

Liontown Orders SAG Mill for Kathleen Valley Lithium Project

Contract for critical long-lead equipment item awarded to secure a production slot and meet targeted first lithium concentrate production in 2024

Highlights:

- Contract for **Semi Autogenous Grinding (SAG) Mill** awarded to Metso-Outotec.
- The award for the **design, fabrication and delivery** of the 7.9m diameter, 5.5MW Premier™ SAG Mill represents a significant deliverable in the purchasing and contracting strategy for the Kathleen Valley Project.
- **Metso-Outotec** is a class-leading processing equipment supplier with multiple comparable mill installations in operation across the world.
- Engineering is progressing on other key **long-lead items**, with all packages expected to be awarded over the next 6 months to ensure production slots and maintain schedule.

Liontown Resources Limited (ASX: **LTR**) ("**Liontown**" or "**the Company**") is pleased to announce that it has awarded a key contract to Metso-Outotec for the design, fabrication and delivery of a Semi Autogenous Grinding (SAG) Mill for its flagship Kathleen Valley Lithium Project ("**Project**") in Western Australia.

Following the completion of the Definitive Feasibility Study ("**DFS**") for Kathleen Valley 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 with Metso-Outotec.

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. Figure 1 shows an example of an installed Metso-Outotec Premier™ SAG Mill that is similar to the SAG Mill ordered by Liontown.

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 A\$473 million Kathleen Valley Project continues and Liontown 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.

Metso-Outotec is a class-leading processing equipment supplier with multiple comparable mill installations in operation across the world. They are a frontrunner in sustainable technologies, end-to-end solutions and services for the aggregates, minerals processing and metals refining industries globally.

Other key project deliverables including final permitting and securing the Engineering, Procurement & Construction Management (EPCM) partner to build and commission the Kathleen Valley Project are progressing to meet the targeted Final Investment Decision (FID) milestone by the end of Q2 2022.

Liontown’s Managing Director and CEO, Tony Ottaviano, said: *“The SAG Mill contract is the first of the long-lead items to be ordered and represents an important milestone for the Kathleen Valley Project. Placing this significant order with a world-class partner in Metso-Outotec is a great way to start the year and reflects our commitment to advance the Kathleen Valley Project rapidly towards first production.”*

“Detailed engineering and design work continues to advance, with the Company’s recent \$450 million share placement ensuring that Liontown is well capitalised to progress the Stage 1, 2.5Mtpa development at Kathleen Valley, including the early award of the SAG Mill and other key long-lead items. This will enable us to lock-in production slots, maintain our development schedule and meet our target of achieving first lithium concentrate production in 2024.”



Figure 1: Example of installed Metso-Outotec Premier™ SAG Mill similar to the SAG Mill ordered.

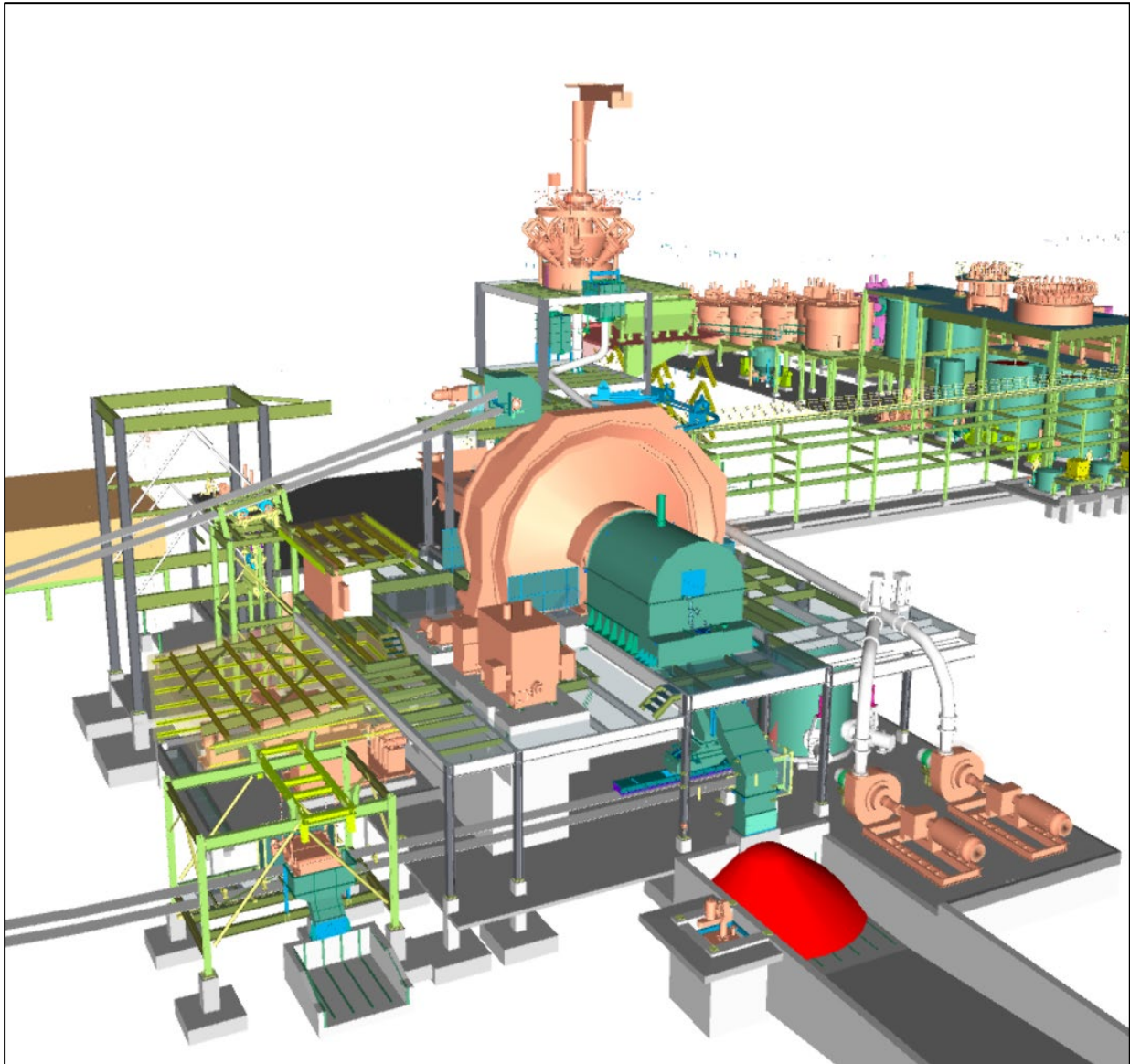


Figure 2: 3D Model of Kathleen Valley SAG Mill.

This announcement has been authorised for release by the Managing Director.

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Competent person statement

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 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 statements

This report contains forward-looking statements which are identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects', or 'intends' and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this report, are considered reasonable. Such forward-looking statements are not a guarantee of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and the management. The Directors cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this report will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements. The Directors have no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this report, except where required by law or the ASX listing rules.