflows are offset by the \$3.025m GST refund on the royalty cancellation payment.

³Relates to Business Development costs including offtake and financing activities

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(239)	(265)
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
2.2 Proceeds from the disposal of:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)*		
- Minerals 260 demerger and IPO	(215)	(680)
- Term deposits (net) ⁴	(290,000)	(290,000)
2.6 Net cash from / (used in) investing activities	(290,454)	(290,945)
3. Cash flows from financing activities		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	450,000	501,999
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	-	1,993
3.4 Transaction costs related to issues of equity securities or convertible debt securities	(12,997)	(15,096)
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	(12)	(27)
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	436,991	488,869
4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	26,482	12,545
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(2,030)	(39,480)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(290,454)	(290,945)

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	436,991	488,869
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	170,989	170,989

5. Reconciliation of cash and cash equivalents	Current quarter \$A'000	Previous quarter \$A'000
at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		
5.1	Bank balances ⁴	26,482
5.2	Call deposits	-
5.3	Bank overdrafts	-
5.4	Other (provide details)	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	26,482

⁴ **NOTE:** Cash and cash equivalents does not include term deposits totalling \$290 million which have an investment period over three (3) months.

6. Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1
6.2	Aggregate amount of payments to related parties and their associates included in item 2

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(2,030)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(2,030)
8.4 Cash and cash equivalents at quarter end (item 4.6)	170,989
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	170,989
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	84
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: Not Applicable	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: Not Applicable	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Not Applicable

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date:31 January 2022.....

Authorised by:By the board.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.