

11 September 2023

Albemarle indicative proposal – due diligence to commence

Liontown Resources Limited (“**Liontown**” or “the **Company**”) refers to its announcement on 4 September 2023 regarding the non-binding indicative proposal from Albemarle Corporation (“**Albemarle**”) to acquire all of the ordinary shares outstanding in Liontown for \$3.00 in cash per share via scheme of arrangement (“**Revised Indicative Proposal**”). In its announcement, Liontown indicated that the Board had determined to grant Albemarle an opportunity to conduct due diligence to enable Albemarle to put forward a binding proposal, subject to the parties agreeing to a mutually acceptable non-disclosure and exclusivity agreement.

Liontown and Albemarle have now agreed the terms of that non-disclosure and exclusivity agreement, and Albemarle is expected to commence its due diligence shortly. It is expected that Albemarle’s due diligence will take approximately four weeks. That due diligence will be on an exclusive basis, subject to customary fiduciary exceptions (see the summary attached).

The Liontown Board will keep shareholders and the market fully informed of further developments as appropriate. At this point, shareholders do not need to take any action.

This announcement has been approved for release by the Board of Directors.

Further Information

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About Liontown Resources

Liontown Resources (ASX:LTR) is an emerging Tier-1 battery minerals producer. Our aim is to be an ESG leader and a globally significant provider of battery minerals for the rapidly growing clean energy market. As we transition from explorer to producer, we are committed to incorporating the right approach and foundation from the outset and ESG principles underpin all decisions. We currently control two major lithium deposits in Western Australia and aim to expand our portfolio through exploration, partnerships and acquisitions. In addition, we look to participate in downstream value-adding where control of the deposit provides a strong competitive advantage. To learn more, please visit: www.ltresources.com.au

Summary of Exclusivity Provisions

In summary, the non-disclosure and exclusivity agreement requires that, during the period commencing on the date of the agreement and ending four weeks after the opening of the data room (which is expected in the forthcoming days), Liontown will not (i) solicit, initiate or encourage any competing proposal or any proposal which could reasonably be expected to lead to a competing proposal (**no-shop**); (ii) enter into any discussions with any third party in relation to any competing proposal or which may reasonably be expected to lead to a competing proposal (**no-talk**); or (iii) make available to any third party any non-public information relating to Liontown in connection with that third party formulating any competing proposal (**no-due diligence**).

Liontown's no-talk and no-due diligence obligations are subject to customary fiduciary exceptions which permit Liontown to respond to and grant due diligence in respect of an unsolicited third party competing proposal, provided the Liontown Board has first determined, in good faith: (a) after consultation with Liontown's legal and financial advisers, that the competing proposal is, or could reasonably be expected to lead to a superior proposal; and (b) after receiving advice from its legal advisers, that compliance with the no-talk/no-due diligence restrictions in those circumstances would, or would be reasonably likely, to breach the directors statutory or fiduciary duties.