

# Lithium Australia in the great global lithium race

Lithium Australia NL (ASX: LIT) (“Lithium Australia” or “LIT”) is perhaps one of the busier entities in the great global lithium race. Knowing that this game is more time sensitive than most, it has continually forged onward with acquisition and development of new sources and technologies with the aim of becoming one of the world’s great lithium suppliers. Australia is shipping product to China more frequently each month, and Lithium Australia is perched firmly on the edge of the battery market boom.

The company has outlined that it intends to make a conditional off-market scrip bid of A\$23.8 million for all of the fully paid shares in fellow Western Australia lithium explorer and developer, Lepidico. The companies are currently engaged in litigation relating to the use of their processing technology, but LIT considers it distracting and expensive, and although Lithium Australia is confident of a positive outcome, their time and resources would be better employed in advancing their projects and technologies in unison.

Adrian Griffin, managing director for LIT, had this to say:

*“It is the synergies in aspirations and assets that make combining the two companies the perfect opportunity for all shareholders.*

*The combined entity is likely to be significantly more attractive for investors and financiers as well as a global leader in lithium processing at a time of unprecedented lithium demand.”*

There was only one producing lithium mine in Western Australia last year, but an estimated \$500 million of investment means that up to seven mines could be churning Australia’s battery

dust by early 2018. New shipments are leaving for China with some regularity these days, and an edge is necessary to drag as many pits to production as possible before the price is too heavily affected.

The company put their Sileach™ process to the test recently and managed to exceed quality specifications for the production of lithium carbonate. Operations undertaken at ANSTO Minerals (a division of the Australian Nuclear Science and Technology Organisation) have demonstrated the production of battery grade lithium carbonate. The lithium carbonate feed was produced by Lithium Australia's Sileach™ pilot plant, processing ore from Lepidolite Hill in Western Australia. Sileach™ is a hydrometallurgical process that is aimed at becoming a cheaper alternative for the recovery lithium from hard rock mining sources such as spodumene, pegmatite and other silicates.

LIT also began using airborne geophysics data in an attempt to identify buried lithium-tantalum bearing pegmatites at their Mt Day and Lake Johnston projects, located 420 kilometres east of Perth, while expanding their Australia-wide lithium grab by lodging applications to hunt for lithium on Kangaroo Island in South Australia. The area features a small mining claim which covers the abandoned Dudley Mine area, a collection of shallow pits and shafts in the pegmatite, lies within the application. Previous exploration has focused on kaolin and gem quality tourmaline with no exploration for lithium being recorded. These efforts continue to add to the company's strong domestic lithium holdings throughout Western Australia, Northern Territory and Queensland.

Adrian Griffin, Managing Director, commented:

*"The South Australia campaign adds to Lithium Australia's strong and expanding project suite and technological alliances over 2017 with private and government stakeholders alike as well as its 100% ownership of the versatile*

*Sileach™ processing technology and access to a number of other leading technologies.”*

Lithium Australia is trading up over the past month, closing at \$0.175 on the 10th of February from \$0.16 on the 13th of January.