

Open pit mining operations commence at Kathleen Valley

ASX Announcement

03/02/2023

First blast successfully fired at the Mt Mann Open Pit signalling the commencement of mining operations as planned at the Kathleen Valley Lithium Project in Western Australia.

Highlights

- Mining Services provider, Iron Mine Contracting, has commenced open pit mining operations at Kathleen Valley with the first blast successfully fired.
- Iron Mine Contracting is providing open pit mining services at the Kathleen's Corner and Mt Mann open pits, which include performing drilling and blasting, loading and hauling of ore and waste, haul road construction as well as maintenance, and pit dewatering services.
- The services are being provided under a Preliminary Works Agreement that has enabled Iron Mine Contracting to mobilise to site and commence operations whilst the parties continue to progress a binding open pit mining contract.
- The on-schedule commencement of open pit mining will generate material for construction of the Run-of-Mine pad and Tailings Storage Facility, potential Direct Shipping Ore (DSO) and a stockpile of mill feed to facilitate the start-up commissioning, and ramp up of the process plant, with first production on schedule for mid-2024.
- Iron Mine Contracting has also been awarded the contract for the construction of the Tailings Storage Facility.



Figure 1: Aerial view of the first blast for the Mt Mann open pit

Liontown Resources Limited (ASX: LTR) (**Liontown** or the **Company**) is pleased to announce the commencement of open pit mining operations at the Kathleen Valley Lithium Project (**Kathleen Valley** or **Project**) in Western Australia.

The first blast at the Mt Mann open pit marks a significant milestone in the development of Kathleen Valley. The blast area contains predominantly waste rock which will be used as bulk fill for construction of the Run of Mine (ROM) pad. The small quantity of ore contained within the blast will ultimately be used to sheet the ROM pad once constructed.

As previously outlined, mine plan optimisation work undertaken recently has reduced the operational complexity of the mine plan from both an open pit and underground mining perspective. The Kathleen’s Corner open pit will be expanded to produce more ore than estimated in the Definitive Feasibility Study (DFS) and the Mt Mann open pit will be reduced to a large box-cut, which will be completed prior to the establishment of the underground portal and subsequent decline development.

The expanded Kathleen’s Corner open pit will result in more material being moved over the initial project period. Strong lithium market conditions provide a potential opportunity to monetise material not previously expected to be processed as a Direct Shipping Ore (DSO) product, delivering early revenue during the pre- and post-commissioning phase at Kathleen Valley.

Liontown is currently progressing this DSO opportunity with sample composites currently being prepared for potential customers. Additionally, it is expected that material mined in the near-term will be used for bulk test work. The Company will make further announcements regarding the DSO opportunity as optimisation work concludes and tenders for crushing and sorting services are assessed.



Figure 2: Load and haul operations underway in the Kathleen’s Corner open pit

Iron Mine Contracting Pty Ltd (Iron Mine Contracting) is providing open pit mining services under a Preliminary Works Agreement which has enabled mobilisation, site establishment and the commencement of mining services while the parties continue to progress a binding open pit mining contract.

In addition to open pit mining services, Liontown has awarded the construction of the Tailings Storage Facility (TSF) to Iron Mining Contracting. Waste rock and other suitable materials mined from the open pits will be direct hauled to the TSF location and used to construct the embankments.

Iron Mine Contracting will complete construction of one of the cells of the TSF, including an HDPE liner, decant and underdrainage structures, ready for installation of pipework and pumping infrastructure by others.

Importantly for Liontown, Iron Mine Contracting is already working with the Tjiwarl Traditional Owners, entering into a Letter of Intent with Tjiwarl Contracting Services, a wholly owned subsidiary of Tjiwarl Aboriginal Corporation, for the hire of mobile plant and facilities, provision of services, employment and apprenticeships.

Liontown's Managing Director and CEO, Tony Ottaviano, said:

"Completion of the first blast and commencement of open pit mining operations at Kathleen Valley is a significant milestone for Liontown, signifying our transition from explorer to mining operator. Achieving this milestone ahead of schedule is a testament to the hard work and dedication of the Liontown and Iron Mining Contracting teams.

We are excited to be working with the experienced team at Iron Mine Contracting. We have every confidence in their ability to deliver results and look forward to partnering with them to bring our Kathleen Valley Lithium Project to life."

This announcement has been authorised for release by the Managing Director, Mr Tony Ottaviano.



TONY OTTAVIANO
Managing Director

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

About Iron Mine Contracting

Iron Mine Contracting is West Australian-based company, that provides civil, mining, crushing and screening services as well as Indigenous partnering opportunities to the West Australian market. Iron Mine Contracting and its associated Indigenous Joint Venture partners have been delivering projects to Tier 1 resource clients since 2013 and have extensive experience working for clients in remote areas.

For More Information:

Investors:

Rob Carruthers
Head of Corporate Affairs
T: +61 8 6186 4639
rcarruthers@ltresources.com.au

Media Enquiries:

Paul Armstrong/Kate Bell
Read Corporate
T: +61 8 9388 1474
info@readcorporate.com.au

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.