

11 January 2024

Lithium Australia completes A\$2.0m sale of the Lake Johnston Lithium Project

HIGHLIGHTS

- Lithium Australia completes sale of the Company's remaining interest in the Lake Johnston Lithium Project to Charger Metals NL (ASX:CHR), following shareholder approval at Charger Metal's EGM
- Lithium Australia has received A\$1.85m on completion of the transaction, bringing total cash consideration from the sale to A\$2.0m
- The transaction supports Lithium Australia's transition away from non-core assets, while also strengthening the Company's balance sheet
- Lithium Australia retains a first right of refusal for offtake for up to 30% of lithium produced by the Lake Johnston Lithium Project and maintains a holding of 9.6m ordinary shares in Charger Metals

Lithium Australia Ltd. (ASX:LIT) ("Lithium Australia" or the "Company") is pleased to announce that the Company has completed the sale of its remaining 30% interest in the Lake Johnston Lithium Project to Charger Metals NL (ASX:CHR) ("Charger"). The sale resulted in a total cash consideration of A\$2.0m, consisting of an initial A\$0.15m non-refundable exclusivity payment and the balance of A\$1.85m received on completion.

Lithium Australia's entrance into a binding agreement in relation to the sale of its interest in the Lake Johnston Lithium Project was announced on 20 November 2023. The transaction was subject to a number of conditions, including approval by Charger shareholders, which was satisfied at Charger's EGM held on 11 January 2024.

The sale of the Lake Johnston Lithium Project underscores the Company's greater focus on core operations of battery recycling, lithium chemicals, and battery materials. Lithium Australia also retains a first right of refusal for offtake for up to 30% of lithium produced by the Lake Johnston Lithium Project, providing a path to future lithium access to be applied in the commercial production of LFP. The cash proceeds of the transaction, coupled with the Company's 9.6m shares held in Charger, strengthen Lithium Australia's balance sheet, placing it in a stronger position to meet its growth objectives.

Authorised for release by the Board.

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Forward-looking statements

This announcement contains forward-looking statements. Forward-looking statements are subject to a variety of risks and uncertainties that it is beyond the Company's ability to control or predict and which could cause actual events or results to differ materially from those anticipated in such forward-looking statements.

About Lithium Australia

Lithium Australia is aiming to lead and enable the global transition to sustainable lithium production. The Company operates Australia's market leading battery recycler, produces critical battery material lithium ferro phosphate (LFP), and has developed a patented lithium extraction technology. Lithium Australia's revenue-generating recycling business and technologies are well-placed to capitalise on growing global lithium-ion battery demand and provides diversification benefits to global supply chains.