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ASX ANNOUNCEMENT

LITHIUM AUSTRALIA DISCOVERS COBALT MINERALIZATION AT EICHIGT IN GERMANY

HIGHLIGHTS

- Samples confirm presence of strong mineralization at surface
- Assays up to 0.6 % Co and 0.48 % Cu
- Additional veins encountered – all remain open along strike and dip

Lithium Australia NL (ASX: LIT) is pleased to announce the first results of the maiden exploration program at its fully-owned Eichigt project in Germany.

RECONNAISSANCE EXPLORATION

Initial exploration focused on copper-bearing quartz-veins that were subjected to small-scale mining activities during the 16th century. Significant cobalt and copper mineralization was encountered, with grades up to 0.6 % for cobalt and 0.48 % for copper in sample E802G.

COBALT, COPPER AND LITHIUM MINERALIZATION IDENTIFIED

Results from the first five grab samples are shown in Table 1, with sample locations listed in Table 2 and displayed in Figure 1.

Location	E03G	E03G	E04G	E07G	E08G
Weight (kg)	1.06	0.36	0.70	0.81	0.08
Li ₂ O (%)	0.23	0.26	0.19	0.21	0.26
Co (%)	0.18	0.60	0.24	0.18	0.60
Cu (%)	0.17	0.48	0.20	0.38	0.26
Ni (ppm)	541	506	344	719	495
As (ppm)	35.4	30.1	32.1	534	796
U (ppm)	35.5	20.8	11.0	48.2	53.5

Table 1: Results of the initial five grab samples.

Recent multiple diggings by mineral collectors were encountered in what is otherwise forested terrain. Uncharacteristically low levels of arsenic and uranium set these occurrences apart from other mineralization recorded in the area (in which gossans of this type have not been described before).

Table 2: Sample locations (recorded with a handheld GPS device).

Sample #	Location	Easting	Northing
E801G	E03G	299767	5582101
E802G	E03G	299767	5582101
E803G	E04G	299665	5582500
E804G	E07G	299129	5582121
E805G	E08G	299450	5581937

Grid: WGS 84, UTM Zone 33N

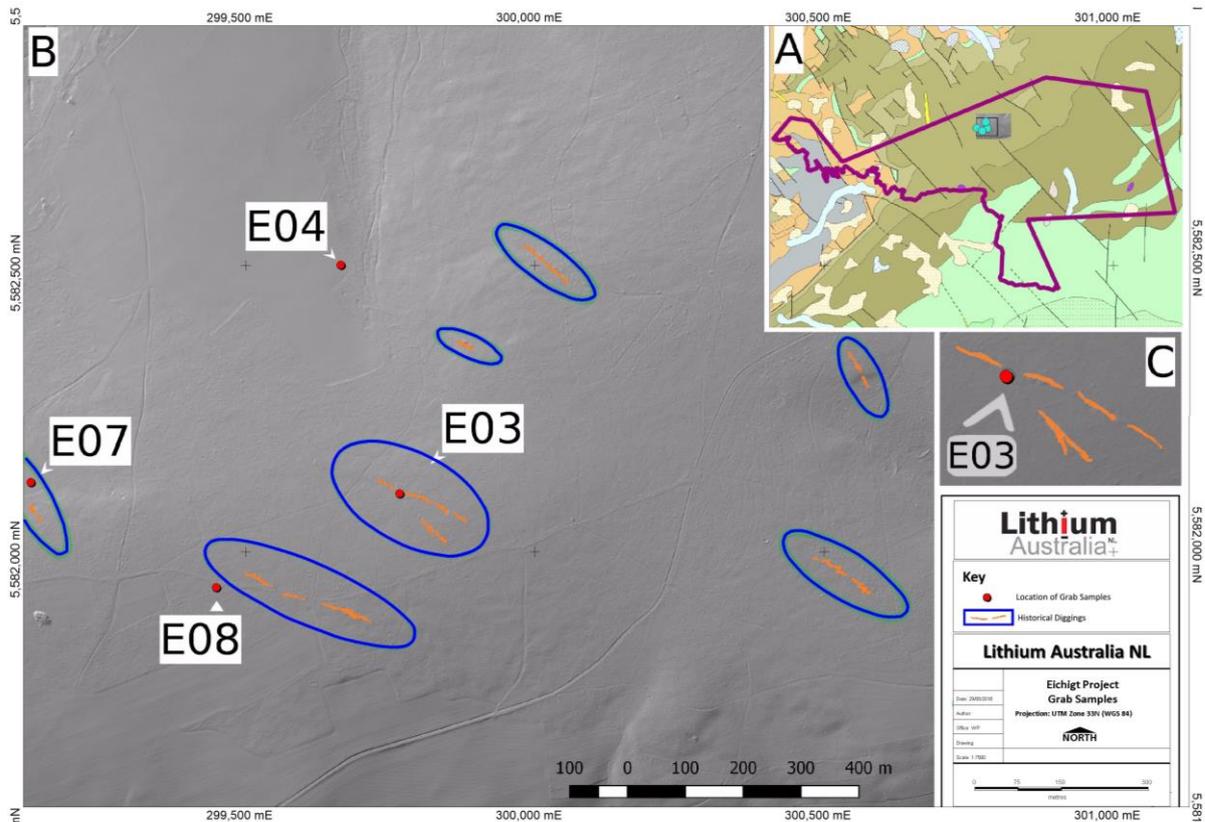


Figure 1: Sample locations:

A: geologic map and boundaries of the license area; B: relief map displaying sample locations and historic diggings on surface (highlighted by green ellipses); C: detailed display of alignment of historic diggings following the vein systems (maps modified from data provided by LfULG and GeoSN).

Lithium Australia managing director Adrian Griffin commented:

Strong, previously undescribed cobalt mineralization at surface confirms the limited nature of past exploration. The diggings encountered are testimony to the considerable extent of the strike.

Close to our Sadisdorf lithium project, and on the doorstep of the European EV manufacturers, this cobalt could prove a strategic feed into the burgeoning battery industry.

Adrian Griffin - Managing Director

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About Lithium Australia NL

Lithium Australia aspires to 'close the loop' on the energy-metal cycle. Its disruptive extraction processes are designed to convert *all* lithium silicates to lithium chemicals, from which advanced components for the battery industry can be created. By uniting resources and the best available technology, Lithium Australia seeks to establish a vertically integrated lithium processing business.

MEDIA CONTACTS

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Competent Person's Statement

The information contained in the report that relates to Exploration Results together with any related assessments and interpretations is based on information compiled by Mr Albert Gruber on behalf of Mr Phillip Schiemer, Exploration Manager for Lithium Australia. Mr Schiemer is a Member of both the Australian Institute of Geoscientists and the Australasian Institute of Mining and Metallurgy and has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity being undertaken, to qualify as a Competent Person as defined in the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code 2012). Mr Schiemer consents to the inclusion in this report of the matters based on Mr Gruber's data in the form and context in which it appears. The Company is not aware of any new information or data that materially affects the information in this report.

APPENDIX 1

JORC Code, 2012 Edition – Table 1 for Lithium Australia – Eichigt Project, located in Germany

Section 1 Sampling Techniques and Data (Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> • Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. • Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. • Aspects of the determination of mineralisation that are Material to the Public Report. • In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. 	<p>Samples were collected from mineral collectors diggings and waste rock dumps of historic small scale mining activities. The samples were identified on site, selection of samples to be submitted for geochemical analysis was done after cutting the samples in half with a diamond rock saw. The primary focus during sampling and for sample selection was visible iron-manganese mineralization.</p> <p>The dumps were most likely created by small scale mining operations prior to the 20th century that focussed on iron and copper mineralization. The tailings and dumps have been reworked by mineral collectors. No detailed information on potential size or the amount of material mined is available, the area has not been explored systematically in the past.</p> <p>Selected rock samples were submitted to ALS Loughrea (Ireland) for multi-element geochemistry. Four acid digest followed by Inductively Coupled Plasma – Mass Spectroscopy (ICP-MS).</p>
Drilling techniques	<ul style="list-style-type: none"> • Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	No drilling results being reported.
Drill sample recovery	<ul style="list-style-type: none"> • Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure 	No drilling results being reported.

Criteria	JORC Code explanation	Commentary
	<p><i>representative nature of the samples.</i></p> <ul style="list-style-type: none"> • <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i> 	
Logging	<ul style="list-style-type: none"> • <i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i> • <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.</i> • <i>The total length and percentage of the relevant intersections logged.</i> 	<p>No drilling results being reported.</p> <p>Samples are rock chip samples from pits and historic dump sites. They are selective and reconnaissance in nature. Logging was completed on a qualitative and quantitative basis, all submitted samples were cut in halves prior to submitting a half to the lab.</p>
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> • <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> • <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> • <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> • <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> • <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i> • <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<p>No drilling results being reported.</p> <p>Rock samples have been cut with a diamond rock saw. Rock chip samples are selective and reconnaissance in nature, however, the cut line was set to produce two visually identical samples.</p> <p>The sample sizes were appropriate for the size of the material being sampled.</p>
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> • <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> • <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i> • <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i> 	<p>The analytical techniques used are appropriate and are considered total.</p> <p>Samples were crushed to 70% less than 2mm, rotary split off 250g, the split was pulverized to better than 85% passing 75 microns.</p> <p>Samples were prepared and analysed in ALS Laboratories Ireland. Four acid digest followed by Inductively Coupled Plasma – Mass Spectroscopy (ICP-MS). Results are corrected</p>

Criteria	JORC Code explanation	Commentary
		<p>for spectral interelement interferences and are considered appropriate.</p> <p>No bias was detected in laboratory standards.</p> <p>No external checks have been undertaken.</p> <p>ME-MS61L – Four acid digest and ICP-MS/ICP-AES, for 48 elements including Li and Sn (initially used for all previous Li analyses).</p>
<p>Verification of sampling and assaying</p>	<ul style="list-style-type: none"> • <i>The verification of significant intersections by either independent or alternative company personnel.</i> • <i>The use of twinned holes.</i> • <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> • <i>Discuss any adjustment to assay data.</i> 	<p>No independent verification has been completed to date. No adjustment was performed to assay data.</p>
<p>Location of data points</p>	<ul style="list-style-type: none"> • <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i> • <i>Specification of the grid system used.</i> • <i>Quality and adequacy of topographic control.</i> 	<p>Handheld GPS (Garmin 60CSx) was used and cross checked with topographic maps.</p> <p>The accuracy of sampling locations has been located to a sufficient level of accuracy.</p> <p>The rock samples are reconnaissance in nature and will not be used for Mineral Resource Estimation.</p> <p>Grid system used: WGS84/UTM Zone 33N</p>
<p>Data spacing and distribution</p>	<ul style="list-style-type: none"> • <i>Data spacing for reporting of Exploration Results.</i> • <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i> • <i>Whether sample compositing has been applied.</i> 	<p>Not applicable. The samples are reconnaissance in nature and will not be used for Mineral Resource Estimation.</p>
<p>Orientation of data in</p>	<ul style="list-style-type: none"> • <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known,</i> 	<p>Not applicable.</p>

Criteria	JORC Code explanation	Commentary
<i>relation to geological structure</i>	<p><i>considering the deposit type.</i></p> <ul style="list-style-type: none"> <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i> 	
<i>Sample security</i>	<ul style="list-style-type: none"> <i>The measures taken to ensure sample security.</i> 	<p>Standard measures were taken to ensure sample security.</p> <p>Samples were individually bagged in labelled plastic bags with an additional sample tag inserted into each bag. Prior to submission of half samples weights were noted and then cross checked with sample numbers and weights listed in the analytic protocols, with no discrepancies noted.</p> <p>Samples were transported to ALS Laboratories in Ireland by commercial couriers.</p>
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <i>The results of any audits or reviews of sampling techniques and data.</i> 	<p>No Audits or reviews have been undertaken at this time.</p>

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> • <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i> • <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i> 	<p>Licensed to Trilithium Erzgebirge GmbH, 100% owned subsidiary of Lithium Australia NL. #12-4741.1/684, granted on 12th Dec 2017 until 31st Dec 2020 for an area of area 133 010 500 m².</p> <p>The permit is located in the state of Saxony with the mineralised zones referred to in this press release located in forested areas.</p> <p>Lithium Australia NL is not aware of any issues with the security or the validity of the tenure at this point in time.</p>
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> • <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<p>The two main explorers in the greater area were the East German Geological survey and the Soviet-German mining company SDAG Wismut.</p> <p>Focus of previous exploration was quartz-cassiterite veins several kilometres to the north of the license area and the evaluation of potential uranium mineralization of the Eichigt granite, the latter being tested by drill hole 20/1953.</p> <p>No systematic exploration activities for mineral resources or results on the license area are known to Lithium Australia NL to date.</p>
<i>Geology</i>	<ul style="list-style-type: none"> • <i>Deposit type, geological setting and style of mineralisation.</i> 	<p>The local geology comprises Palaeozoic metamorphosed sediments (phyllites, schists) which are intruded by quartz veins and underlain by the Eichigt-Bergen granite massif.</p> <p>The quartz veins show iron-copper mineralisation in some parts and may be related to five-element vein style mineralisation.</p>

Criteria	JORC Code explanation	Commentary
Drill hole Information	<ul style="list-style-type: none"> • A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ol style="list-style-type: none"> 1. easting and northing of the drill hole collar 2. elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar 3. dip and azimuth of the hole 4. down hole length and interception depth 5. hole length. • If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	No drill results reported
Data aggregation methods	<ul style="list-style-type: none"> • In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. • Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • The assumptions used for any reporting of metal equivalent values should be clearly stated. 	No data aggregation completed
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> • These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known'). 	No drill hole intercepts being reported.
Diagrams	<ul style="list-style-type: none"> • Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	Included in the Press Release.
Balanced reporting	<ul style="list-style-type: none"> • Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	Five samples have been sent to the lab for initial assessment of potential mineralisation. It is noted that the rock samples were hand-picked for potential mineralisation and for reconnaissance

Criteria	JORC Code explanation	Commentary
		<p>and must not be used for quantification or calculation of average mineralisation of the system. All geochemical results available to Lithium Australia NL to date have been disclosed in this press release.</p>
<p><i>Other substantive exploration data</i></p>	<ul style="list-style-type: none"> <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i> 	<p>Typical deleterious elements in the sought-after multi-element vein system mineralisation are arsenic and uranium. Geochemical results for these elements are reported in this press release.</p>
<p><i>Further work</i></p>	<ul style="list-style-type: none"> <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<p>Further grab samples will be submitted to the lab for analysis to better quantify variation in grade and composition of the mineralisation.</p> <p>Field work including mapping as well as interpretation of aerial photographs is planned to potentially outline and define lateral extensions of the potentially mineralised system.</p>

