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ASX ANNOUNCEMENT

BRISBANE PILOT PLANT COMMENCES PRODUCTION OF LITHIUM-ION CATHODE MATERIAL FOR GLOBAL BATTERY MARKET

HIGHLIGHTS

- **First cathode material produced at VSPC's re-commissioned pilot plant**
- **Delivery of cathode material samples to international battery makers in Q4 2018**

Production of advanced battery cathode material

VSPC is a specialist battery-component research and development laboratory wholly owned by Perth-based Lithium Australia NL (ASX: LIT). VSPC is pleased to report that its pilot production facilities in Brisbane, Queensland are now fully re-commissioned, and lithium-iron-phosphate (LFP) battery cathode material is being produced.

International battery makers have previously shown strong interest in VSPC's 4th-generation LFP cathode material. Tellingly, in tests completed late in 2017, the performance of VSPC's cathode material exceeded that of an industry standard material (see ASX announcement dated 1 November 2017).

VSPC's electrochemical laboratory facilities now fully operational

The quality and consistency of VSPC's pilot-production materials are currently being verified via the company's advanced, on-site electrochemical testing facilities, the capabilities of which include the ability to assemble and test lithium-ion coin and pouch cells.

Very Small Particle Company Ltd name change

In tandem with the recommissioning, Lithium Australia advises a change of name for its subsidiary from **"Very Small Particle Company Ltd"** (ACN 087 481 927) to "**VSPC Ltd"** (VSPC).

Says Lithium Australia managing director Adrian Griffin:

"VSPC gives Lithium Australia the opportunity to manufacture the world's most advanced cathode materials – at the high-margin end of the battery metals market. Importantly, VSPC will also allow us to capitalise on waste batteries as a feed source. We anticipate immense pressure on the supply of energy metals such as lithium and cobalt in the near future. Battery recycling not only supports sustainability but may also, ultimately, prove the cheapest source of those energy metals materials in years to come. The ability to produce cathode powders from these materials, while also controlling particle size, is clearly advantageous. It is an integral part of our sustainable and ethical supply policy."

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About Lithium Australia

Lithium Australia aspires to 'close the loop' on the energy-metals cycle. With strategic assets and disruptive technologies, it aims to improve the lithium-ion battery supply chain by virtue of technologies that include its SiLeach® lithium extraction process, superior cathode material production courtesy of VSPC, and enhanced recycling techniques for battery materials. By uniting resources and the best available technology, Lithium Australia seeks to establish a vertically integrated lithium processing business. VSPC Ltd is a wholly owned subsidiary of Lithium Australia NL.

For more information visit:
www.lithium-au.com www.vspc.com

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