

Fast **charging** towards a low carbon future

Equity Capital Raising
Presentation

December 2021

ASX: LTR

Important Information



This presentation (“**Presentation**”) has been prepared by Liontown Resources Limited (the “**Company**”) and is of a summary form only and therefore contains general background information which may not be complete. This Presentation has been prepared in relation to a proposed fully underwritten institutional placement (“**Placement**”) and non-underwritten share purchase plan offer (“**SPP**”), of fully paid ordinary shares in the Company (“**New Shares**”) (together the Placement and the SPP are the “**Offer**”). This Presentation should be read in conjunction with, and full review made of, the Company’s disclosures and releases lodged with the Australian Securities Exchange (“**ASX**”) and available at www.asx.com.au.

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Cautionary statement

The production targets and forecast financial information referred to in the Definitive Feasibility Study (“**DFS**”) and Downstream Scoping Study (“**DSS**”) were based on Proven Ore Reserves (3.3%), Probable Ore Reserves (79.5%) and Inferred Mineral Resources (17.2%). The inferred material included in the inventory was 14.3Mt @ 1.1% Li₂O & 120 ppm Ta₂O₅. The inferred material was scheduled such that less than 10% of the inferred material is mined in the first ten years, with the remainder mined through to the end of the mine life.

The inferred material does not have a material effect on the technical and economic viability of the project.

There is a low level of geological confidence associated with inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of indicated Mineral Resources or that the production target itself will be realised.

The Company refers to the cautionary statement contained on page 2 of its ASX announcement “Updated Downstream Scoping Study Highlights Next Growth Horizon for Kathleen Valley Project” released on 11 November 2021 which is available on www.ltresources.com.au.

It is a requirement of the ASX Listing Rules that the reporting of ore reserves and mineral resources in Australia comply with the Joint Ore Reserves Committee’s Australasian Code for Reporting of Mineral Resources and Ore Reserves (“**JORC Code**”). Investors outside Australia should note that while ore reserve and mineral resource estimates of the Company in this Presentation comply with the JORC Code (such JORC Code-compliant ore reserves and mineral resources being “Ore Reserves” and “Mineral Resources” respectively), they may not comply with the relevant guidelines in other countries, and in particular, do not comply with Industry Guide 7, which governs disclosures of mineral reserves in registration statements filed with the United States Securities and Exchange Commission (“**SEC**”). Information contained in this Presentation describing mineral deposits may not be comparable to similar information made public by companies subject to the reporting and disclosure requirements of US securities laws. In particular, Industry Guide 7 does not recognise classifications other than proven and probable reserves and, as a result, the SEC generally does not permit mining companies to disclose their mineral resources in SEC filings. You should not assume that quantities reported as “resources” will be converted to reserves under the JORC Code or any other reporting regime or that the Company will be able to legally and economically extract them.

Forward looking statements

This Presentation 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 Presentation, 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 Presentation 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 Presentation, except where required by law or the ASX listing rules.

Important Information (cont.)



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You undertake that you will not seek to sue or hold any JLM or their respective Limited Parties liable in any respect in connection with this Presentation or the Offer (to the maximum extent permitted by law). By accepting this Presentation, you acknowledge and agree that you are responsible for making your own judgment with respect to the Offer, any other transaction and any other matter arising in connection with this Presentation.

Disclosure

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Important Information (cont.)

Disclosure (cont.)

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Any participant in the Offer acknowledges that allocations under the Offer are at the sole discretion of the JLMs and the Company. To the maximum extent permitted by law, the JLMs and the Company disclaim any duty or liability (including for negligence) in respect of the exercise of that discretion. Furthermore, the Company reserves the right to vary the timetable for the Offer (with the consent of the JLMs) including by closing the Offer bookbuild early or extending the Offer bookbuild closing time (generally or for particular investors), without recourse to them or notice to any participant in the Offer. Moreover, communications that the Offer or Offer bookbuild is "covered" (ie aggregate demand indications exceed the amount of the New Shares offered) are not an assurance that the Offer will be fully distributed.

In connection with the Offer, one or more investors may elect to acquire an economic interest in the New Shares ("**Economic Interest**"), instead of subscribing for or acquiring the legal or beneficial interest in those securities. The JLMs (or their respective affiliates and related bodies corporate) may, for their own respective accounts, write derivative transactions with those investors relating to the New Shares to provide the Economic Interest, or otherwise acquire securities in the Company in connection with the writing of those derivative transactions in the Offer and/or the secondary market. As a result of those transactions, the JLMs (or their respective affiliates and related bodies corporate) may be allocated, subscribe for or acquire securities of the Company in the Offer and/or the secondary market, including to hedge those derivative transactions, as well as hold long or short positions in those securities. These transactions may, together with other securities in the Company acquired by the JLMs or their affiliates and related bodies corporate in connection with its ordinary course sales and trading, principal investing and other activities, result in the JLMs or their affiliates disclosing a substantial holding and earning fee.

The JLMs (and/or their respective affiliates and related bodies corporate) may also receive and retain other fees, profits and financial benefits in each of the above capacities and in connection with the above activities, including in their capacity as JLMs to the Offer.

Competent person statement

The information in this Presentation that relates to Exploration Results and Mineral Resources for the Kathleen Valley Project is extracted from the ASX announcement "Strong progress with Kathleen Valley Definitive Feasibility Study as ongoing work identifies further key project enhancements" released on 8 April 2021 which is available on www.ltresources.com.au.

The information in this Presentation that relates to metallurgical testwork and process design, Ore Reserves, 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 information in this Presentation that relates to the DSS for the Kathleen Valley Project is extracted from the ASX announcement "Updated Downstream Scoping Study Highlights Next Growth Horizon for Kathleen Valley Project" released on 11 November 2021 which is available on www.ltresources.com.au.

The information in this Presentation that relates to Mineral Resources for the Buldania Project is extracted from the ASX announcement "Liontown announces maiden Mineral Resource Estimate for its 100%-owned Buldania Lithium Project, WA" released on the 8 November 2019 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.

Authorisation

This Presentation has been authorised for release by the Board.

Investment Highlights¹



	Globally significant Tier 1 project	<ul style="list-style-type: none"> The Kathleen Valley Lithium Project (“KV”) is a world class deposit situated in the established mining jurisdiction of Western Australia Attractive capital intensity, low cash cost operation with an initial mine life of ~23 years Exceptional economics, DFS delivering a post-tax NPV₈ of A\$4.2bn and post-tax IRR of 57%²
	Robust lithium thematic, timed to perfection	<ul style="list-style-type: none"> Significant lithium supply deficits forecast to emerge from 2024, expected to align with start of production Uniquely positioned with full offtake optionality to become one of the very few projects to meet increased demand KV is a hard rock deposit providing a cost advantage to brine in the production of Lithium Hydroxide (“LiOH”)
	Clear long-term strategy with material value upside	<ul style="list-style-type: none"> DFS contemplates an expansion of SC6.0 production from ~500ktpa to ~700ktpa to facilitate LiOH downstream ambition Updated Downstream Scoping Study (post-tax NPV₈ of A\$9.6bn, IRR of 56%) provides value maximising pathway Maintaining optionality through offtake agreements to support downstream supply, potential to consider strategic JV partnerships
	ESG core to strategy	<ul style="list-style-type: none"> Liontown Resources (“Liontown or LTR”) is on a net zero trajectory, with a climate strategy roadmap targeting net zero emissions by 2034 Aims to be an ESG leader and a globally significant supplier of battery materials Leverage underground mining and renewable power to achieve a strong ESG profile relative to peers
	Well capitalised with strong flexibility	<ul style="list-style-type: none"> Well capitalised post the equity raising with significant flexibility to negotiate favourable terms with commercial lenders and offtake partners ~A\$490m³ equity raising underpins a prudent balance sheet, expected remaining funding of (~A\$81-121m)⁴ with multiple funding options (including bank debt and customer funding) progressed and expected to be finalised ahead of Final Investment Decision (“FID”)
	Experienced leadership strongly aligned to shareholders	<ul style="list-style-type: none"> Board and Executive Leadership Team with a track-record of delivering success for shareholders Shareholder alignment with the Board currently holding a collective ~20% (including ~17% by Chairman Tim Goyder)⁵

1. Investment highlights should be read with consideration for the key risks outlined in Appendix 3.

2. Refer to slide 21 for further details.

3. Subject to shareholder take-up under the SPP.

4. The additional funding amount is as per the DFS and subject to change/fluctuation. The Board expects to secure the remaining funding prior to making a final investment decision which is anticipated to occur Q2 2022.

5. Based on pre-equity raising shares outstanding as of 30 November 2021.



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Section 1



Equity Raising

Offer Summary



Liontown is conducting a fully underwritten institutional placement to raise ~A\$450 million and a non-underwritten Share Purchase Plan to raise up to A\$40 million

Offer structure and size	<ul style="list-style-type: none">Liontown is conducting the offer to raise up to ~A\$490 million, comprising<ul style="list-style-type: none">A fully-underwritten institutional placement of approximately 272.7 million fully paid ordinary shares to raise ~A\$450 million (“Placement”)A non-underwritten Share Purchase Plan (of up to A\$30,000 per shareholder) to raise up to A\$40 million (“SPP”). (Together the Placement and SPP are the “Offer”)Approximately 272.7 million new shares to be issued under the Placement representing 14.3% of existing ordinary shares on issueNew shares issued under the Offer will rank equally with existing shares on issueThe institutional placement component of the Offer is fully-underwritten
Offer price	<ul style="list-style-type: none">Offer price of A\$1.65 per share, represents a:<ul style="list-style-type: none">14.1% discount to the last closing price of A\$1.92 per share on 30 November 202112.3% discount to the 5-day VWAP of A\$1.88 per share as at 30 November 20219.3% discount to the 10-day VWAP of A\$1.82 per share as at 30 November 2021
Share Purchase Plan ¹	<ul style="list-style-type: none">Existing eligible shareholders, being those shareholders that are residents in Australia or New Zealand that held Liontown shares as at 7.00pm AEDT on 30 November 2021 will be invited to participate in a non-underwritten SPP at the Offer price of A\$1.65 per share, the same Offer price as the placementUp to A\$30,000 per Eligible Shareholder, targeting a maximum of up to A\$40 millionLiontown may decide to accept applications (in whole or in part) that result in the SPP raising more or less than A\$40 million in its absolute discretion. Liontown reserves the right (in its absolute discretion) to scale back applications under the SPP if demand exceeds A\$40 million, raise a higher amount or close the SPP at an earlier date
Joint Lead Managers & Underwriters	<ul style="list-style-type: none">Barrenjoey Markets Pty Limited, Bell Potter Securities Limited and Macquarie Capital (Australia) Limited are acting as Joint Lead Managers & Underwriters to the Offer

1. Further details of the SPP will be contained in the SPP offer booklet, which will be sent to eligible LTR shareholders on Friday, 10 December 2021.

Sources and Uses of Funds

Offer proceeds will be used to fund the equity component of the development of the world-class Kathleen Valley Lithium Project



The equity raising provides funding to Liontown to support the development of its Kathleen Valley Lithium Project, with proceeds being applied to:



Kathleen Valley development costs

- Ordering of critical long-lead items
- Mine establishment and construction capex
- Pre-production costs
- Sustaining capex for the first year of operations



Corporate costs, working capital and Offer costs

- General corporate costs
- Working capital requirements
- Offer costs including Joint Lead Manager fees and legal fees



Exploration and study costs

- Kathleen Valley and Buldania Resource drilling
- Downstream pre-feasibility study
- Buldania studies
- Testwork
- External consultants

Sources of Funds	(A\$m)	% of Total
Proceeds from Placement	450	76%
Proceeds from SPP ¹	40	7%
Proceeds from the Offer	490	82%
Existing cash reserves ²	24	4%
Remaining funding [*]	81	14%
Total Sources	595	100%

Uses of Funds	(A\$m)	% of Total
Kathleen Valley 2.5Mtpa construction capex	473	79%
Kathleen Valley sustaining capex (Year 1)	34	6%
Corporate costs, working capital and Offer costs ³	81	14%
Exploration and study costs	8	1%
Total Uses	595	100%

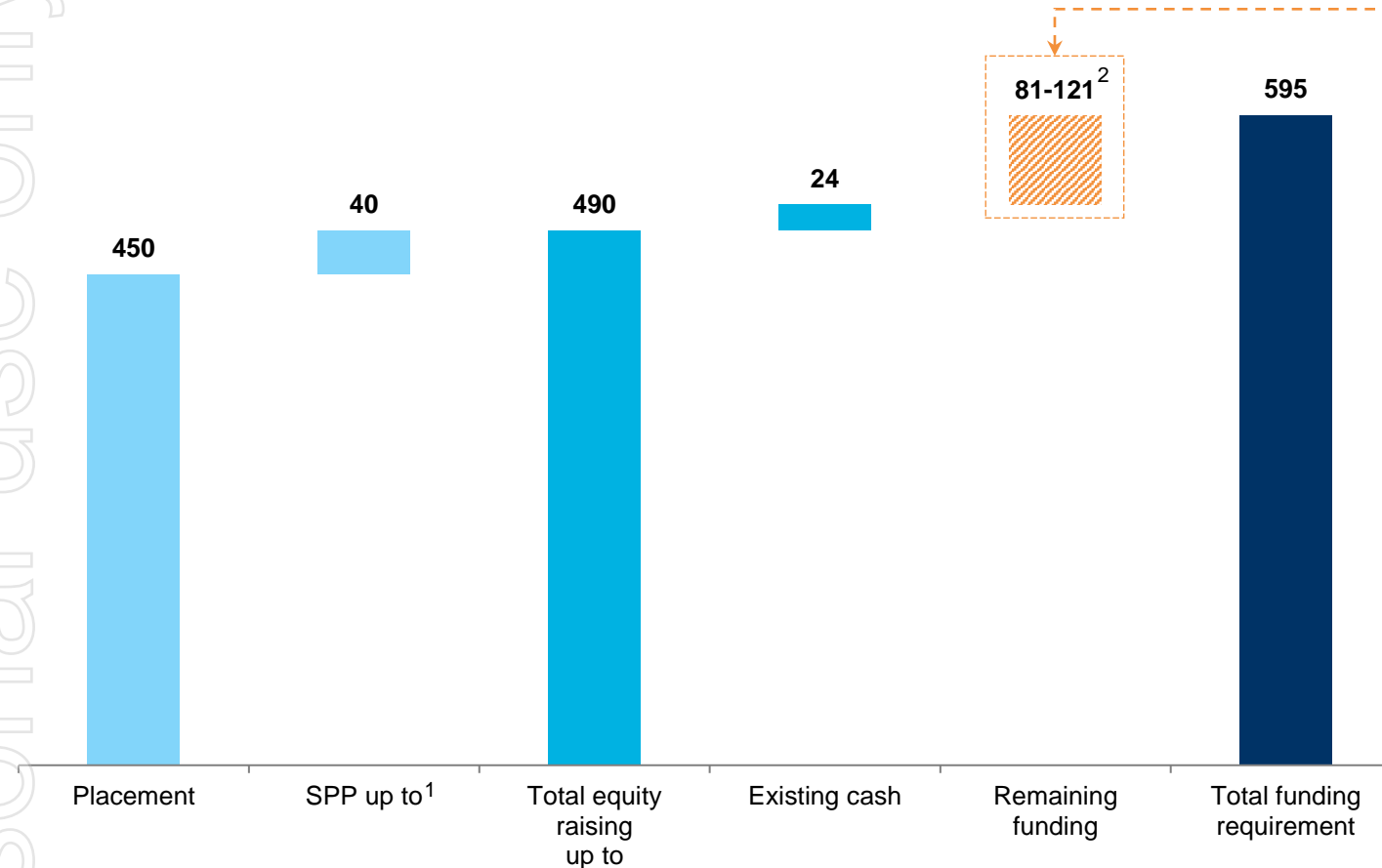
**Remaining funding sources covered on the next slide*

1. Assumes A\$40m is raised under the SPP, however, the SPP is not underwritten.
2. Unaudited balance as of 29 November 2021.
3. Corporate costs and working capital cover the full construction period for Kathleen Valley.

Project Funding Overview

Liontown is seeking to raise up to ~A\$490m to provide maximum optionality and flexibility around remaining debt and offtake discussions. Liontown believes this prudent approach to financing will maximise the value of Kathleen Valley for all shareholders

Funding Bridge to Kathleen Valley First Production (A\$m)



Liontown is well-advanced on funding discussions for the remaining ~A\$81-121m

- ✓ Traditional bank debt from tier 1 banks on competitive terms
- ✓ Indicative term sheets provided by multiple banks with indications of size well above the potential remaining funding amount of ~A\$81-121m
- ✓ Alternative financing options, including “Green” loans, customer pre-payments / financing facilities, streaming options (if required or if terms are more attractive than traditional debt)

Forecast cash flows from Kathleen Valley are expected to be sufficient to fund the additional capital requirement for the future 4Mtpa expansion in 2029 and downstream operations³

- ✓ Potential to bring-in a JV partner for balance sheet support and operational expertise on the downstream plant

1. The SPP is non-underwritten.
 2. Remaining funding, as referenced on slide 8, will vary depending on the proceeds raised under the SPP.
 3. According to the DFS and DSS assumptions and subject to change/fluctuation.



Timetable and Pro-Forma Capital Structure

Indicative Timetable¹

Event	Date
Record date for eligibility to participate in SPP	7:00pm AEDT Tuesday, 30 November 2021
Trading halt	Wednesday, 1 December 2021
Launch of Offer and Investor Presentation	Wednesday, 1 December 2021
Trading halt lifted and announcement of completion of Placement	Thursday, 2 December 2021
Settlement of Placement shares	Monday, 6 December 2021
Allotment of Placement shares	Tuesday, 7 December 2021
Dispatch SPP Offer Documents and SPP Offer open date	Friday, 10 December 2021
SPP closing date	Friday, 14 January 2022
Announcement of SPP Participation Results	Friday, 21 January 2022
Allotment of SPP shares	Friday, 21 January 2022
Commencement of trading of SPP shares	Monday, 24 January 2022

1. Indicative only and dates are subject to change by the JLMs and/or the Company.
2. Current shares on issue according to the latest Appendix 2A (dated 19 November 2021).
3. Unaudited cash balance as of 29 November 2021.
4. Pro-forma cash balance shown before costs of the Offer.
5. Assumes A\$40m is raised under the SPP, however, this is not underwritten and the Company has the option to raise more or less.

Pro-Forma Shares and Cash

	Shares (m)	Cash (A\$m)
Pre-equity raising (unaudited) ^{2,3}	1,911.7	24
Placement	272.7	450
Pro-forma (Placement)⁴	2,184.4	474
SPP ⁵	24.3	40
Pro-forma (Placement & SPP)⁴	2,208.7	514



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Section 2

—
Liontown and Kathleen
Valley Overview

Liontown Corporate Overview

Liontown is focused on the development of the world-class Kathleen Valley Lithium Project

Projects

Kathleen Valley World-class scale and economics
156Mt @ 1.4% Li₂O & 130ppm Ta₂O₅
High-grade

Buldania 15Mt @ 1.0% Li₂O
Resource upside

Strategy

We aim to be an ESG-leader, and a globally significant provider of battery materials for the rapidly growing clean energy market



Pre-equity raising corporate snapshot (30 Nov 2021) ASX: LTR

Market Cap.

A\$3.7bn

Share price (\$/s)

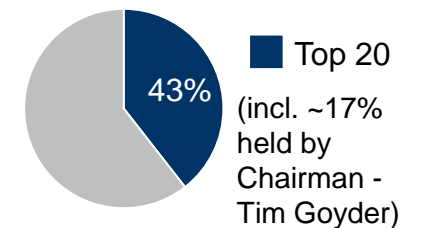
A\$1.92

Shares on issue

1,912m

~20% held by Board and
Executive Leadership
Team

Major shareholders¹



Cash reserves²

A\$24m

Research coverage



1: Based on shareholdings as of 19 November 2021.
2: Unaudited balance as of 29 November 2021.

Board and Management



Highly experienced Board and Executive Leadership Team, with a track record of delivering shareholder value

Board of Directors



Tim Goyder

Chairman
+40 years (Mining Executive)
Founder of Chalice Mining



Craig Williams

Non-Executive Director
+40 years (Geologist)
Founder and CEO of Equinox Minerals



Anthony Cipriano

Non-Executive Director
+30 years (Chartered Accountant)
Former Senior Partner at Deloitte



Steven Chadwick

Non-Executive Director
+40 years (Metallurgist)
Director of Lycopodium Limited



Jennifer Morris

Non-Executive Director
+20 years (Corporate Executive)
Director of Fortescue Metals and Sandfire Resources



Tony Ottaviano

Managing Director
+30 years (Mech. Engineer)
Former BHP, Rio Tinto, and Wesfarmers executive

Executive Leadership Team



Tony Ottaviano

Managing Director / CEO
+30 years (Mech. Engineer)
Former BHP, Rio Tinto, and Wesfarmers executive



Adam Smits

COO
+20 years (Mech. Engineer)
Former COO Nzuri Copper



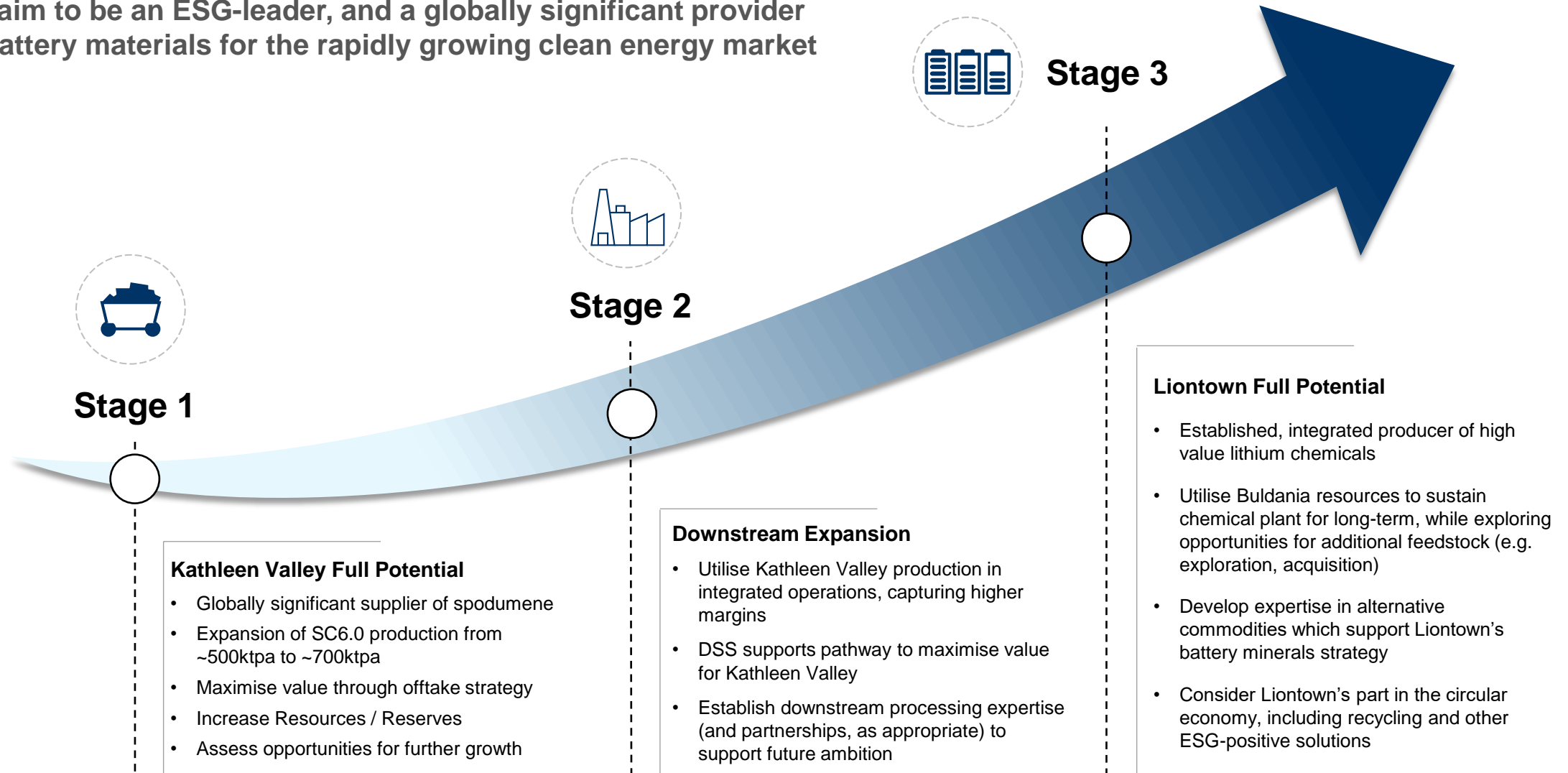
Craig Hasson

CFO
+15 years (Chartered Accountant)
Commercial & Financial experience

Liontown's Strategy



We aim to be an ESG-leader, and a globally significant provider of battery materials for the rapidly growing clean energy market



Liontown's ESG Focus

Environment



- Aspiring to have Best-in-class Scope 1 and 2 emissions and reduced impact on local surroundings
- ~60% renewable energy target to reduce Scope 2 emissions
- Minimising water usage through recycling

Social and corporate governance



- Signed Native Title Agreement on 17 November 2021
- Social licence fundamental to sustainable, long-term operation
- Best-in-class reporting aligned with GRI¹, TCFD² and SASB³ standards
- First sustainability report announced on 25 November 2021

Customers



- Automotive OEMs increasingly demand environmentally-friendly, low-carbon batteries to achieve Scope 1-3 targets
- Carbon footprint labelling and transparency will enable end-consumer choice for ESG



Climate Strategy Roadmap

First Production 2024	1 st Goal 2029	Net Zero 2034
Design & build for the future <ul style="list-style-type: none">• ~60% renewable power with built in expansion potential• Conventional mine fleet with future proofed underground infrastructure• Alternative fuels for mine and transport fleet• Mine-plan with a focus on reduced ground disturbance	Refine <ul style="list-style-type: none">• Target >75% renewable power• Upgraded mining fleet with electric trucks• Target 50% biofuel powered road transport & LV fleet• Reduced site water consumption via greater recycling	Consolidate <ul style="list-style-type: none">• Target 100% renewable power• Target 100% electric or clean fuel powered mining & LV Fleet• Net zero to ship loading

10 years to net zero⁴

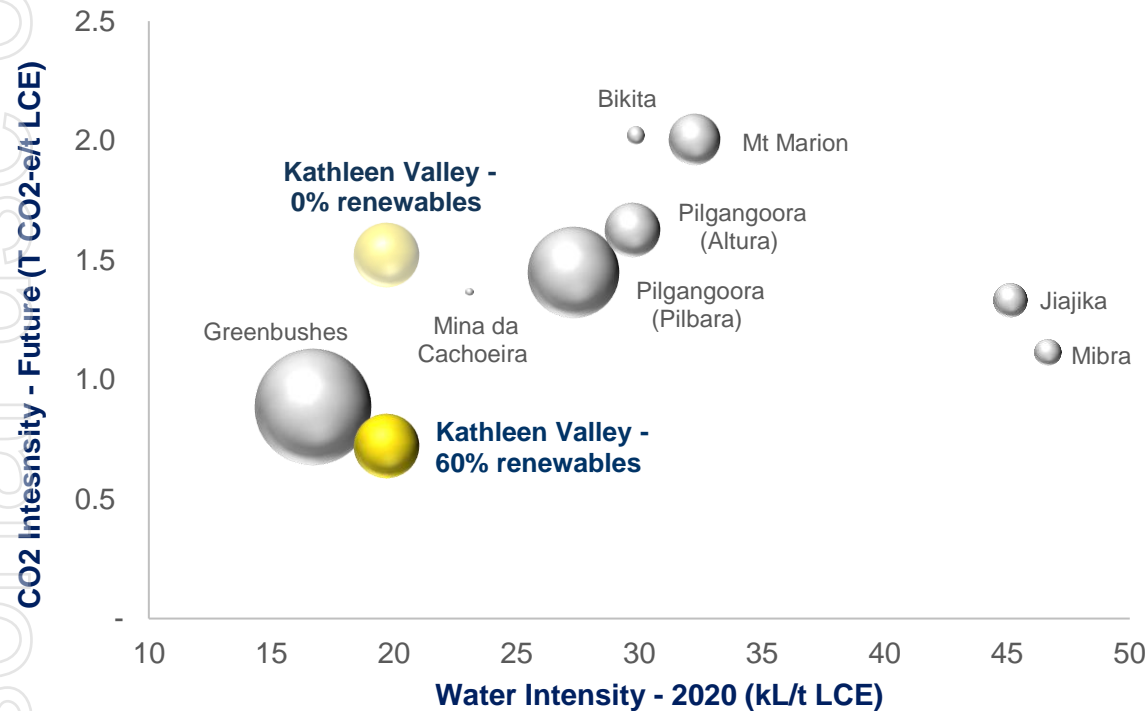
Liontown's ESG Focus (cont.)

Underground mining provides significant sustainability advantages compared to peers, owing to higher ore quality and grades and minimisation of waste



Sustainability Benchmarking

Liontown is expected to be one of the first new mining companies in Australia to have 60% renewable power at start-up

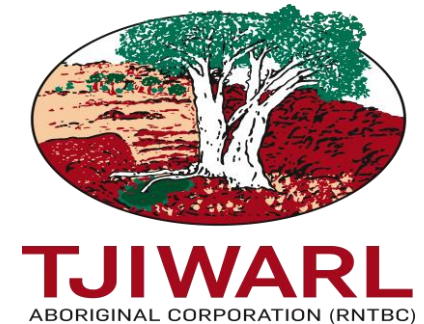


Source: Peers – Roskill and Kathleen Valley numbers are internal estimates
Bubble size represents annual production of spodumene on a LCE basis

Social Engagement

Tjiwarl input has been included in the project initial design to ensure areas of cultural significance are respected

- Liontown and the Native Title Holders (the Tjiwarl) signed the Kathleen Valley Project Native Title Agreement (NTA) on 17 November 2021
- Agreement talks to areas that matter for the Tjiwarl:
 - Communication
 - Land and Water Management
 - Aboriginal Heritage Management
 - Cultural Awareness & Access
 - Compensation
 - Social Opportunities and Development
 - Employment and Contracting
- Securing a NTA is a key enabler for project permitting

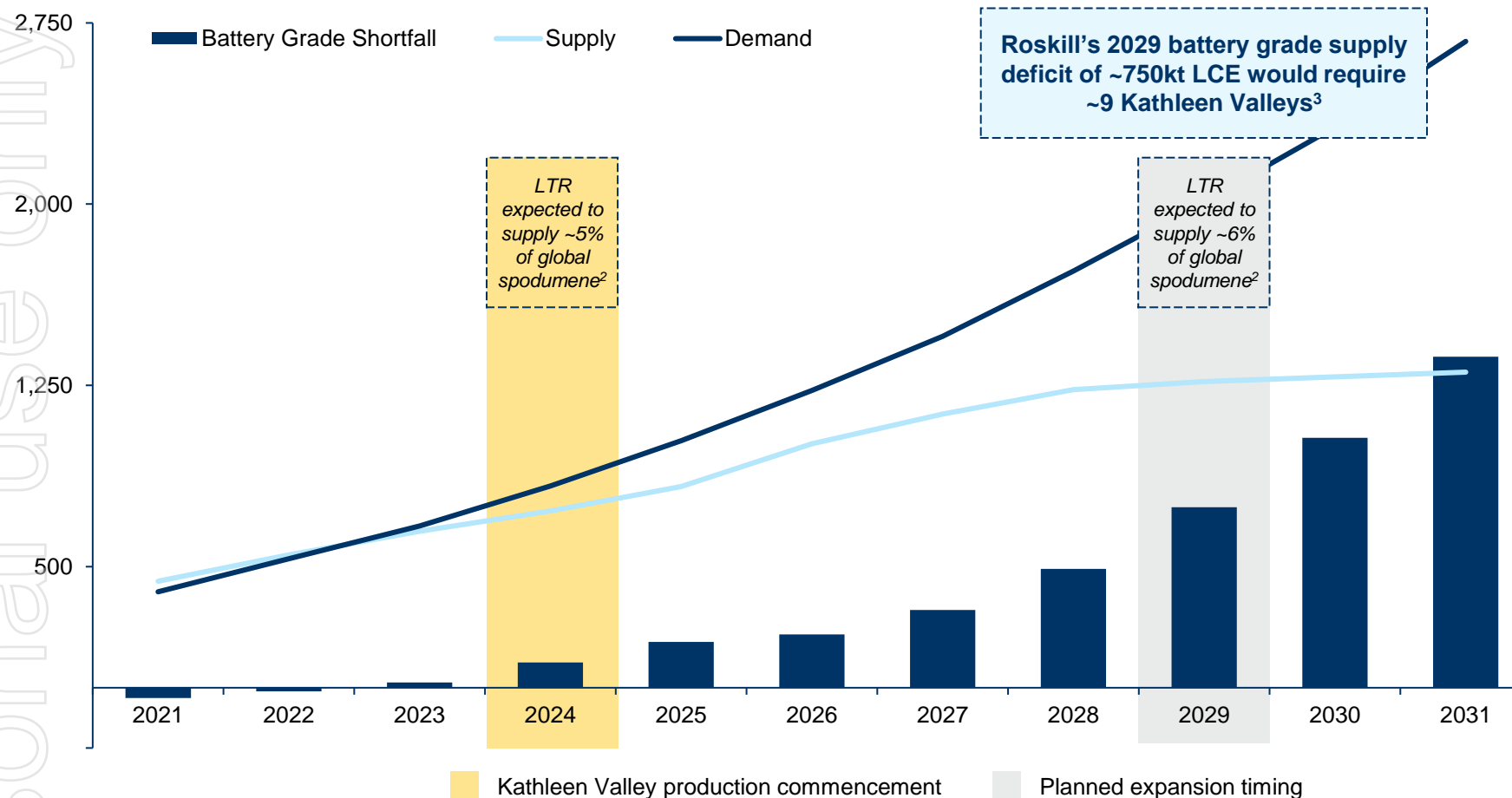


Lithium Market Dynamics



Production expected to commence in 2024, coinciding with a forecast market deficit that is expected to continue and grow. Liontown has optionality to further increase production towards the end of the decade

Global lithium market balance (battery grade), 2021-31, kt LCE



Demand

- **25% forecast CAGR for Lithium-ion Battery demand** – driven by stronger GHG regulations and improving EV adoption
- **25% forecast CAGR for lithium hydroxide** – as preferred product for cathodes

Supply

- **Liontown is a globally significant source of supply** – Liontown forecast to supply ~5% of global spodumene in 2024 and ~6% in 2029²
- **Significant supply constraints** – Constraints on peers (e.g. environmental, permitting, customer agreements) make Liontown one of few viable options to meet supply deficit
- **17% cost advantage for hard rock** – compared to producing LiOH from brine¹

Source: Roskill, MineSpans

1. Costs represent indicative 2025 cost base for typical brine and spodumene operations; Source: MineSpans

2. Liontown expected to supply 5% of global spodumene and 4% of global lithium in 2024 and Liontown expected to supply 6% of global spodumene and 4% of global lithium in 2029

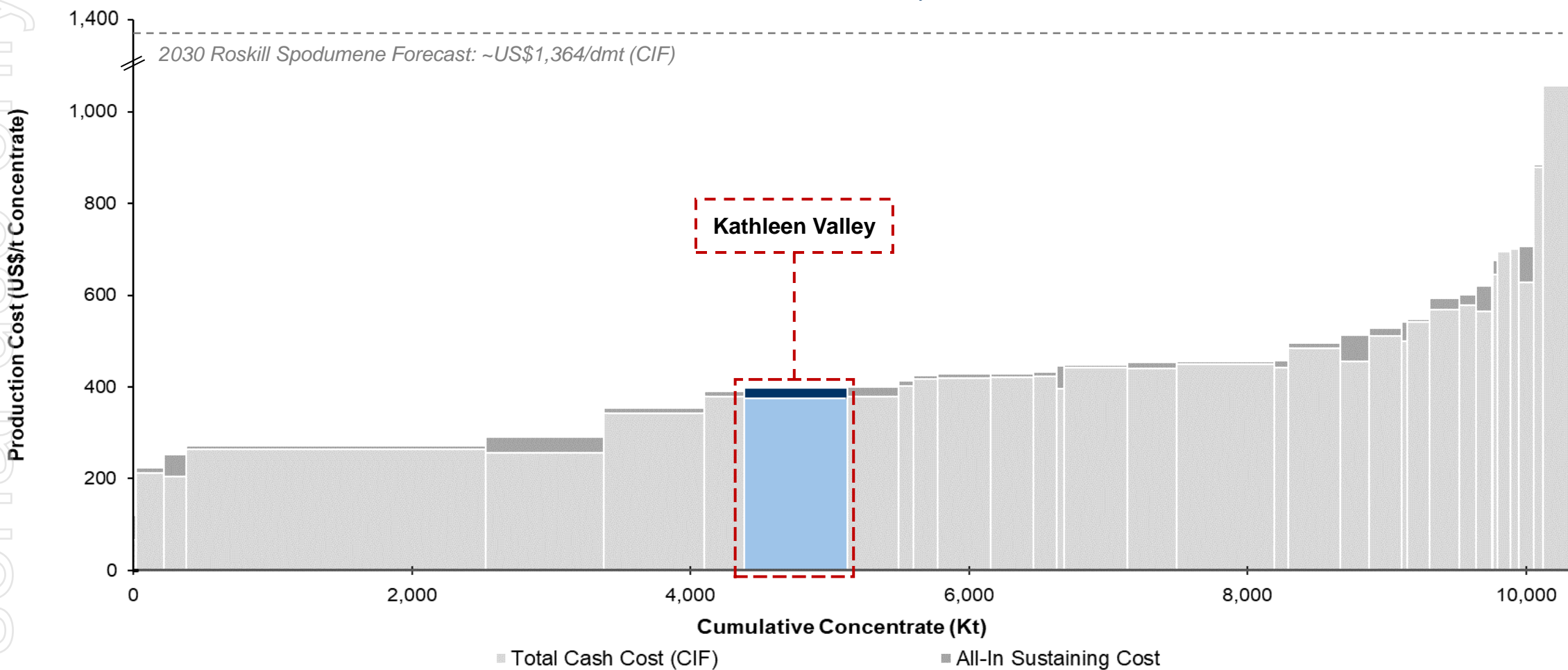
3. Kathleen Valley 2029 production of ~681kdmmt SC6.0 equivalent to ~86kt LCE (converted at 7.93t SC6.0 = 1t LCE)

Competitive Cost Curve Position



In 2030, Liontown will become a globally significant, cost competitive producer once 4Mtpa expansion ramp-up is complete

Roskill Spodumene Cost Curve: 2030¹
Based on Roskill cost analysis



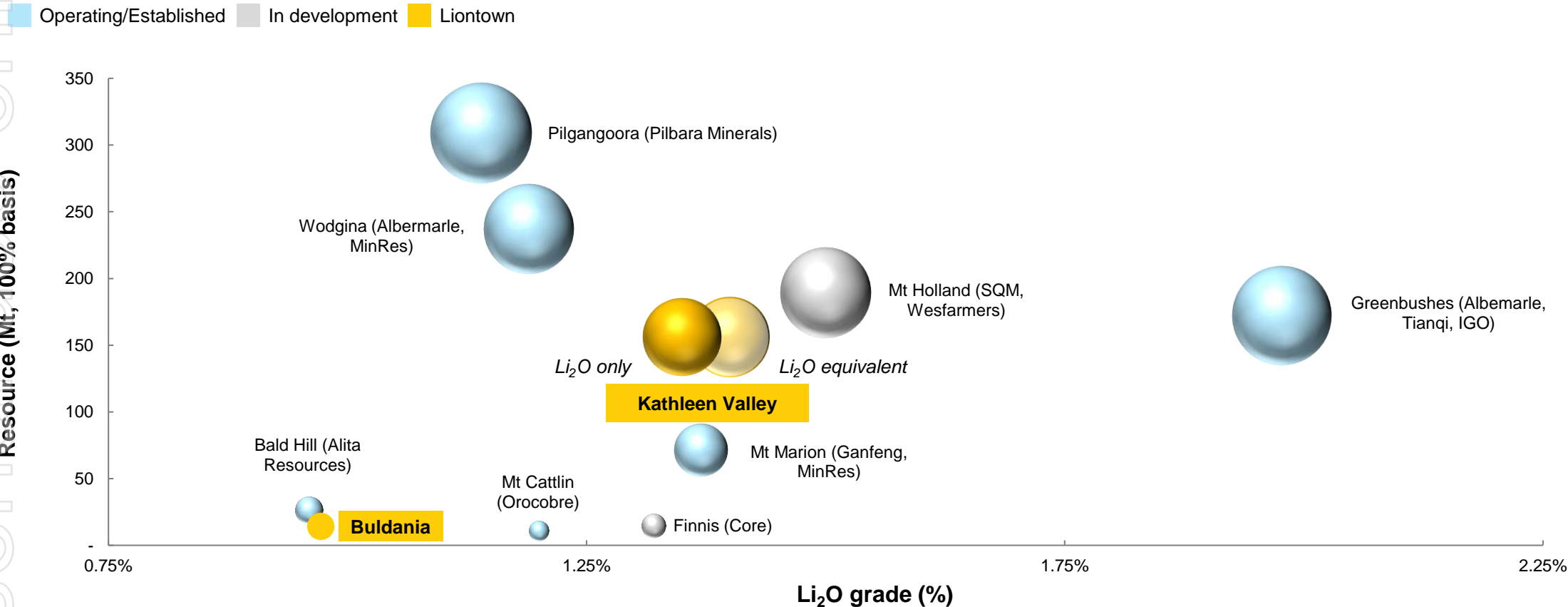
Kathleen Valley Benchmarked



Kathleen Valley is a uniquely positioned, globally significant Tier 1 lithium resource with exploration potential

Australian hard rock lithium operations and advanced projects^{1,2}

By project, size, and grade



1: Refer to Appendix 2 for information including Resource Classifications; Li₂O equivalents parameters and calculations.

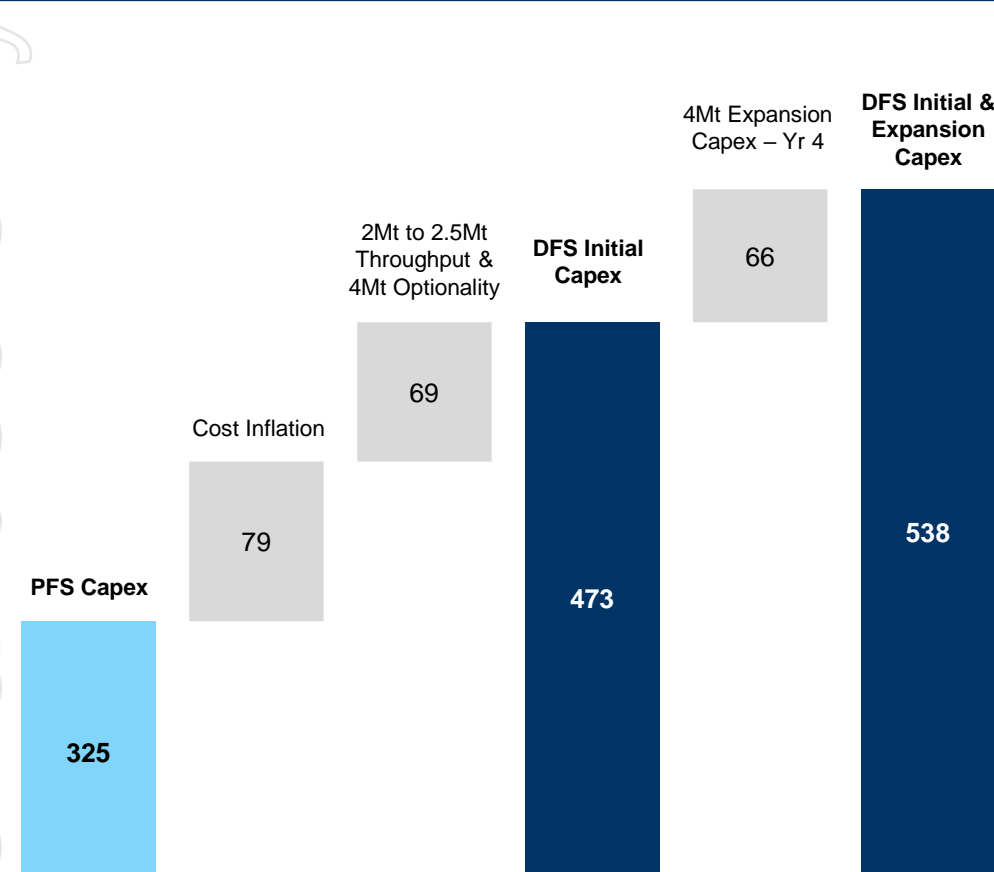
2: Bubble size represents the Resource tonnes multiplied by lithium oxide (%).



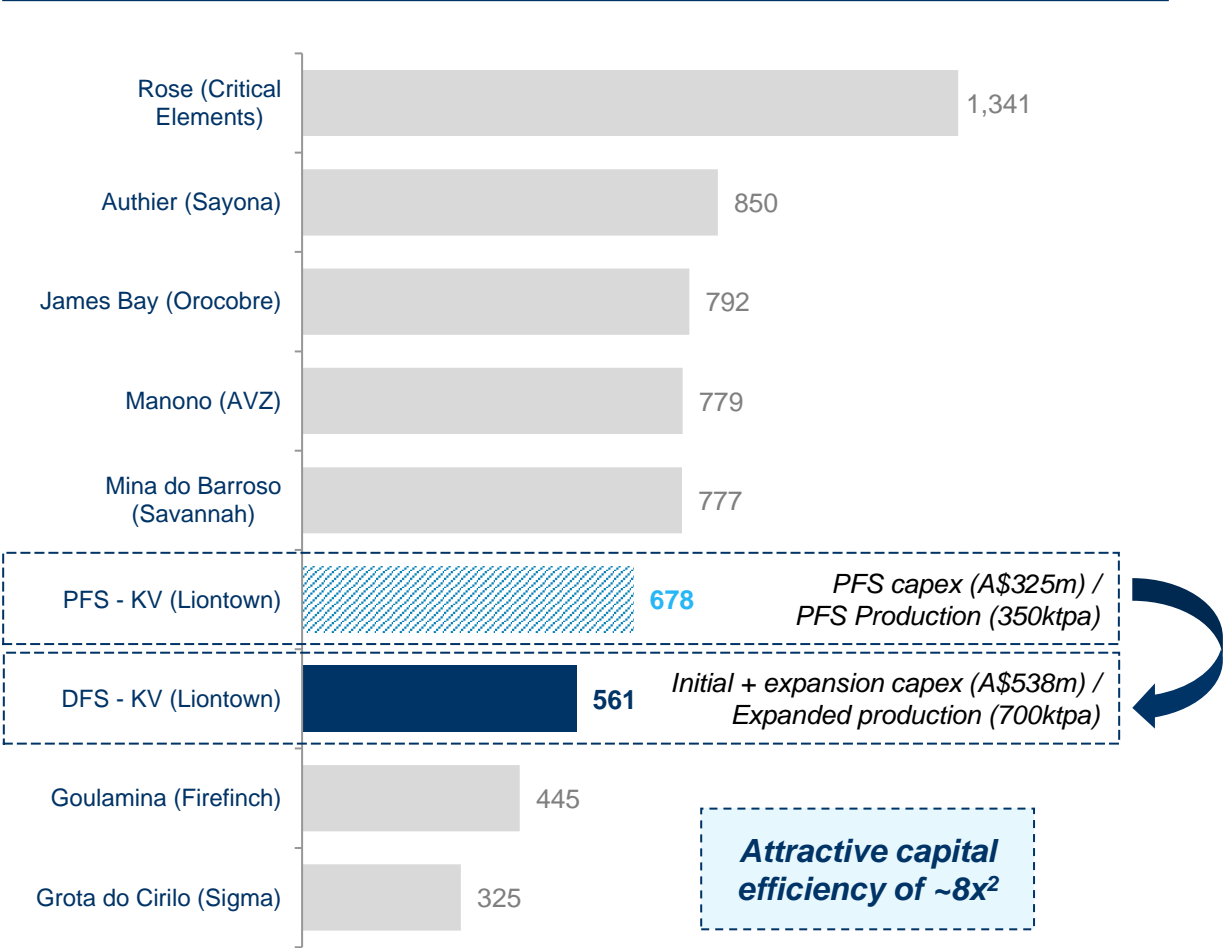
Leading Capital Intensity

Despite inflationary pressures across the industry, Liontown’s DFS represents a significant improvement in capital intensity at Kathleen Valley. Once expanded, Liontown will have one of the lowest capital intensity development projects globally and strong capital efficiency

PFS Capex to DFS Capex (A\$m)



Capital Intensity of Comparable Projects (US\$/tpa)¹



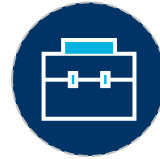
1: Assumes AUD USD of 0.73 and CAD USD of 0.81. Adjusted to 6.0% spodumene concentrate grade. Only projects with >10 year LOM shown
2: Capital efficiency calculated as NPV of \$4.2B divided by initial + expansion capital of \$538m

November 2021 DFS Key Metrics¹

Based on April 2021 MRE – 156Mt @ 1.4% Li₂O and 130ppm Ta₂O₅

NPV² (post-tax)	A\$4.2B
IRR / Payback	57% / 2.3 years
SC6 Opex Years 1-5³ (FOB)	US\$402/dmt US\$314/dmt (excl. royalties)
SC6 Opex Years 1-10³ (FOB)	US\$417/dmt US\$319/dmt (excl. royalties)
AISC Years 1-10⁴ (FOB)	US\$452/dmt
Avg. SC6 Price Years 1-10⁵ (FOB)	US\$1,287/dmt (Based on Roskill price)
Capex⁶	A\$473M (incl. \$107M Pre-production)

1. Refer cautionary statement on slide 2.
2. 8% (real). FX assumption of 0.73
3. Operating costs include all mining, processing, transport, state and private royalties, freight to port, port costs and site administration and overhead costs (includes tantalum credits). Excludes sustaining capital.
4. All in Sustaining Capital Costs (AISC), as referred to in this announcement, are cash operating costs including all mining, processing, transport, freight to port, port costs, site administration/ overhead costs, tantalum credits, state and private royalties and sustaining capital.
5. Based on Roskill November 2021 price forecasts
6. Project totals exclude working capital, finance costs, sustaining capital and corporate costs associated with project development



Reserve

68.5Mt @ 1.34% Li₂O & 120ppm Ta₂O₅



Total Production Inventory

82.7Mt @ 1.30% Li₂O & 117ppm Ta₂O₅



Production

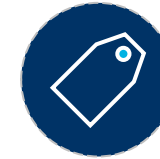
SC6: 511Ktpa (increasing to 658Ktpa)

Ta₂O₅ (30%): 428tpa (increasing to 587tpa)



Mining

2.5 Mtpa (increasing to 4Mtpa)



Opex³ and AISC (Years 1-10)

Opex: US\$417/dmt

AISC: US\$452/dmt



Total Free Cash Flow after tax

+A\$12.2B

November 2021 DFS – NPV Sensitivity Analysis



The DFS represents the potential for a world-class project at Kathleen Valley, with exceptional economics including an NPV of A\$4.2B. Liontown recognises the potential for upside and downside based on variation of actual outcomes against assumptions

Feed Grade

- DFS Assumption – 1.30% LOM

↑ 1.50% LOM – NPV: A\$5.2B

↓ 1.11% LOM – NPV: A\$3.3B

Foreign Exchange Rate

- DFS Assumption – AUD:USD 0.73

↑ 0.64 – NPV: A\$5.2B

↓ 0.80 – NPV: A\$3.6B

SC6.0 Recoveries

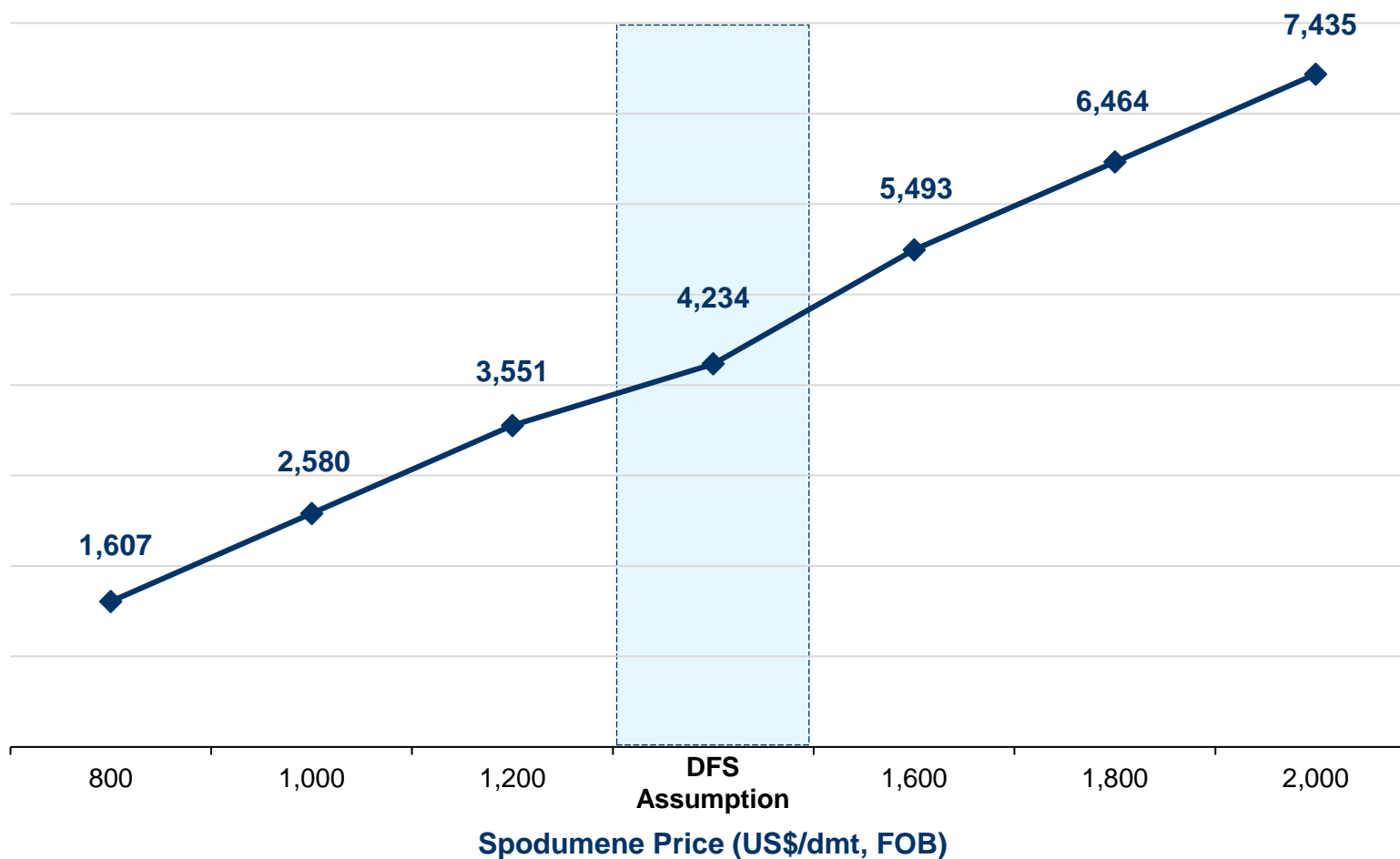
- DFS Assumption – 78%

↑ 85% – NPV: A\$4.8B

↓ 70% – NPV: A\$3.6B

Kathleen Valley NPV Sensitivity (A\$m)

Spodumene Price (US\$/dmt, FOB)



We aim to accelerate the schedule to meet expected market shortfall

Project milestones right on schedule



Updated
PFS
Complete

Q4 2020



DFS
Complete

Q4 2021

Liontown well positioned to deliver project on accelerated schedule



FEED/
FID

Q2 2022



Early
works/
design

Q4 2022



Construction
complete

Q4 2023



Commissioning

Q1 2024



Production

Q2 2024



Continued assessment of growth and downstream processing options



Near Term: Next steps prior to FID

- Permitting
- Finalise offtake agreements
- Ordering critical long lead items

- Award EPCM and key supplier and engineering contracts
- Recruitment of Project Execution Team
- Finalise debt funding arrangements

<3 years

Target to production

Offtake Strategy

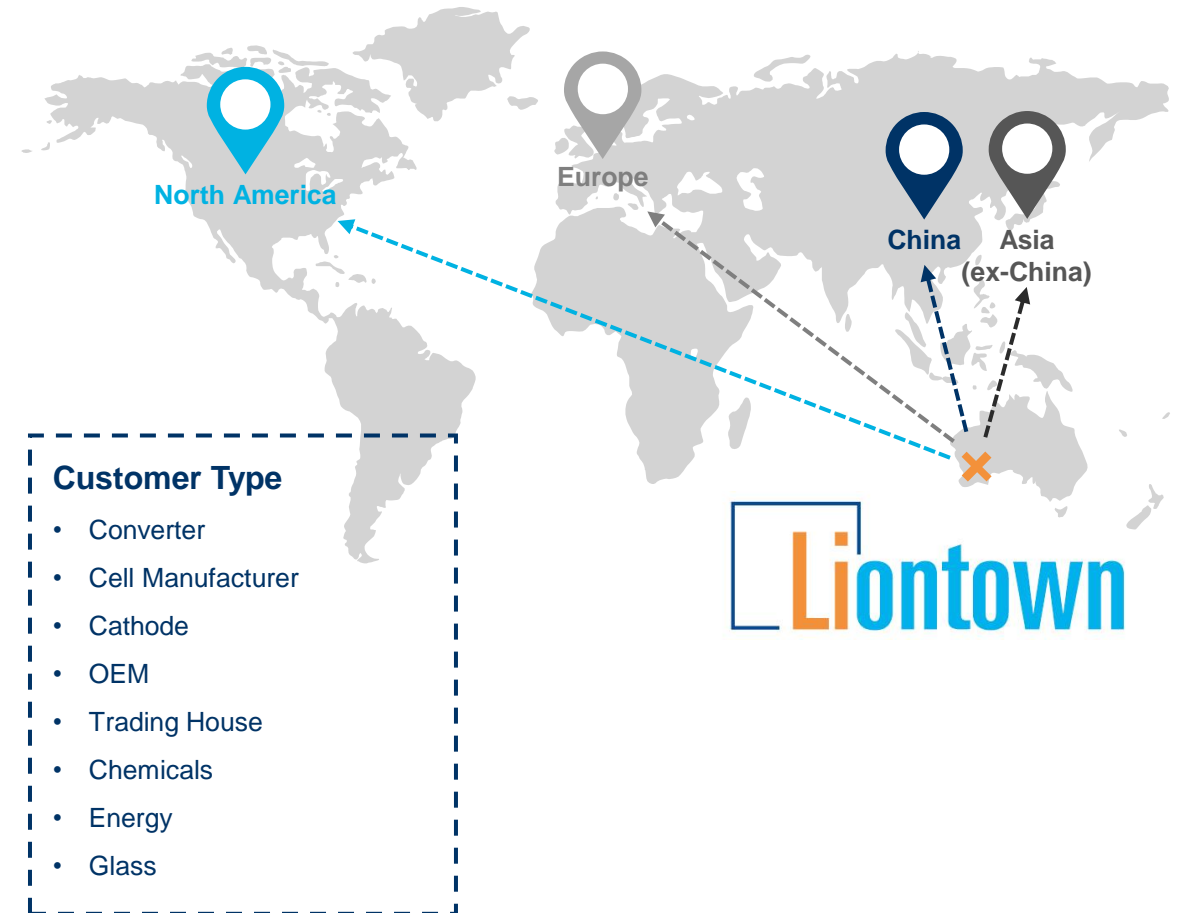
Liontown intends to put in place large foundation offtake agreements, aiming to deliver diversification by geography and stage in value chain



Offtake Strategy

- Discussions held with in excess of 50 parties who have expressed interest in offtake
- Leveraging strong position given full offtake optionality, patience has been a strength in the rapidly improving lithium market
- Offtake pricing likely to be determined with reference to the lithium hydroxide price, exposing Liontown to higher value end product
 - Liontown expects spodumene pricing calculated with reference to hydroxide price will provide potential for realised prices in excess of a spodumene index priced offtake
- Discussions are in advanced stages with a number of parties, diversified by geography and stage in value chain
- Offtake for tantalum by-product is also being explored
- Any uncontracted production intended to be sold into the spot market
 - various options are being explored, including auction platforms (such as the Battery Mineral Exchange, where other spodumene producers have recently achieved outstanding results)

Geographic Breakdown and Indicative Target Customers



Downstream Processing Opportunity

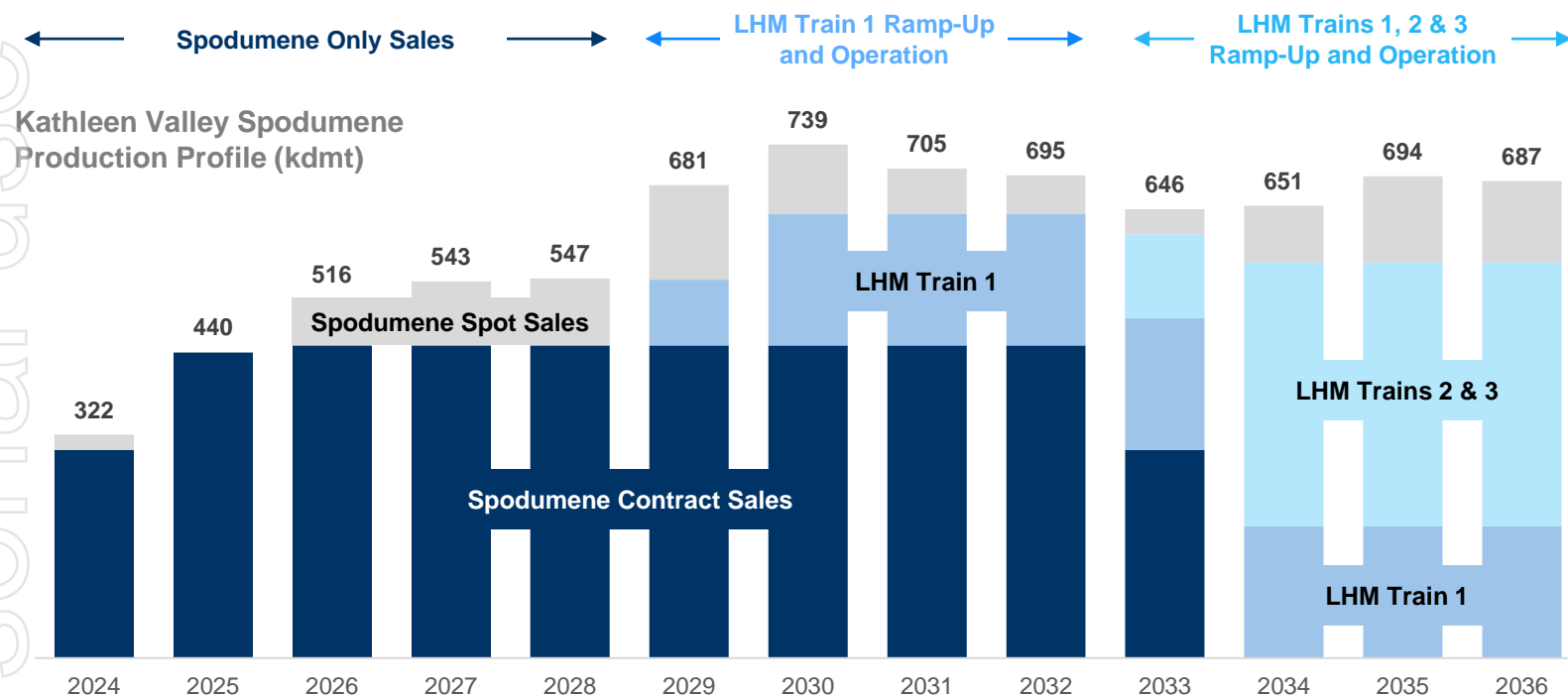
The updated DSS confirms: Value maximizing pathway for Lontown is a staged-build, integrated mining, processing and refining operation producing Lithium Hydroxide Monohydrate ("LHM")



The Integrated Project has the potential to make Lontown the 3rd largest supplier of LHM in the world (based on 2031 Roskill LHM projections) producing ~86ktpa LHM



Refinery will be included in our Climate Strategy Roadmap and benefit from the energy renewables developed during the operation of KV reducing its carbon footprint



Value Maximising Pathway

- ✓ Exposure to higher margin end-product more quickly
- ✓ Capture highly favourable market environment
- ✓ Unlocks additional offtakers (particularly OEMs) with potential for nearer-term discussions
- ✓ Value maximising pathway with significant NPV value upside
- ✓ Lontown progressing to pre-feasibility study phase for downstream opportunity

November 2021 Downstream Scoping Study Key Metrics¹

Downstream Scoping Study updated for new input assumptions from the Kathleen Valley DFS

NPV² (post-tax)	A\$9.6 Billion
IRR	56%
LOM Free Cash Flow	A\$32 Billion
LHM Opex³ (US/t LHM)	US\$5,864/t LHM
Avg. LHM Price⁴ (2029-2046)	US\$29,401/t LHM
Design Production	28.8ktpa LHM (per train) 86.4ktpa LHM (3-trains)
Capex⁵	A\$2 Billion (incl. KV mine and SC6.0 processing plant)



Production

86.4ktpa LHM



Weighted Avg. Conversion Cost

US\$3,303/t LHM



Product Sold

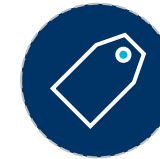
LHM: 1.3M dmt

SC6.0: 5.3M dmt



Spodumene Feedstock

Processing feed of ~570 ktpa SC6.0



LHM Opex³

US\$5,864/t LHM



Total Free Cash Flow (after tax)

A\$32.4B

(1) Refer cautionary statement on slide 2. | (2) 8% (real) | (3) Cash operating costs during the years of refinery operation include all mining, processing, downstream refining, transport, state & private royalties, freight to port, port costs, site administration, overhead costs and tantalum credits. Excludes sustaining capital. | (4) Based on Roskill November 2021 price forecasts | (5) Integrated CAPEX for LHM production includes \$538M for the mine / 6% Li₂O (SC6.0) processing plant (DFS) and \$1.5B for the downstream refinery. Excludes working capital, finance costs, sustaining capital and corporate costs associated with project development. SC6.0 plant capital to DFS level +/-15% accuracy, DSS to +/-30% accuracy. DFS included no contingency on SC6.0 operating costs, DSS includes no contingency on operating costs. DFS included (\$31M) capital contingency, DSS includes (\$258M) contingency on capital costs.

Building A Sustainable Company Starts With Good People

Sustainability and governance has been approached with a clean slate, allowing the core fundamental values and principles to be established to provide the blueprint as the employee numbers and the company grows

Our Values

Safety

Do no harm. In all our activities we must send everyone home safe, every day

Respect

We ensure all voices are respectfully heard and work toward solutions that balance the interests of all stakeholders

Sustainability

Work towards a circular economy in which the raw materials we produce are used efficiently and responsibly

Integrity

We have the courage to do the right thing, even when it is the harder thing. We don't take 'shortcuts'

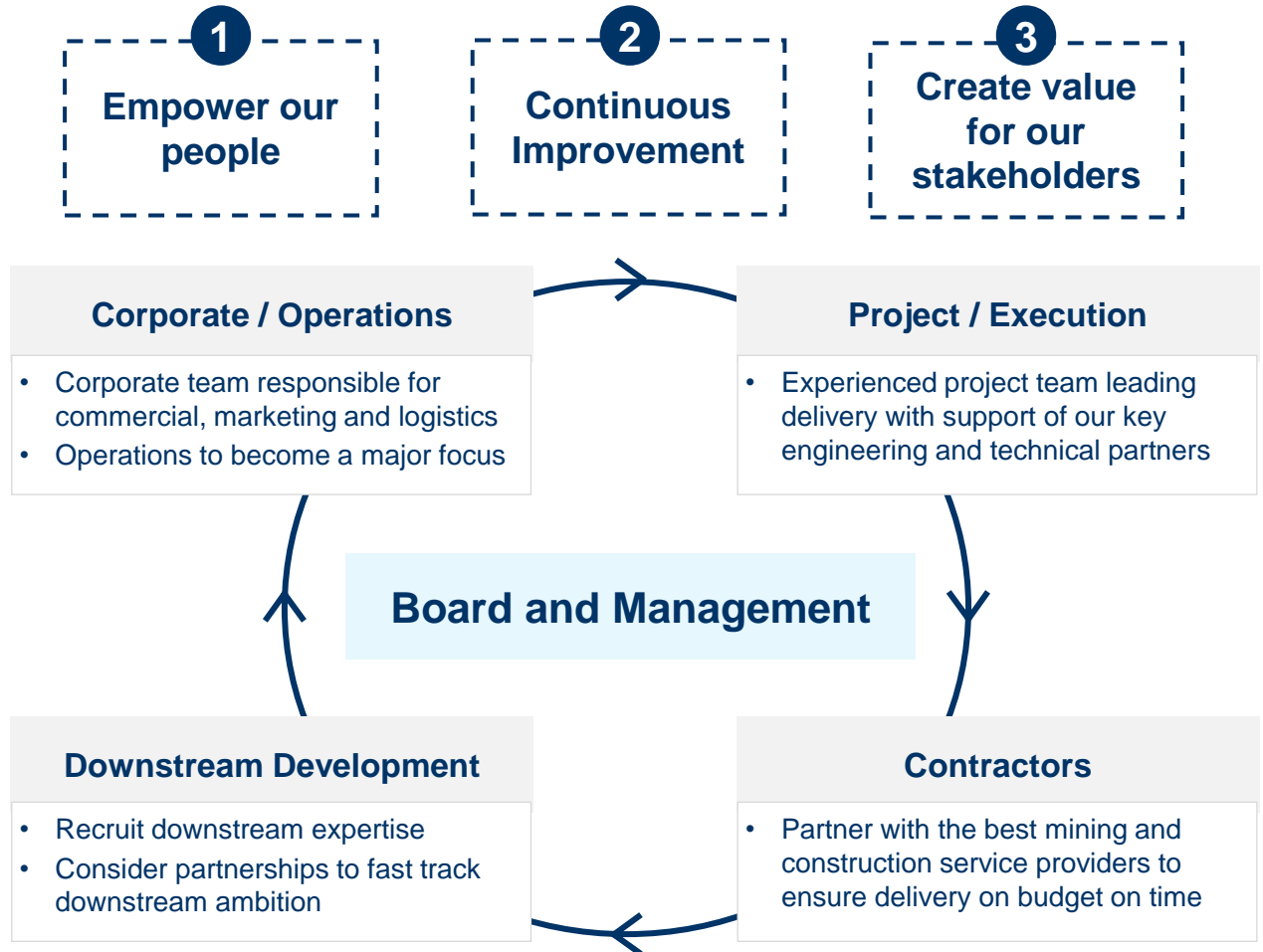
Ambition

The challenge of constant improvement motivates us. We set objectives and then discover how these can be achieved

Teamwork

We are inclusive
We celebrate our diversity
We have fun
We do important work

Our Principles



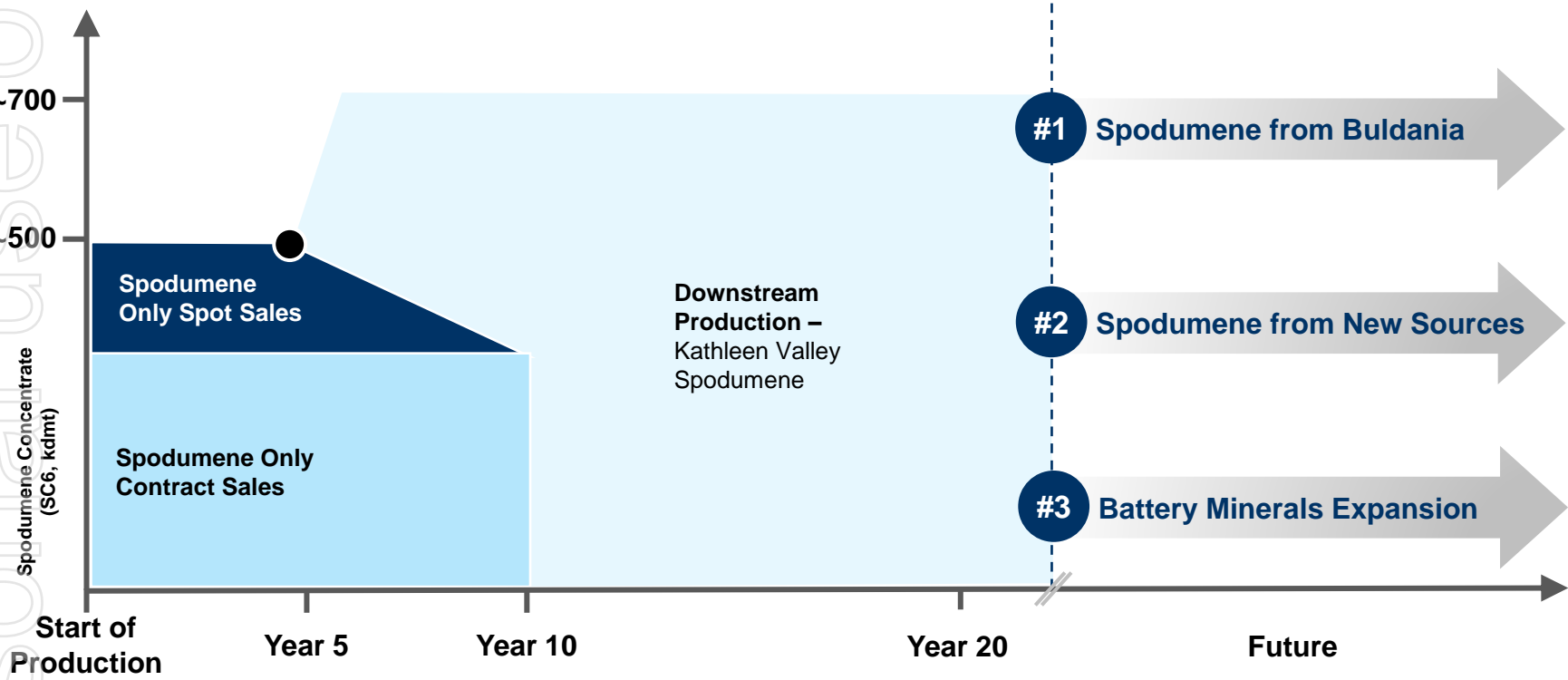
Liontown's Long-Term Strategy

Liontown is planning for the future



Kathleen Valley Spodumene

Optionality for spodumene or processed lithium sales based on market conditions



Future Supply

Liontown is continuously exploring opportunities to increase battery minerals inventory

- Near-term focus on maximising spodumene value from Kathleen Valley through offtake agreements and further resource drilling
- Accelerate progression to higher value downstream production
- Continuously explore options for development / expansion of lithium inventory
- Develop expertise in alternative commodities which support Liontown's battery minerals strategy

Liontown's Investment Proposition



Tier 1 Asset



Kathleen Valley is a world-class lithium deposit, with exceptional economics and growth optionality

ESG-Positive



Net zero trajectory, with a climate strategy roadmap in place targeting net zero emissions by 2034

Timed To Perfection



Significant supply deficits forecast to emerge from 2024, which is expected to align with start of production at Kathleen Valley

Integrated Opportunity



Integrated, long-term lithium producer, positioned to capture value from mine to end-use in the electric vehicle market

Near Term Priorities

- 1 Execute attractive offtake agreements to support FID
- 2 Progress and finalise project funding
- 3 Secure long-lead items to support accelerated development timeline
- 4 Appoint industry leading EPCM contractor to spearhead Kathleen Valley development
- 5 Continue to develop downstream strategy



Thank You

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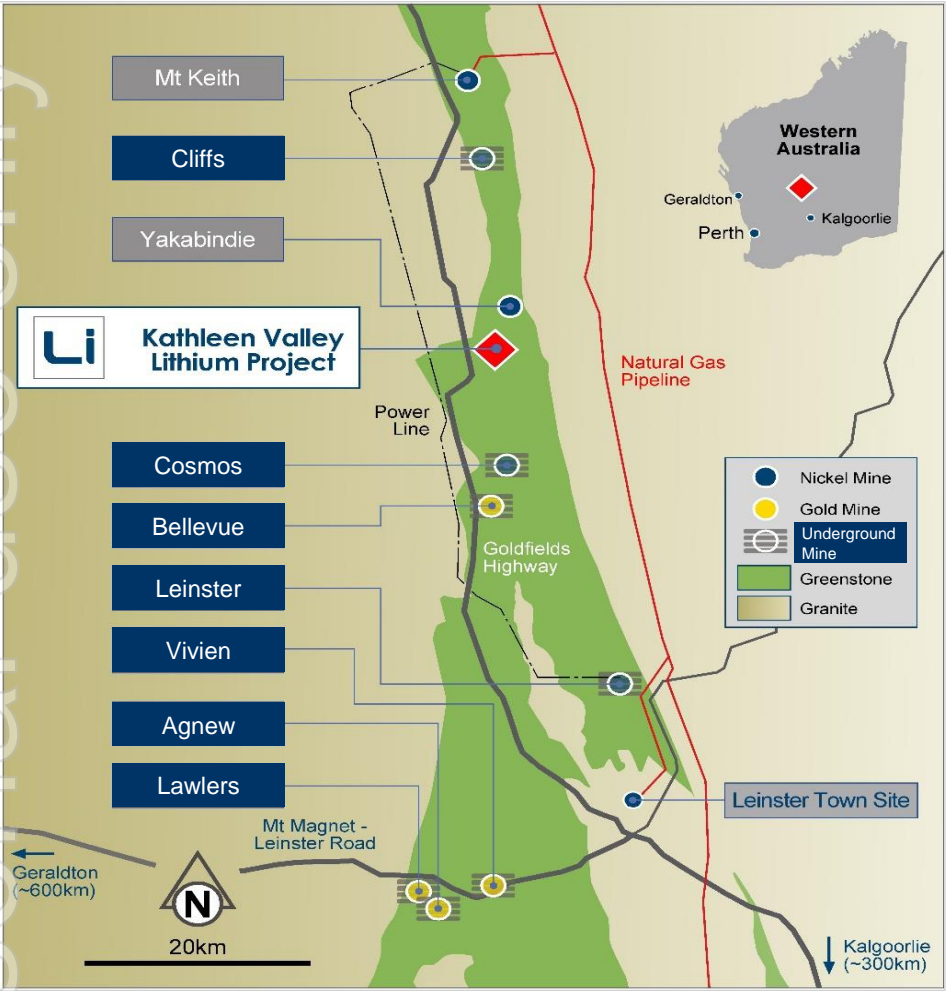
Appendix 1

Kathleen Valley Project
Further Project Information

Kathleen Valley Location



Kathleen Valley is located in a stable, established and well-governed mining jurisdiction, giving Liontown confidence to execute an accelerated project delivery timetable and providing long-term operation support to Kathleen Valley



Major Nickel and Gold Mines



Town of Leinster



Goldfields Highway (access to Geraldton port)



Natural gas pipeline



Powerline



Sealed airstrips

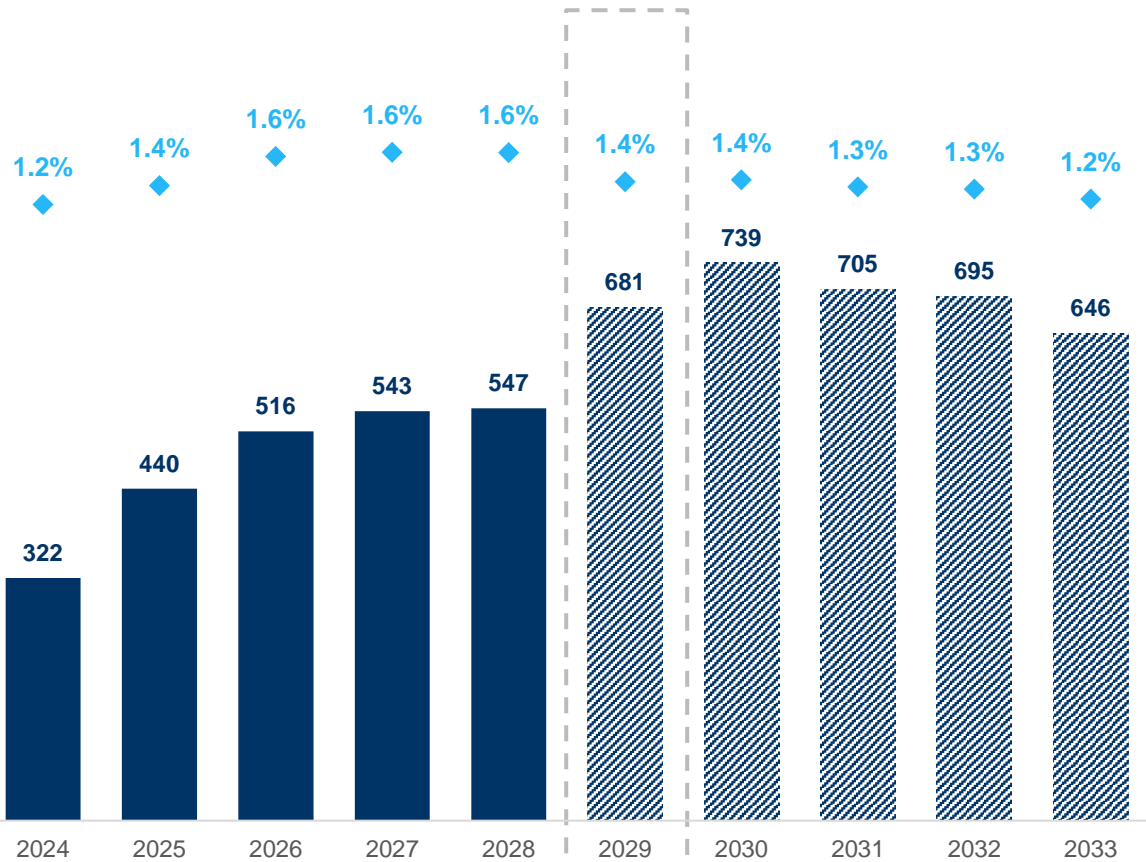
Production Schedule and Mine Overview



Kathleen Valley is a globally significant, high-grade resource – average grade in first five years of 1.5%

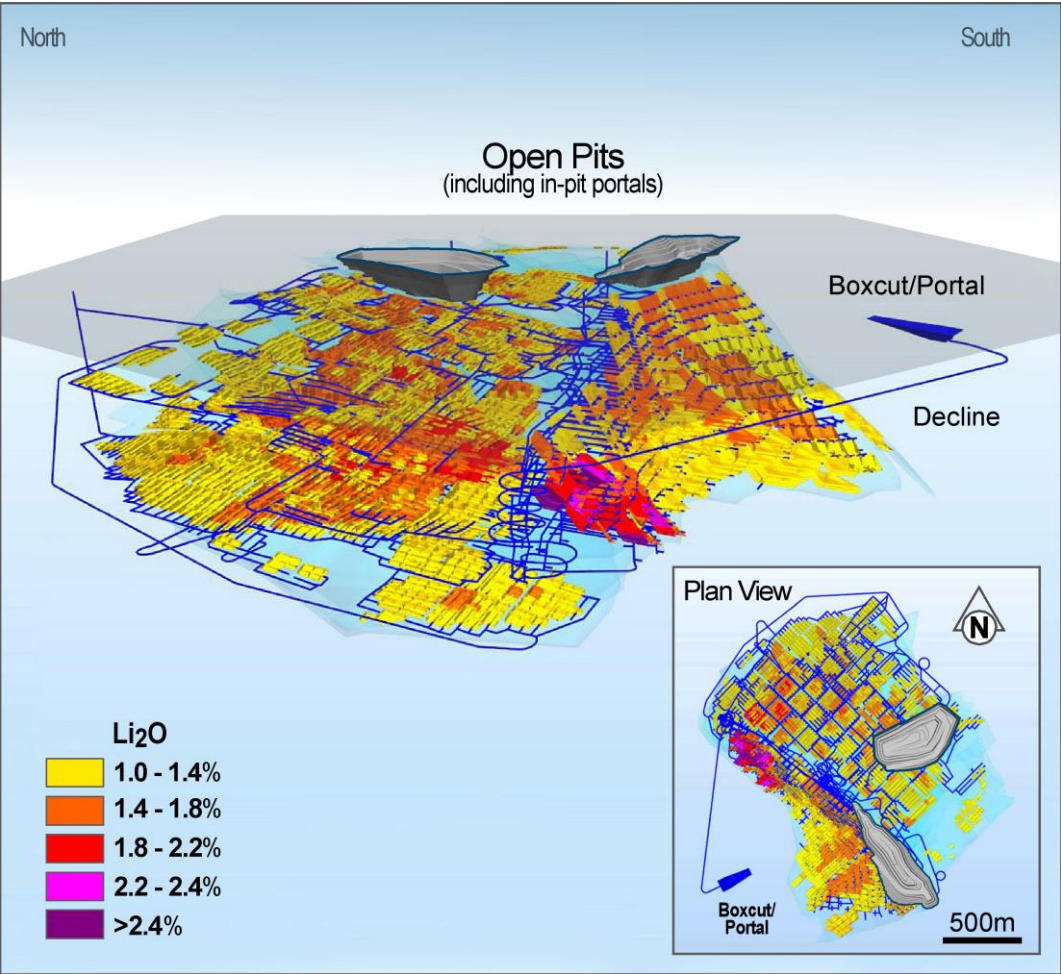
10-Year Production Schedule

Spodumene Concentrate (kdmt) and Processing Grade (%)



Planned throughput expansion

Mine Overview



Mining and Processing



Conventional mining method, proven and reliable technology with a flowsheet grounded in evidence based design

Underground Mining Method

- **Conventional mining methods** (room-and-pillar and long-hole stoping) with proven technology
- **Shallow mine** - first ore at 120m, total depth 450m
- **Competent ground conditions** with ~5km dedicated geotechnical drilling to prove UG design
- **Well-established underground mining precinct**
 - Seven underground operations in area
 - Highly skilled underground workforce (including contractors)

Economic Benefits of Underground Mining

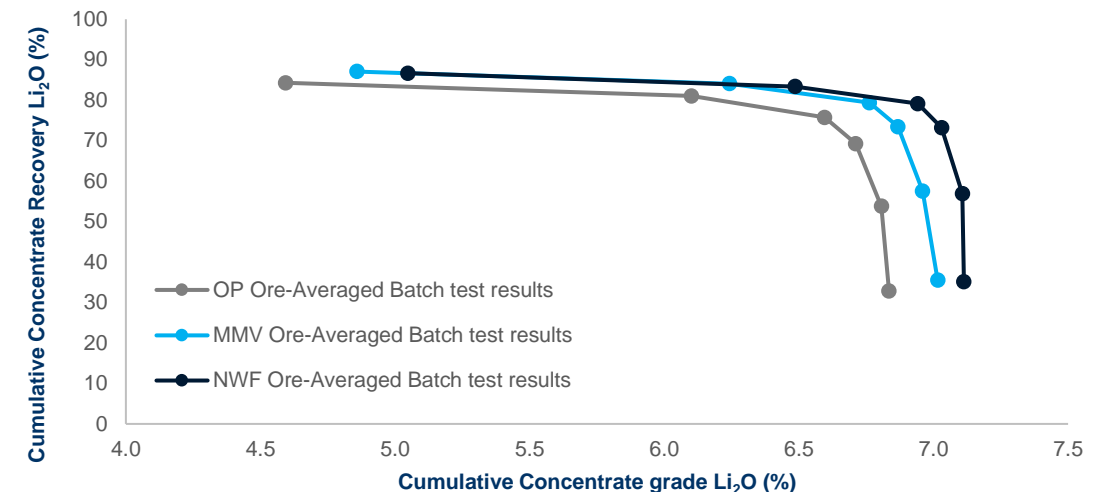
- **Early access** to higher grade parts of the deposit
- **High tonnage** per vertical metre (100 kt/m – 206 kt/m at 200 – 400 metres below surface)
- **Selective mining** avoids dilution from host rocks
- **Less waste removal**



WOF Processing Strategy

- Simple flowsheet – better operability and reliability
- KV ore has **outstanding metallurgical properties**
- Test work has repeatedly achieved **greater than 80% Lithia recovery** and >6.0% concentrate grade
 - Supported by **140+ staged float tests** and variability analysis
 - **78%** has been conservatively assumed for financial modelling

Cumulative Grade vs. Recovery – Avg. of multiple Batch Tests¹



1. OP = Open Pit, MMV = Mount Mann Vertical, NWF = NorthWest Flats

Benefits of KV Drive Lower Mining Costs

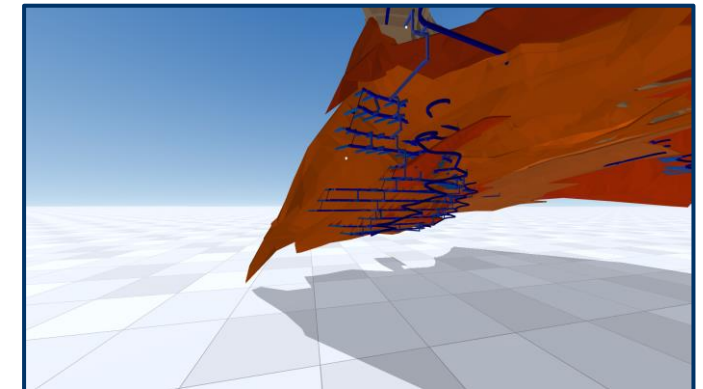
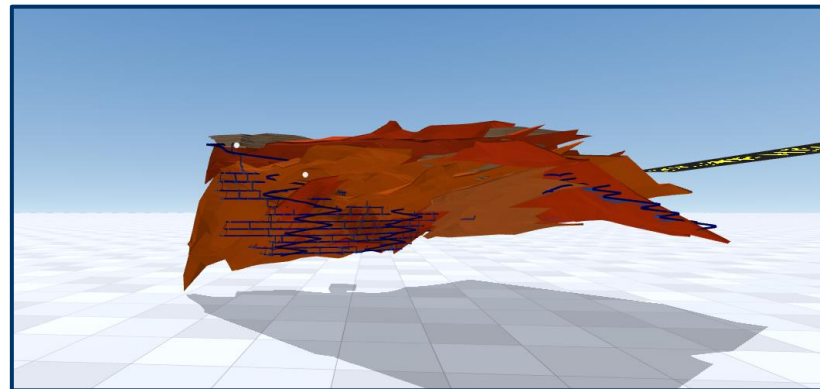
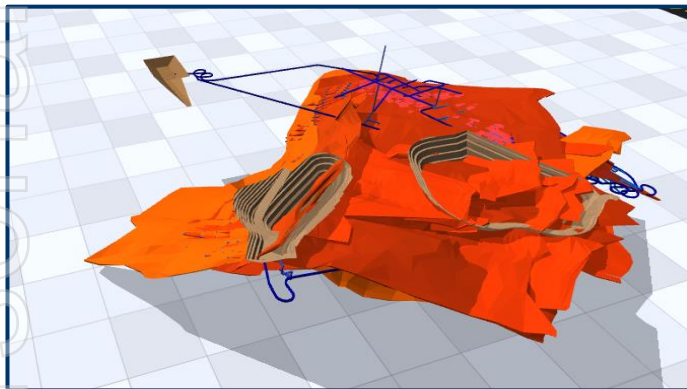
Kathleen Valley's mining costs are derived from tenders received based on the actual mine schedule. Costs have been benchmarked against comparable projects and Liontown has identified some key benefits of KV which will assist in minimising mining costs

Mining Cost Methodology

- Mining costs have been derived **from tenders received based on the actual mine schedule**, not just unit rates applied to volumes
 - Liontown has engaged with several experienced contractors, and has **received 5 submissions which support the calculation of mining costs** at Kathleen Valley
- Liontown's mining costs are A\$56/t ore mined¹, whilst derived from tenders received, mining costs are also **supported by analysis of comparable projects**
 - OZ Minerals' Prominent Hill and Carrapeteena mines are seen as the most appropriate comparable, given similarity of mine production and mining method.

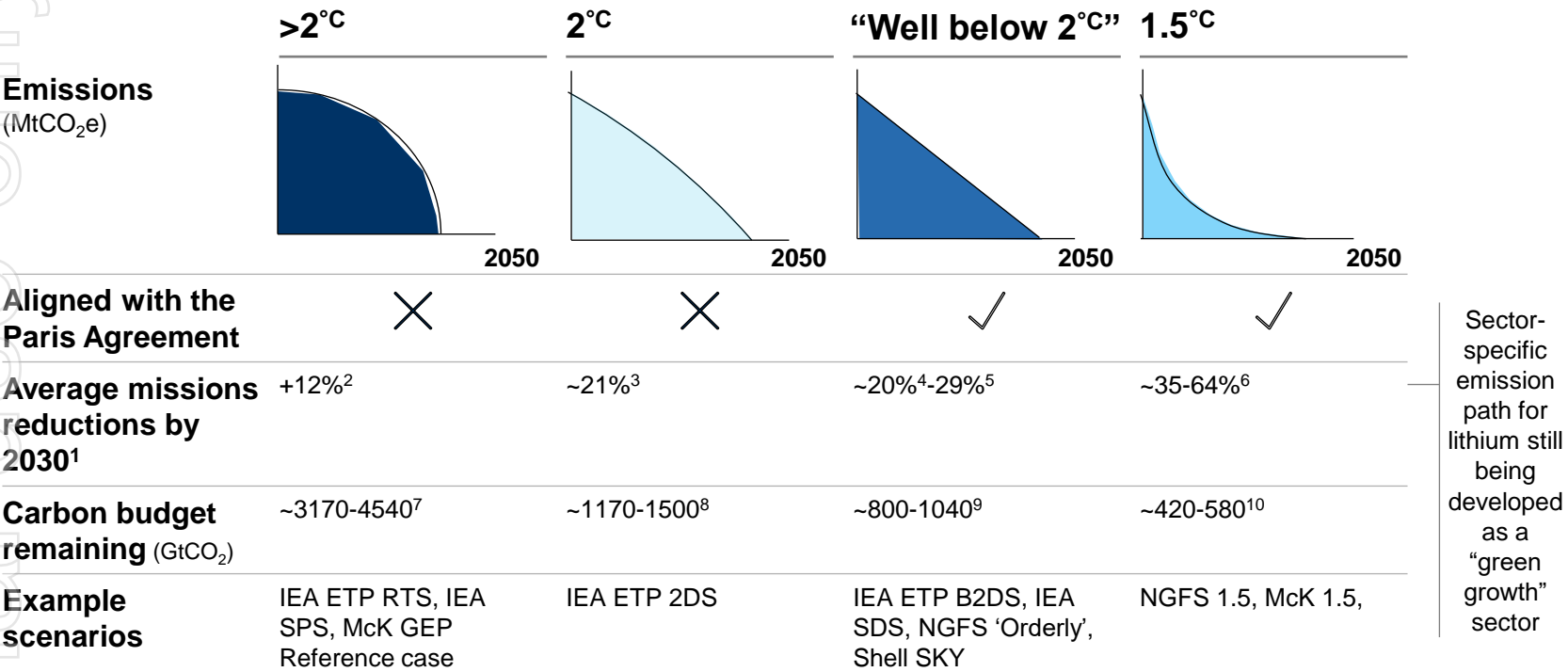
Distinct Benefits of Kathleen Valley

- 1 **Predominately long hole open stoping** – room and pillar component contributes <3Mt of ore in the LOM mine schedule plan (equivalent to ~4% of mining over LOM)
- 2 **Kathleen Valley is very shallow relative to other mines** – high tonnes per vertical metre, with most ore at 200-300m and max depth of 450m, driving lower haulage costs
- 3 **Ground conditions are very conducive to UG mining** – Geotech analysis (backed by 5km of drilling) shows strong ground, no high-stress zones and no high-temperature zones, meaning less ground support and no refrigeration
- 4 **Grade control benefits** – pegmatite interface with surrounding rock is very clearly defined (grey versus white)



Pathways to “Net Zero”

There are many different ways to meet “net zero” by 2050



Liontown is committed to meeting its “net zero” target by 2034, well ahead of global aspirations

1: Approximations, compared to 2020, based on published scenarios | 2: IEA ETP 2017 RTS (assuming 33.5 GtCO₂ direct emissions from energy in 2020) | 3: IEA ETP 2017 2DS (assuming 33.5 GtCO₂ direct emissions from energy in 2020) | 4: Based on IEA 2020 WEO SDS scenario, direct CO₂ emissions from energy, global | 5: NGFS 2020 ‘Orderly’ (CO₂) | 6: NGFS 2020 1.5 with CDR and with limited CDR respectively | 7: IPCC AR5, RCP6.0, 720-1000ppm CO₂e, cumulative emissions 2011-2100: 3620-4990, minus 9 years emissions of ~50GtCO₂e/year since 2011 = 3170-4540, approximation of 50GtCO₂e/yr based on Climatewatch data | 8: IPCC SR15 report, budget starting from 2018, for 2C, at 67th and 50th percentile | 9: IPCC SR15 report, budget starting from 2018, for 1.75C, at 67th and 50th percentile | 10: IPCC SR15 report, budget starting from 2018, for 1.5C, at 67th and 50th percentile

Resources & Reserves

Kathleen Valley is a globally significant, high-grade resource



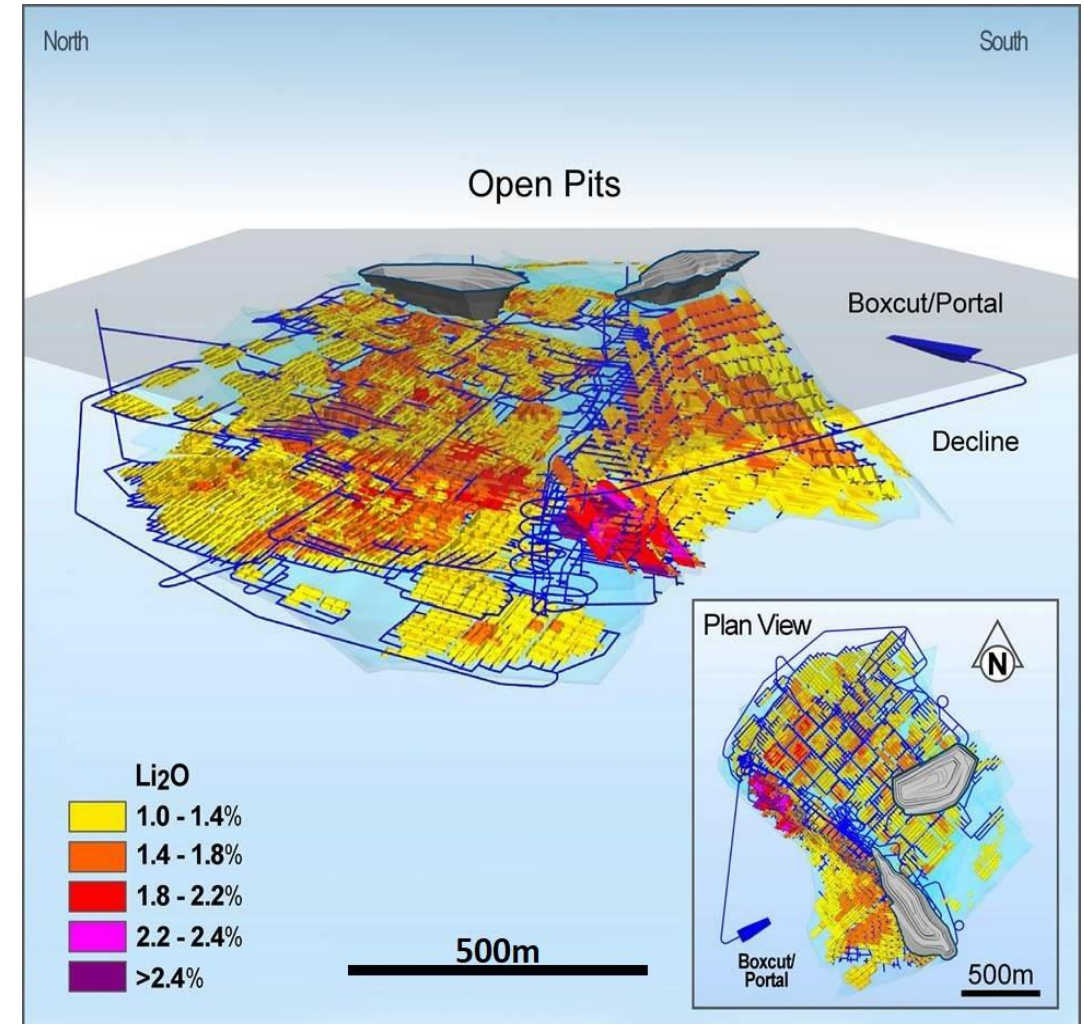
Mineral Resource Estimate¹ – April 2021

Cut-off Li ₂ O%	Resource Category	Million Tonnes	Li ₂ O%	Ta ₂ O ₅ (ppm)
0.55	Measured	20	1.3	145
	Indicated	109	1.4	130
	Inferred	27	1.3	113
TOTAL		156	1.4	130

Ore Reserve – November 2021

Category		Million Tonnes	Li ₂ O%	Ta ₂ O ₅ (ppm)
Underground	Proved	-	-	-
	Probable	65.4	1.34	119
	Sub Total	65.4	1.34	119
Open Pit	Proved	2.7	1.30	141
	Probable	0.5	0.93	148
	Sub Total	3.2	2.23	142
TOTAL		68.5	1.34	120

1: Inclusive of ore reserve





DFS Key Parameters And Assumptions

General and Economic	DFS ¹	Cost Assumptions	DFS ¹
Discount rate (real, post-tax)	8%	LOM avg open pit mining costs ³ (A\$/dmt ore mined ⁴)	28
Weighted average LOM SC6.0 (FOB Geraldton)	US\$1,392/t ⁵	LOM avg U/G mining costs ³ (A\$/dmt ore mined ⁴)	45
Weighted average Tantalum LOM 30% conc. (FOB Fremantle)	US\$84/lb ⁶	LOM average processing cost (A\$/dmt ore processed)	22
Exchange rate – AUD/USD	0.73	Logistics and transport (A\$/wmt conc. incl. Port Charges)	69
Mining and Production		General and admin (A\$/dmt ore processed incl. mining)	8
Average LOM strip ratio (Open Pit)	6:8:1	Private and state royalties (A\$/dmt)	145
Processing rate	2.5 to 4Mtpa	Corporate tax rate	30%
Life-of-Mine Production Target (79.6Mt UG & 3.2Mt OP)	82.7 Mt ore	Estimated opening tax losses (A\$M)	55
Li ₂ O & Ta ₂ O ₅ grades (diluted) years 1-10 processed (% / ppm)	1.4% / 126 ppm		
LOM average Li ₂ O & Ta ₂ O ₅ grades (diluted) processed (% / ppm)	1.3% / 117 ppm		
LOM average Test Work Li ₂ O recovery ²	78%		
Overall Ta ₂ O ₅ recovery (% including off-site upgrade losses of ~4%)	38%		
SC6.0 grade	6%		
Ta ₂ O ₅ Concentrate final grade	30%		
Moisture content of SC6.0 concentrate	9%		
Average steady state annual tonnes of SC6.0 (Years 2-5 / Years 6-22)	511ktpa / 658ktpa		
Average steady state annual tonnes of 30% Ta ₂ O ₅ concentrate (Years 2-5 / Years 6-22)	428tpa / 587tpa		

¹: Refer cautionary statement on slide 2 | ²: Based on test work derived grade recovery relationship for DFS was 81%, for purposes of financial modelling a figure of 78% has been applied. | ³: Includes ROM rehandle | ⁴: Excludes pre-production
⁵: Based on Roskill November 2021 price forecast, adjusted to FOB. | ⁶: Based on Roskill September 2021 price forecast, adjusted to FOB.



DSS Key Parameters And Assumptions

General and Economic	DSS ¹
Discount rate (real, post-tax)	8%
SC6.0 weighted average price (FOB)	US\$1,289/t ²
Weighted average LHM price (FOB)	US\$29,401/t
Weighted average tantalum 30% conc. (FOB Fremantle)	US\$84/lb ³
Exchange rate – AUD/USD	0.73
Downstream Integrated Refinery	
Number of processing trains	3
Recovery Li (%)	90
Calcination temperature (°C)	1,100
Sulphuric Acid Addition (mol/mol)	1.25 (H ₂ SO ₄ :Li ₂ O)
Acid Roast Temperature (°C)	250
Acid Leaching Residence Time (minutes)	120
Lithium Crystalliser Stages (per train)	3
Design Production	28.8ktpa LHM

Cost Assumptions	DSS ¹
SC6.0 LOM average operating cost excl. transport ⁴ (US\$/dmt SC6.0 produced)	378
SC6.0 Transport cost (to Geraldton incl. Port Charges) (US\$/dmt SC6.0 sold)	55
LHM weighted average processing conversion cost (US\$/dmt LHM)	3,303
LHM Transport cost (to Fremantle incl. Port Charges) (US\$/dmt LHM)	70
Royalties	As per DFS, based on spodumene feedstock market value
Corporate tax rate	30%
Estimated opening tax losses (A\$m)	55

¹: Refer cautionary statement on slide 2 | ²: Based on Roskill November 2021 price forecast, adjusted to FOB. | ³: Based on Roskill September 2021 price forecast, adjusted to FOB. | ⁴: Includes royalties and tantalum credits, excludes sustaining capital. Refer to separate DFS announcement published 11th November 2021



ersonal use only

Appendix 2

Kathleen Valley Project
Peer Benchmarking



Lithium Equivalency (Li₂O + Ta₂O₅) Parameters

Inputs				Outputs	Li ₂ O%
Tantalite (Ta ₂ O ₅) \$/lb	84	(B2)	US\$		
Spodumene \$/tonne	1,392	(B3)	US\$		
Tantalite recovery	38%	(B4)	Per LTR testwork incl. off site losses ie 90% of 42%	Ta ₂ O ₅ =	0.0487 (F4)
Spodumene Recovery	81%	(B5)	Per LTR testwork		
Ta ₂ O ₅ Grade	30%	(B6)		Equiv Li ₂ O grade =	1.40%
Li ₂ O Grade	6%	(B7)		(Li ₂ O% +Ta ₂ O ₅)	
Grade Ta ₂ O ₅ in resource	130	(B9)	ppm (per resource)		
Grade Li ₂ O in resource	1.35%	(B10)	(per resource)		

F4=B9*((B2)/(B3/B7))*(B4/B5)*2204*0.0001

Equiv. Li₂O grade (Li₂O% + Ta₂O₅%) = F4/(100+B10)



Peer Comparison Information – Mineral Resource Estimates

Company	Project	Stage	Measured Mt	Indicated Mt	Inferred Mt	Global MRE Mt	MRE Li ₂ O Grade %	Information Source
Liontown Resources	Kathleen Valley	Development	20.0	109.0	27.0	156.0	1.35	ASX Release 8/4/2021
	Buldania	Scoping	0.0	9.1	5.9	14.9	0.97	ASX Release 8/11/2019
Pilbara Minerals	Pilgangoora	Operating	21.5	188.7	98.8	308.9	1.14	ASX Release 6/10/2021
SQM(50%)/Wesfarmers (50%)	Mt Holland	Development	66.0	106.0	17.0	189.0	1.50	ASX Release 19/3/2018 (Kidman Resources)
Albermarle (49%)/Tianqi (26%)/IGO (25%)	Greenbushes (excl tailings)	Operating	0.2	163.1	8.9	172.2	1.98	IGO acquisition presentation and ASX release 9/12/20
Alita Resources	Bald Hill	Operating (C+M)	0.0	14.4	12.1	26.5	1.00	ASX Release 6/6/2018 (Alliance Minerals Assets)
Ganfeng (50%)/MinRes Ltd (50%)	Mt Marion	Operating	0.0	22.7	48.7	71.3	1.37	ASX Release 31/10/2018 (Mineral Resources)
Core Lithium	Finnis	Development	4.1	4.2	6.5	14.7	1.32	ASX Release 26/07/2021
Albermarle (60%)/Min Res Ltd (40%)	Wodgina (excl. tailings)	Operating (C+M)	0.0	177.0	59.9	236.9	1.19	ASX Release 23/10/2018 (Mineral Resources)
Orocobre	Mt Cattlin (100%)	Operating	0.3	7.8	2.9	11.0	1.20	ASX Release 3/06/2021 (Galaxy)



Peer Comparison Information – Capital Intensity

Company	Project	Stage	Capital Cost (US\$m ¹)	Average Annual Spodumene Production (ktpa)	Grade (%)	Capital Intensity ²	Information Source
Liontown Resources	Kathleen Valley – PFS	Development	237	350	6.0	678	ASX Announcement – Kathleen Valley PFS Presentation, 9 October 2020
	Kathleen Valley – DFS	Development	393	700	6.0	561	ASX Announcement – Kathleen Valley DFS Presentation, 11 November 2021
Critical Elements	Rose	DFS	276	205	5.2 ³	1,341	Website – https://www.cec corp.ca/en/projects/rose-lithium-tantalum/
Sayona	Authier	DFS	97	114	6.0	850	ASX Announcement – Revised Authier DFS Shows Boost to Profitability, 11 November 2019
Orocobre	James Bay	Exploration	244	330	5.6	792	ASX Announcement – James Bay Development Plan, 9 March 2021
AVZ Minerals	Manono	DFS	545	700	6.0	779	ASX Announcement – Capital Raising Presentation, 2 July 2021
Savannah Resources	Mina do Barroso	Exploration	136	175	6.0	777	LSX Announcement – Scoping Study for the Mina do Barroso, 14 June 2018
Firefinch / Ganfeng	Goulamina	Exploration	194	436	6.0	445	ASX Announcement – Goulamina: Confirmed as World Class Deposit, 20 October 2020
Sigma	Grota do Cirilo	Development	143	440	6.0	325	TSX Announcement – Investor Presentation, 8 September 2021

1: FX assumption of 0.73

2: Adjusted for comparable grade of 6.0%

3: Weighted average



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Appendix 3

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Key Risks and International
Offer Jurisdictions

Key Risks



This section discusses some of the key risks associated with an investment in shares in Liontown (**Shares**). There are a number of risk factors, specific to Liontown and of a general nature, which may affect the future operating and financial performance of Liontown, the industry in which it operates and the value of Liontown's Shares.

Potential investors should consider whether the securities offered are a suitable investment having regard to their own personal investment objectives and financial circumstances and the risk factors set out below. Liontown has implemented appropriate strategies, actions, systems and safeguards for known risks; however, some are outside its control.

While some common risk factors are set out below, it is not possible to produce an exhaustive list. The Liontown Directors recommend that potential investors consult their professional advisers before making any investment decisions.

Many of the risks highlighted in this section may be heightened due to the current and potential future impacts of COVID-19.

The principal risks include, but are not limited to, the following:

Production and cost estimates

The ability of Liontown to achieve production targets, or meet operating and capital expenditure estimates as disclosed in its recent Definitive Feasibility Study and Updated Downstream Scoping Study release (see ASX announcements of 11 November 2021) on a timely basis cannot be assured. The assets of Liontown, as any others, are subject to uncertainty and unexpected technical, geographical, metallurgical, meteorological, geological, third party access, native title and heritage, community, operational environment, funding for development, regulatory changes, or inclement weather issues, accidents or other unforeseen circumstances such as unplanned mechanical failure of plant or equipment or pandemics, such as COVID-19. While Liontown considers all of the material assumptions in its recent Definitive Feasibility Study and Updated Downstream Scoping Study to be based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of outcomes indicated will be achieved.

Liontown has prepared a range of target cash costs for its proposed operations at the Kathleen Valley Lithium Project. No assurance can be given by Liontown that such targets will be achieved. Capital costs may be affected by unexpected modifications to plant design, changes to estimates of non-fixed components, delays in commissioning and sourcing financing, and further cost inflation caused by COVID-19 or otherwise.

Failure to achieve cost targets or material increases in costs could have an adverse impact on Liontown's future cash flows, profitability, results of operations and financial condition.

Critical path equipment and contracts have been identified as part of the Definitive Feasibility Study. Equipment with long lead times will be ordered early to negate supply constraints on critical plant. An early detailed design engineering program has commenced. Key construction and operational contracts will be tendered and awarded early in the project cycle to ensure sufficient time for delivery and contractor mobilisation. The construction execution strategy will also likely involve multiple packages being broken into smaller parcels to broaden the contractor base. However, future waves of COVID-19, the outbreak of another pandemic, or the failure to respond to pandemics (such as COVID-19), inability to resource teams or other operational incidents within Liontown may result in increased production and equipment shortages, costs and delays. Liontown anticipates that actual construction labour will not be required until Q3 2022, at which time conditions in relation to labour may have improved.

Unforeseen production cost increases could result in Liontown not realising its operational or development plans or such plans costing more than expected or taking longer to realise than expected. Any of these outcomes could have an adverse effect on Liontown's financial and operational performance.

Water sources risk

Liontown notes for completeness that not all water sources required for the development and operation of the Kathleen Valley Lithium Project as defined in the Definitive Feasibility Study have been identified as at the date of this Presentation.

Multiple further targets both on mine leases and regionally have been identified as part of DFS, desktop geological studies and onsite investigations using ground-based EM techniques. A water exploration and water bore development program is currently underway at Kathleen Valley.

Further regional targets have been identified and extra miscellaneous licences for water exploration outside of project leases have been applied for.

An "allowance" of \$7M has been included in project CAPEX for ongoing water exploration and development.

An allowance for a large-scale water treatment plant has also been included within capital estimates to enable water source/ quality flexibility.

Geraldton port access

Liontown has identified Geraldton as the optimal port for export of spodumene concentrate. Liontown is yet to secure access to landside infrastructure and loading facilities at Geraldton Port and there is no guarantee that it will be able to do so. Notwithstanding this, Liontown has a reasonable expectation that it will be able to reach a commercial agreement for export via Geraldton Port as and when required.

Key Risks (cont.)



Pre-development stage

The Kathleen Valley Lithium Project is at the pre-development stage. The prospects of Liontown should be considered in light of the risks, expenses and difficulties frequently encountered by companies at this stage of development.

The business of mineral exploration, project development, project commissioning and production, by its nature, contains elements of significant risk with no guarantee of success. Ultimate and continuous success of these activities is dependent on many factors and there can be no assurance that the Kathleen Valley Lithium Project will be brought into commercial production.

Future capital requirements

The future capital requirements of Liontown will depend on many factors including its business development activities. Liontown believes its available cash and the net proceeds of the Placement and Share Purchase Plan (collectively, the **Offer**) should be adequate to fund its immediate development plans, business development activities, exploration program and other objectives in the short term as stated in this presentation. However, available cash and net proceeds of the Offer are not sufficient to fully fund development and construction of the first stage of the Kathleen Valley Lithium Project through to production, business development activities, exploration programs, corporate and other objectives in the long term and therefore Liontown is expected to require other sources of funding.

In order to successfully develop the Kathleen Valley Lithium Project for production to commence, and to progress to Stage 2 and Stage 3, Liontown will require further financing in the future, in addition to amounts raised pursuant to the Offer. Any additional equity financing may be dilutive to Shareholders, may be undertaken at lower prices than the then market price (or Offer price) or may involve restrictive covenants which limit Liontown's operations and business strategy. Debt financing, if available, may involve restrictions on financing, operating and other business development activities.

No assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to Liontown or at all. If Liontown is unable to obtain additional financing as needed, it may be required to reduce the scope of its activities and this could have a material adverse effect on Liontown's activities.

Liontown may undertake additional offerings of securities in the future. The increase in the number of Shares issued and outstanding and the possibility of sales of such Shares may have a depressive effect on the price of Shares. In addition, as a result of such additional Shares, the voting power of Liontown's existing Shareholders will be diluted.

New projects and acquisitions

Liontown will actively pursue and assess other new business opportunities in the resources sector. These new business opportunities may take the form of direct project acquisitions, joint ventures, farm-ins, acquisition of tenements / permits, and/or direct equity participation.

The acquisition of projects (whether completed or not) may require the payment of monies (as a deposit and/or exclusivity fee) after only limited due diligence or prior to the completion of comprehensive due diligence. There can be no guarantee that any proposed acquisition will be completed or be successful. If the proposed acquisition is not completed, monies advanced may not be recoverable, which may have a material adverse effect on Liontown.

Underwriting risk

Liontown has entered into a placement and underwriting agreement with the Barrenjoey Markets Pty Limited, Bell Potter Securities Limited and Macquarie Capital (Australia) Limited (JLMs) under which the JLMs have agreed to fully underwrite the Placement, subject to the terms and conditions of that agreement (Underwriting Agreement). If certain conditions are not satisfied or certain events occur, then each JLM may terminate the Underwriting Agreement. The events which may trigger termination of the Underwriting Agreement include:

- Liontown ceases to be admitted to the official list of ASX or the Shares are delisted or suspended from quotation by ASX (other than in the case of voluntary suspension implemented with the consent of the JLMs).
- Liontown withdraws the Placement.
- Liontown becomes, or is likely to become, insolvent.
- ASIC makes an application or threatens to make an application or otherwise commences various regulatory actions or investigations in respect of the Placement.
- Liontown fails to provide a certificate as required by the Underwriting Agreement.
- ASX does not agree to grant official quotation of all the Placement Shares on an unconditional basis.
- Any event specified in the timetable of the Underwriting Agreement is delayed for 1 or more business days without the prior written approval of the JLMs (other than a delay caused solely by the JLMs);
- A statement contained in the Offer materials is, becomes or is likely to be misleading or deceptive (including by omission) or otherwise fails to comply with the Corporations Act or any other applicable law.
- If at market close on any day between the opening time and settlement date of the Placement, the S&P/ASX 200 Index has fallen to a level that is 10% below the level of the index as at the opening time.
- If at market close on the day prior to the settlement date of the Placement, the S&P/ASX 200 Index has fallen to a level that is 10% below the level of the index as at the opening time of the Placement.
- If at any time between the opening time of the Placement and completion of despatch of confirmation letters to successful applicants, the spodumene price has fallen to a level that is 10% below the level of the spodumene price as at the opening time.
- If at market close on the day prior to the settlement date of the Placement, the spodumene price has fallen to a level that is 15% below the level of the spodumene price as at the opening time of the Placement.

Key Risks (cont.)



Underwriting risk (cont.)

- There is an event, occurrence or non-occurrence after the date of the Underwriting Agreement which makes it illegal or commercially impracticable for the JLMs to satisfy a material obligation under the Underwriting Agreement, or to market, promote or settle the offer of Placement Shares.
- There is a material adverse change in, or an event occurs which gives rise to, or is likely to give rise to, a material adverse change in the financial condition (financial or otherwise), assets, earnings, business, affairs, results of operations, management or financial prospects of the Liontown group as a whole.
- An obligation arises on Liontown to give the ASX a notice in accordance section 708A(9) of the Corporations Act;
- Liontown fails to perform or observe any of its obligations under the Underwriting Agreement.*
- A representation or warranty made or given by Liontown under the Underwriting Agreement is breached or proves to be, or has been, or becomes, untrue or incorrect or misleading or deceptive.*
- There is introduced into the Parliament of Australia or any State or Territory of Australia a new law, or any Commonwealth or State or Territory authority, adopts or announces a proposal to adopt a new policy.*
- In respect of any one or more of Australia, the United States of America, the United Kingdom, Hong Kong, Singapore or a member of the European Union:
 - the relevant central banking authority declares a general moratorium or there is a material disruption in commercial banking or securities settlement or clearance services in any of those countries; or
 - there is an adverse change or disruption to the existing financial markets, political or economic conditions.*
- Trading in all securities quoted or listed on the ASX, the New York Stock Exchange, the London Stock Exchange, the Hong Kong Stock Exchange or the Singapore Stock Exchange is suspended or limited in a material respect for one day on which that exchange is open for trading or a Level 3 "market wide circuit breaker" is implemented by the New York Stock Exchange upon a 20% decrease against the prior day's closing value of the S&P500 Index only.*
- Without the prior written consent of the JLMs, there is an alteration in the composition of Liontown's executive management team, its board of directors, its share capital or its constitution.*
- A statement in the certificate given by Liontown under the Underwriting Agreement is untrue, incorrect or misleading or deceptive.*
- Hostilities not existing at the date of the Underwriting Agreement commence (whether war has been declared or not) or a major escalation in existing hostilities occurs (whether war has been declared or not) in Australia, the United States of America, the United Kingdom, Hong Kong, Singapore, a member of the European Union or the People's Republic of China, or a state of emergency is declared in any of those countries, or a major escalation occurs in relation to a previously declared state of emergency in any of those countries, or a major terrorist attack is perpetrated anywhere in the world.*
- Liontown fails to comply with a provision of its constitution, the ASX Listing Rules, the Corporations Act, applicable laws, or a requirement, order or request, made by or on behalf of ASIC, ASX or any government agency.*
- A director or member of the executive team of Liontown is charged with an indictable offence relating to any financial or corporate matter, or fraudulent or misleading or deceptive conduct, or any regulatory body or government agency commences any public action against a director in his or her capacity as a director of Liontown or announces that it intends to take any such action.*
- A director or member of the executive team of Liontown is disqualified from managing a corporation.*
- A Liontown group member is, or is likely to become, insolvent.*

The termination events marked "*" will only give a JLM the ability to terminate the Underwriting Agreement if the JLM has reasonable and bona fide grounds to believe that the event has or is likely to have, a material adverse effect on:

- the success of, the ability of the JLM to market or sub-underwrite, or the settlement of, the Offer, or the market price of the Shares; or
- has given or could reasonably be expected to give rise to a contravention by, or a liability of, the JLM under any law or regulation.

The termination of the Underwriting Agreement would have an adverse impact on the amount of funds raised under the Placement and, if it were to occur, Liontown may need to take other steps to raise capital. The Underwriting Agreement contains representations, warranties, undertakings and indemnities in favour of the JLMs, subject to certain carve outs.

For details of the fees payable to the JLMs, refer to the Appendix 3B released to the ASX in respect of the Offer.

Offtake agreements

Liontown is negotiating offtake agreements for spodumene concentrate and tantalum with potential customers and cannot guarantee when such offtake agreements are entered into, nor the terms of such offtake agreements. Negotiations with potential spodumene customers are proceeding on the basis that the price for spodumene concentrate may be determined with reference to the lithium hydroxide price. There is no guarantee that Liontown will be able to enter into any offtake agreements on this basis, or otherwise, nor that the price ultimately achieved once such offtake agreements are entered into will be equal to or better than the pricing adopted for the purposes of the Definitive Feasibility Study. Once (and if) any such offtake agreements are entered into, as with all contracts, there is a risk that the offtake parties may not perform their respective obligations or may breach offtake agreements. Trading and other terms and conditions ultimately agreed with offtake parties may expose Liontown to adverse changes in the freight and insurance markets, and may expose Liontown to different legal jurisdictions. In addition, there is a risk that an offtake party may become insolvent or may not be able to meet its future buying or equity subscription obligations under relevant offtake agreements. Where an offtake party does not meet its obligations, there is a risk that excess product will not be able to be sold on the limited spodumene market.

Key Risks (cont.)



Native title and Aboriginal Heritage

The Kathleen Valley Lithium Project tenements are located within areas that are covered by the Tjiwarl Determined Native Title Claim (WC11/7). Liontown has entered into a native title agreement with the Tjiwarl Native Title Holders (see ASX announcement dated 17 November 2021). Although the native title agreement is a key enabler for finalising government permit applications and subsequent approvals to comply with relevant government legislation, Liontown cannot guarantee that such government approvals will be obtained. The native title agreement is consultative in nature. All future key approvals required for the Kathleen Valley Lithium Project require submission and consultation (but not approval) with the Tjiwarl Native Title Holders prior to lodgement with the relevant government authority.

LRL (Aust) Pty Ltd (**LRL**) (a subsidiary of Liontown) has been adjoined by the WA State Government to an action filed by the Tjiwarl Aboriginal Corporation for damage and loss of access to land, which relates to LRL's tenure at the Kathleen Valley Lithium Project. Liontown and LRL have executed a native title agreement with the Tjiwarl Native Title Holders which requires the Tjiwarl Native Title Holders to seek leave to amend its claim by excluding LRL's tenure at the Kathleen Valley Lithium Project from the claim. Once the claim has been amended, Liontown will take steps to be removed as a party to that proceeding.

Liontown requires further Section 18 approval in respect of the Kathleen Valley Lithium Project. As contemplated by the native title agreement, the Section 18 application will be provided to the Tjiwarl Native Title Holders prior to submission to the Aboriginal Cultural Materiality Committee (**ACMC**). Whilst Liontown expects to comply with its obligations under the native title agreement, there is no guarantee that the ACMC will provide a positive recommendation to the Minister for approval in the time period required or at all.

Liontown notes the introduction of a new Aboriginal Cultural Heritage Bill into the Western Australian Parliament in November 2021. Should the Bill become legislation in its current form, it is not expected to have a material impact on the Company and the Project.

Permitting

Liontown needs to apply for and be granted a number of key approvals (including Mining Proposal, Mine Closure Plan, Native Vegetation Clearing Permit, Works Approval and Commissioning Plant and Environmental Licence) in order to commence site disturbing activities, construction and ultimately production at the Kathleen Valley Lithium Project. Execution of the native title agreement is seen as an enabler for finalising these approvals. The project schedule allows for adequate development and assessment timeframes to achieve the required approvals, however there can be no guarantee that these timeframes will be met or that the relevant government authorities will require additional information, studies and/or time to consider such applications, or that approval will ultimately be given.

Risks specific to the industry:

Exploration and development risks

Mineral exploration and development is a high-risk undertaking. There can be no assurance that further exploration of the Kathleen Valley Lithium Project, Buldania Project or any other exploration properties that may be acquired in the future will result in the discovery of an economic resource or further economic resources.

Exploration in terrains with existing mineralisation endowments and known occurrences may slightly mitigate this risk.

Even if an apparently viable resource is identified, there is no guarantee that it can be economically exploited due to various issues including lack of ongoing funding, adverse government policy, geological conditions, commodity prices or other technical difficulties.

The future exploration activities of Liontown may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, land access difficulties, native title process, changing government regulations and many other factors beyond the control of Liontown.

The success of Liontown will also depend upon Liontown having access to sufficient development capital, being able to maintain title to its projects and obtaining all required approvals for its activities. In the event that exploration programs are unsuccessful this could lead to a diminution in the value of its projects, a reduction in the cash reserves of Liontown and possible relinquishment of part or all of its projects.

Operating risk

Mining operations, both open pit and underground generally involve a high degree of inherent risk and uncertainty. Such operations are subject to all the hazards and risks normally encountered in the exploration, development and production of lithium and other mineral products, including unusual and unexpected geologic formations, metallurgical recovery and other processing problems, industrial accidents, wall failure, seismic activity, rock bursts, cave-ins, flooding, fire, access restrictions, interruptions, inclement or hazardous weather conditions and other conditions involved in the drilling, blasting and removal or processing of material, any of which could result in damage to, or destruction of, mines and other processing facilities, damage to life or property, environmental damage and possible legal liability.

Future revenue may be based on exports of lithium and/or tantalum concentrate to foreign jurisdictions. A loss of, or disruption to, any distribution channels and/or any adverse changes to trade tariffs and other matters which impact the ability of Liontown to export could materially impact its business and operations. There is no guarantee that Australian government legislation and regulations will not change in the future and prohibit export of lithium and/or tantalum concentrate. Furthermore, there is no guarantee that foreign government legislation and regulations will not change in the future and prohibit the import of lithium and/or tantalum concentrate from Australia. Any adverse legislative or regulatory change of this type would have a significant adverse effect on Liontown's financial position, financial performance and prospects.

Key Risks (cont.)



Lithium and tantalum recovery

Mineral recoveries are dependent upon the process that is required to liberate economic minerals and produce a saleable product and by nature contain elements of significant risk such as:

- identifying a process through test work to produce a saleable metal and/or concentrate;
- developing an economic process route to produce lithium and/or tantalum concentrate, noting that Liontown intends to use a whole-or-ore processing flowsheet; and
- changes in mineralogy in the ore deposit can result in inconsistent minerals recovery, affecting the economic viability of the Kathleen Valley Lithium Project.

Commodity and currency price volatility

Liontown's revenues will be exposed to fluctuations in the prices for the minerals it produces including the price of lithium. Volatility in pricing creates revenue uncertainty and requires careful management of business performance and cashflows. Lower prices can impact operations by requiring a reassessment of the feasibility of mine plans and certain projects and initiatives. Even if a project is ultimately determined to be economically viable, the need to conduct such a reassessment could potentially cause substantial delays and/or may interrupt operations, which may have a material adverse effect on Liontown's results of operations and financial condition.

The factors which affect the price for lithium and other minerals (many of which are outside the control of Liontown and its directors) include, among many other factors, manufacturing activities; the quantity of global supply in lithium as a result of the commissioning of new mines and the decommissioning of others; political developments in countries which produce and consume lithium, and the demand for the applications for which lithium may be used and/or the advancement of alternative technologies for use in such applications and which do not require the use of Lithium or a lesser quantity of lithium; the grade and quality of lithium produced; and sentiment or conditions in the countries and sectors in which Liontown and its business/commercial partners sell or intend to sell their products. Given the range of factors which contribute to the price of lithium, and the fact that pricing is primarily subject to negotiation, it is particularly difficult for Liontown to predict with any certainty the prices at which Liontown will sell its product and accordingly, investors are cautioned not to place undue reliance on any price or demand forecasts provided by Liontown or by external analysts.

Movements in currency exchange rates may affect cash flows, profitability, costs and revenue. It is not possible to accurately predict future movements in exchange rates. As Liontown moves into production it will consider hedging strategies to mitigate this risk.

Competition risk

Liontown competes with other companies, including major mineral exploration and production companies. Some of these companies have greater financial and other resources than Liontown and, as a result, may be in a better position to compete for future business opportunities. Many of Liontown's competitors not only explore for and produce minerals, but also carry out refining operations and other products on a worldwide basis. There can be no assurance that Liontown can compete effectively with these companies.

Land access risk

Land access is critical for exploration and/or exploitation to succeed. It requires both access to the mineral rights and access to the surface rights. Minerals rights may be negotiated and acquired. In all cases the acquisition of prospective exploration and mining licences is a competitive business, in which proprietary knowledge or information is critical and the ability to negotiate satisfactory commercial arrangements with other parties is often essential. Liontown may not be successful in acquiring or obtaining the necessary licences to conduct exploration or evaluation activities.

Third party risks

Under state and Commonwealth legislation (as applicable), Liontown may be required to obtain the consent of and/or pay compensation to the holders of third-party interests which overlay areas within the tenements, including pastoral leases, privately held land, petroleum tenure and other mining tenure in respect of exploration or mining activities on the tenements.

Any delays in respect of conflicting third-party rights, obtaining necessary consents, or compensation obligations, may adversely impact Liontown's ability to carry out exploration or mining activities within the affected areas.

Environmental risk

The operations and proposed activities of Liontown are subject to Australian laws and regulations concerning the environment. The costs of complying with these laws and regulations may impact the development of economically viable projects. As with most exploration projects and mining operations, Liontown's activities are expected to have an impact on the environment, particularly if advanced exploration or field development proceeds. It is Liontown's intention to conduct its activities to the highest standard of environmental management, including compliance with all environmental laws.

The cost and complexity of complying with the applicable environmental laws and regulations may prevent Liontown from being able to develop potentially economically viable mineral deposits. Although Liontown believes that it is in compliance in all material respects with all applicable environmental laws and regulations, there are certain risks inherent to its activities, such as accidental spills, leakages or other unforeseen circumstances, which could subject Liontown to extensive liability.

Government authorities may, from time to time, review the environmental bonds that are placed on permits. The Directors are not in a position to state whether a review is imminent or whether the outcome of such a review would be detrimental to the funding needs of Liontown.

Key Risks (cont.)



Environmental risk (cont.)

Further, Liontown will require key governmental (including environmental) approvals from the relevant authorities before it can undertake activities that are likely to impact the environment. Failure to obtain such approvals will prevent Liontown from undertaking its desired activities. As noted above, Liontown has entered into a native title agreement with the Tjiwarl Native Title Holders (see ASX announcement dated 17 November 2021). Although the native title agreement is a key enabler for finalising key government (including environment) permit applications and subsequent key approvals to comply with relevant government legislation, Liontown cannot guarantee that such government approvals will be obtained. An approvals strategy has been developed and is being implemented.

Liontown is unable to predict the effect of additional environmental laws and regulations, which may be adopted in the future, including whether any such laws or regulations would materially increase Liontown's cost of doing business or affect its operations in any area.

There can be no assurances that new environmental laws, regulations or stricter enforcement policies, once implemented, will not oblige Liontown to incur significant expenses and undertake significant investments in such respect which could have a material adverse effect on Liontown's business, financial condition and results of operations.

Tenure and access risk

Liontown's rights in tenements may be obtained by grant by regulatory authorities or be subject to contracts with third parties.

Any third party may terminate or rescind the relevant agreement whether lawfully or not and, accordingly, Liontown may lose its rights to exclusive use of, and access to any, or all, of the tenements. Third parties may also default on their obligations under the contracts which may lead to termination of the contracts.

Additionally, Liontown may not be able to access tenements due to natural disasters or adverse weather conditions, political unrest, hostilities or failure to obtain the relevant approvals and consents.

Reliance on key personnel and Competitive Employment Environment

Liontown is reliant on a number of key personnel and consultants, including members of the Board. The loss of one or more of these key contributors could have an adverse impact on the business of Liontown.

It may be particularly difficult, or lead to unexpected increases in costs, for Liontown to attract and retain suitably qualified and experienced people given the current high demand in the industry.

Contract and counterparty risk

The ability of Liontown to achieve its stated objectives will depend on the performance of contractual counterparties.

The project execution strategy proposed for the Kathleen Valley Project is an Engineering, Procurement and Construction Management (EPCM) approach, and Liontown has an EPCM contract strategy in place. Liontown will need to enter into various agreements for the construction, development and operation of the Kathleen Project. Should any of the risks associated with entering into these agreements materialise, this could have a material adverse impact on Liontown's profitability and financial condition.

If Liontown's counterparties default on the performance of their respective obligations, for example if an offtake counterparty defaults on payment or a supplier defaults on delivery, it may be necessary to approach a court to seek enforcement or some other legal remedy, if no alternative settlement can be reached. Such legal action can be uncertain, lengthy and costly. There is a risk that Liontown may not be able to seek the legal redress that it could expect against a defaulting counterparty, or that a legal remedy will not be granted on satisfactory terms.

In addition, the sale of spodumene and tantalum concentrates by Liontown will be subject to commercial verification and qualification processes to ensure any produced product meets the specifications for supply required by customers under any offtake and supply agreements. The qualification process may require approval from multiple parties in the supply chain and not just those parties with whom Liontown has contractual arrangements. Failure to have Liontown's product qualified, or any unanticipated delay in qualifying Liontown's product, may adversely impact Liontown's financial performance and position (including by resulting in Liontown generating less revenue or profit than anticipated and/or incurring higher costs than anticipated).

Commissioning and contracting risk

There is an inherent risk that construction at the Kathleen Valley Lithium project may not be completed on schedule, or that the construction cost may exceed budget, or that significant problems in the commissioning or metallurgical processes of the plant may arise.

Liontown plans to outsource substantial parts of the development and construction at the Kathleen Valley Lithium project to third party contractors. Such contractors may not be available to perform services when required or may only be willing to do so on terms that are not acceptable to Liontown. Further, performance may be constrained or hampered by the contractor's capacity constraints, mobilization issues, plant, equipment and staff shortages, labour disputes, managerial failure and default or insolvency. Contractors may not comply with provisions in respect of quality, safety, environmental and land access compliance and timeliness, which may be difficult to control. In the event that a contractor underperforms or is terminated, Liontown may not be able to find a suitable replacement on satisfactory terms within time or at all. These circumstances may have a material adverse effect on development, construction and Liontown's financial condition.

Key Risks (cont.)



General investment risks:

Economic risk

General economic conditions, movements in interest and inflation rates, the prevailing global commodity prices and currency exchange rates may have an adverse effect on Liontown's exploration, development and production activities, as well as on its ability to fund those activities.

As with any exploration or mining project, the economics are sensitive to metal and commodity prices. Commodity prices fluctuate and are affected by many factors beyond the control of Liontown. Such factors include supply and demand fluctuations for minerals, technological advances, forward-selling activities and other macro-economic factors. These prices may fluctuate to a level where the proposed mining operations are not profitable. Should Liontown achieve success leading to mineral production, the revenue it will derive through the sale of commodities also exposes potential income of Liontown to commodity price and exchange rate risks.

Dividends

Any future determination as to the payment of dividends by Liontown will be at the discretion of the Directors and will depend on the financial condition of Liontown, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the continued or future payment of dividends or franking credits attaching to dividends can be given by Liontown.

Share market conditions

Share market conditions may affect the value of Liontown's Shares regardless of Liontown's operating performance. Share market conditions are affected by many factors such as:

- general economic outlook, which may include considerations relating to the ongoing impacts of COVID-19;
- introduction of tax reform or other new legislation;
- interest rates and inflation rates;
- changes in investor sentiment toward particular market sectors;
- the demand for, and supply of, capital;
- the potential impact of short selling; and
- terrorism or other hostilities.

The market price of shares can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither Liontown nor the Directors warrant the future performance of Liontown or any return on an investment in Liontown.

Contractual risk

If Liontown enters into agreements with third parties for the acquisition or divestment of equity interests in mineral exploration and mining projects there are no guarantees that any such contractual obligations will be satisfied in part or in full.

The ability of Liontown to achieve its stated objectives may be materially affected by the performance by the parties of obligations under certain agreements, in particular offtake agreements. If any party defaults in the performance of its obligations, it may be necessary for Liontown to approach a court to seek a legal remedy, which can be costly.

Force majeure

Liontown's projects now or in the future may be adversely affected by risks outside the control of Liontown including labour unrest, subversive activities or sabotage, fires, floods, explosions or other catastrophes.

Government and legal risk

Changes in government, monetary policies, taxation and other laws can have a significant impact on Liontown's assets, operations and ultimately the financial performance of Liontown and its Shares. Such changes are likely to be beyond the control of Liontown and may affect industry profitability as well as Liontown's capacity to explore and mine.

Liontown notes the introduction of a new Aboriginal Cultural Heritage Bill into the Western Australian Parliament in November 2021. Should the Bill become legislation in its current form, it is not expected to have a material impact on the Company and the Project.

Liontown is not aware of any other reviews or changes that would affect the Kathleen Valley Lithium Project. However, changes in community attitudes on matters such as taxation, competition policy and environmental or social issues may bring about reviews and possibly changes in government policies. There is a risk that such changes may affect Liontown's development plans or its rights and obligations in respect of its projects. Any such government action may also require increased capital or operating expenditures and could prevent or delay certain operations by Liontown.

Key Risks (cont.)



Litigation risks

Liontown is exposed to possible litigation risks including native title claims, royalty disputes (including royalty calculation disputes and other potential claims from royalty holders), tenure disputes, environmental claims, occupational health and safety claims and employee claims. Further, Liontown may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on Liontown's operations, financial performance and financial position.

As noted further above, LRL (a subsidiary of Liontown) has been adjoined by the WA State Government to an action filed by the Tjiwarl Aboriginal Corporation for damage and loss of access to land, which relates to LRL's tenure at the Kathleen Valley Lithium Project. Liontown and LRL have executed the native title agreement with the Tjiwarl Native Title Holders which requires the Tjiwarl Native Title Holders to seek leave to amend its claim by excluding LRL's tenure at the Kathleen Valley Lithium Project from the claim. Once the claim has been amended, Liontown will take steps to be removed as a party to that proceeding. Liontown is otherwise currently not engaged in any litigation.

Insurance risks

Liontown insures its operations in accordance with industry practice. However, in certain circumstances, Liontown's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance (including COVID-19) could have a material adverse effect on the business, financial condition and results of Liontown. Insurance against all risks associated with mining exploration and production is not always available and where available the costs can be prohibitive.

Accounting standards may change

Accounting standards may change. This may affect the reported earnings of Liontown and its financial position from time to time. Liontown has previously and will continue to assess and disclose, when known, the impact of adopting new accounting standards in its periodic financial reporting.

Tax law may change

Changes to tax legislation, the interpretation of tax legislation by the courts, the administration of tax legislation by the relevant tax authorities and the applicability of such legislation may affect Liontown's financial performance or the tax treatment of an investment in Liontown Shares, including any returns on Liontown Shares (for example, any franked dividends).

Unforeseen expenditure risk

Liontown may be subject to significant unforeseen expenses or actions, which may include unplanned operating expenses, future legal actions or expenses in relation to future unforeseen events. The Directors expect that Liontown will have adequate working capital to carry out its stated objectives however there is the risk that additional funds may be required to fund Liontown's future objectives.

Infectious diseases

The outbreak of the coronavirus disease (COVID-19) and subsequent variants of COVID-19 are having a material effect on global economic markets. The global economic outlook is facing uncertainty due to the pandemic, which has had and may continue to have a significant impact on capital markets.

Liontown's Share price may be adversely affected by the economic uncertainty caused by COVID-19. Further measures to limit the transmission of the virus implemented by governments around the world (such as travel bans and quarantining) may adversely impact Liontown's operations and may interrupt Liontown carrying out its contractual obligations or cause disruptions to supply chains.

International Offer Jurisdictions



This document does not constitute an offer of New Shares of the Company in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

Canada (British Columbia, Ontario and Quebec provinces)

This document constitutes an offering of New Shares only in the Provinces of British Columbia, Ontario and Quebec (the "Provinces"), only to persons to whom New Shares may be lawfully distributed in the Provinces, and only by persons permitted to sell such securities. This document is not a prospectus, an advertisement or a public offering of securities in the Provinces. This document may only be distributed in the Provinces to persons who are "accredited investors" within the meaning of National Instrument 45-106 – *Prospectus Exemptions*, of the Canadian Securities Administrators.

No securities commission or authority in the Provinces has reviewed or in any way passed upon this document, the merits of the New Shares or the offering of the New Shares and any representation to the contrary is an offence.

No prospectus has been, or will be, filed in the Provinces with respect to the offering of New Shares or the resale of such securities. Any person in the Provinces lawfully participating in the offer will not receive the information, legal rights or protections that would be afforded had a prospectus been filed and receipted by the securities regulator in the applicable Province. Furthermore, any resale of the New Shares in the Provinces must be made in accordance with applicable Canadian securities laws. While such resale restrictions generally do not apply to a first trade in a security of a foreign, non-Canadian reporting issuer that is made through an exchange or market outside Canada, Canadian purchasers should seek legal advice prior to any resale of the New Shares.

The Company as well as its directors and officers may be located outside Canada and, as a result, it may not be possible for purchasers to effect service of process within Canada upon the Company or its directors or officers. All or a substantial portion of the assets of the Company and such persons may be located outside Canada and, as a result, it may not be possible to satisfy a judgment against the Company or such persons in Canada or to enforce a judgment obtained in Canadian courts against the Company or such persons outside Canada.

Any financial information contained in this document has been prepared in accordance with Australian Accounting Standards and also comply with International Financial Reporting Standards and interpretations issued by the International Accounting Standards Board. Unless stated otherwise, all dollar amounts contained in this document are in Australian dollars.

Statutory rights of action for damages and rescission. Securities legislation in certain Provinces may provide a purchaser with remedies for rescission or damages if an offering memorandum contains a misrepresentation, provided the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's Province. A purchaser may refer to any applicable provision of the securities legislation of the purchaser's Province for particulars of these rights or consult with a legal adviser.

Certain Canadian income tax considerations. Prospective purchasers of the New Shares should consult their own tax adviser with respect to any taxes payable in connection with the acquisition, holding or disposition of the New Shares as there are Canadian tax implications for investors in the Provinces.

Language of documents in Canada. Upon receipt of this document, each investor in Canada hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the New Shares (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. *Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.*

European Union

This document has not been, and will not be, registered with or approved by any securities regulator in the European Union. Accordingly, this document may not be made available, nor may the New Shares be offered for sale, in the European Union except in circumstances that do not require a prospectus under Article 1(4) of Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (the "Prospectus Regulation").

In accordance with Article 1(4)(a) of the Prospectus Regulation, an offer of New Shares in the European Union is limited to persons who are "qualified investors" (as defined in Article 2(e) of the Prospectus Regulation).

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). Accordingly, this document may not be distributed, and the New Shares may not be offered or sold, in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

International Offer Jurisdictions (cont.)



New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act").

The New Shares are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Norway

This document has not been approved by, or registered with, any Norwegian securities regulator under the Norwegian Securities Trading Act of 29 June 2007 no. 75. Accordingly, this document shall not be deemed to constitute an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act. The New Shares may not be offered or sold, directly or indirectly, in Norway except to "professional clients" (as defined in the Norwegian Securities Trading Act).

Singapore

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are (i) an "institutional investor" (as defined in the SFA) or (ii) an "accredited investor" (as defined in the SFA). If you are not an investor falling within one of these categories, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Switzerland

The New Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange or on any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the New Shares constitutes a prospectus or a similar notice, as such terms are understood under art. 35 of the Swiss Financial Services Act or the listing rules of any stock exchange or regulated trading facility in Switzerland.

No offering or marketing material relating to the New Shares has been, nor will be, filed with or approved by any Swiss regulatory authority or authorised review body. In particular, this document will not be filed with, and the offer of New Shares will not be supervised by, the Swiss Financial Market Supervisory Authority (FINMA).

Neither this document nor any other offering or marketing material relating to the New Shares may be publicly distributed or otherwise made publicly available in Switzerland. The New Shares will only be offered to investors who qualify as "professional clients" (as defined in the Swiss Financial Services Act). This document is personal to the recipient and not for general circulation in Switzerland.

United Arab Emirates

This document does not constitute a public offer of securities in the United Arab Emirates and the New Shares may not be offered or sold, directly or indirectly, to the public in the UAE. Neither this document nor the New Shares have been approved by the Securities and Commodities Authority ("SCA") or any other authority in the UAE.

This document may be distributed in the UAE only to "qualified investors" (as defined in the SCA Board of Directors' Chairman Decision No. 37 RM of 2019, as amended) and may not be provided to any person other than the original recipient. No marketing of the New Shares has been, or will be, made from within the UAE other than in compliance with the laws of the UAE and no subscription for any securities may be consummated within the UAE.

No offer or invitation to subscribe for New Shares is valid, or permitted from any person, in the Abu Dhabi Global Market or the Dubai International Financial Centre.

International Offer Jurisdictions (cont.)



United Kingdom

Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the New Shares.

The New Shares may not be offered or sold in the United Kingdom by means of this document or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This document is issued on a confidential basis in the United Kingdom to "qualified investors" within the meaning of Article 2(e) of the UK Prospectus Regulation. This document may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investment to which this document relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this document.

United States

This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The New Shares have not been, and will not be, registered under the US Securities Act of 1933 or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

The New Shares will only be offered and sold in the United States to:

- "qualified institutional buyers" (as defined in Rule 144A under the US Securities Act); and
- dealers or other professional fiduciaries organized or incorporated in the United States that are acting for a discretionary or similar account (other than an estate or trust) held for the benefit or account of persons that are not US persons and for which they exercise investment discretion, within the meaning of Rule 902(k)(2)(i) of Regulation S under the US Securities Act.



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