

## Quarterly Activities Report

For the period ended 30 September 2023

31 October 2023

Liontown Resources Limited (ASX: **LTR**) (**Liontown** or the **Company**) is pleased to advise that the Kathleen Valley Lithium Project (the **Project**) is now more than 50 percent complete with a clear line of sight to first production mid-2024.

During the September quarter Liontown awarded the final major mining and construction contracts for Kathleen Valley, bringing capital costs committed to approximately 90 percent and de-risking the pathway to first production.

Subsequent to the end of the quarter Liontown announced Kathleen Valley was fully funded to production and beyond, with debt funding of A\$760 million secured and a capital raise of A\$376 million.

### Highlights

- No Lost-time Injuries were recorded, with around 530,000 site hours worked, up from 326,000 in the June quarter.
- Kathleen Valley is more than 50 percent complete.
- Updated estimate of the Kathleen Valley Project capital cost (including pre-production mining) to first production of A\$951 million.
- All major mining and construction contracts were awarded and approximately 90 percent of Project capital costs committed, de-risking the pathway to first production.
- Average cash cost (C1) expected to be A\$651 per SC6 dry metric tonne over the initial 10 years of production<sup>1</sup>.
- General Manager Operations appointed and 47 people hired during the quarter, in-line with workforce plan.
- Underground Mining Services contract awarded to Tier 1 contractor Byrnegut.
- Structural, Mechanical, Piping and Electrical & Instrumentation contract awarded to Tier 1 contractor Monadelphous.
- Total material movement during the quarter was 1.4 million bulk cubic metres from both Kathleen's Corner and Mount Mann pits including 132,813 tonnes of ore.
- Steel and plate fabrication reached 2,423 tonnes, totalling more than 70 percent completed.
- More than 3,000m<sup>3</sup> of structural concrete was poured at the Process Plant throughout the quarter. Process Plant total structural concrete poured to date is over 8,800m<sup>3</sup> from a total of 10,900m<sup>3</sup>, and remains on schedule.
- Hybrid Power Station substantially advanced with the solar farm now 82 percent complete, thermal power station and LNG facilities 50 percent complete, and the first wind turbine footing poured.
- A revised conditional and non-binding indicative proposal was received from Albemarle on 4 September to acquire 100% of Liontown for A\$3.00 in cash per share via scheme of arrangement. Subsequent to the end of the quarter, Albemarle advised Liontown of its decision to withdraw due to the growing complexities associated with executing the transaction.
- During the quarter the Company drew down A\$128.6 million under the A\$300 million finance facility with Ford, with A\$52.7 million remaining undrawn.
- The Company's cash balance as at 30 September 2023 was A\$285.0 million.

<sup>1</sup> From 1 January 2025

**Liontown's Managing Director, Tony Ottaviano said:**

"The September quarter was another busy one for Liontown and its contractors, as construction of our world-class Kathleen Valley Lithium Project passed the halfway mark.

"To the credit of the entire Liontown team, Kathleen Valley remains on schedule with all major mining and construction contracts now awarded and more than 90 percent of capital costs committed, ensuring we have a clear line of sight through to first production in mid-2024.

"On the operational readiness front, we are rapidly filling operational and corporate roles and onboarding these new employees, as well as establishing the systems and processes required to function as a modern, efficient mining company that holds safety as a core value.

"Subsequent to quarter-end, the finishing touches were put on a funding package several months in the making that sees Liontown funded through to first production and beyond. The debt and equity package was sized to ensure we have a prudent buffer as we enter the commissioning phase."

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## Sustainability

### Health and Safety

Development of robust Health and Safety structure and systems continued across the quarter:

- No Lost-time Injuries (**LTI**) recorded;
- Increased emergency response, emergency management and crisis management capability on site and in Perth;
- Annual Project Work Health and Safety Plan implemented to drive leading indicators and proactive safety initiatives;
- Continued development and implementation of work health and safety management system;
- Continued focus on mental health first aid training; and
- Introduction of a lead audit team to audit both Liontown and business partner Work Health and Safety systems and implementation on site.

### Environmental, Social and Governance (ESG)

Key ESG activities progressed during the quarter:

- Jones Creek Crossing was successfully completed in consultation with Traditional Owners;
- Tjiwarl Engagement continues to grow momentum with Cultural Awareness sessions being held on site at Kathleen Valley and in the Perth office, and several business development opportunities progressing;
- The Company's third ESG report published on 29 September; and
- Quarterly Native Title Report submitted to Tjiwarl.

### Kathleen Valley Mining Operations

Total material movement (**TMM**) for the quarter was approximately 1.4 million bulk cubic metres (**BCM**) supporting stockpiling of ore for production, waste material for the Run of Mine (**ROM**) pad and Tailings Storage Facility (**TSF**) construction. Calendar year to date TMM is approximately 3.7 million BCM.

### Open Pit Mining

Open pit mining advanced with a total of 63,516 tonnes of ore mined throughout the quarter, comprising 29,054 tonnes from Mt Mann and 34,462 tonnes from Kathleen's Corner.

ROM stockpiles continue to build as a key source of ore for the processing plant. Sheeting of the ROM pad progressed using transitional and low-grade ore material.

A further 69,298 tonnes of material was stockpiled during the quarter to be crushed and optically sorted (upgraded) for future processing at the plant or sold as direct shipped ore (**DSO**) should market conditions improve.

Open pit mining concluded at Mt Mann allowing early set up works for the underground decline to commence in November.

### Underground Mining

Following award of the Underground Mining Services contract to Byrnecut, worth approximately \$1 billion over four years, focus was on updating the life of mine (**LOM**) design, mine schedule, and aligning with the Byrnecut mobilisation schedule. Underground mining remains on schedule to commence in November.

Work also progressed on the temporary Mining Services Area (**MSA**) facilities in anticipation of the Byrnecut team's mobilisation to site and front-end engineering design (**FEED**) of the paste fill plant was also significantly advanced with orders placed for key long lead items.

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### Grade Control Drilling

The Mount Mann underground grade control program continued with a total of 1,400 metres of diamond core drilled and grouted in September.

### Tailings Storage Facility

Work on the TSF progressed well throughout the quarter with the plastic lining and decant significantly advanced. Placement of the mined waste rock components of TSF Cell 1 and Cell 2 progressed on schedule and internal wall construction of stage 1 of cell 1 was completed. Installation of the high-density polyethylene (HDPE) liner and drainage also commenced in September. TSF cell 1 remains on track for completion in November.

### Update on early mine development and acceleration works

Liontown announced in January an increase in plant capacity<sup>2</sup>, at start-up, from 2.5 Mtpa to 3 Mtpa, with a further expansion to 4 Mtpa planned for year six of operations.

In the September project update<sup>3</sup>, Liontown announced finalisation of the ‘two orebodies, one mine strategy’, which will advance mine development and infrastructure in the Northwest Flats orebody. This strategy will support the initial ramp up of the underground operations to the target 3 Mtpa production rate and accelerate the path to achieve 4 Mtpa in year four (2027). This is expected to coincide with the expansion of the process plant, which will be the subject of a future Board decision.

This new optimised base case is expected to deliver additional spodumene concentrate (SC6) production to market sooner. The incremental SC6 production volume will provide optionality, allowing Liontown to sell additional tonnes into the spot market, enter incremental off-take arrangements, or direct this material into a potential downstream lithium hydroxide refinery.

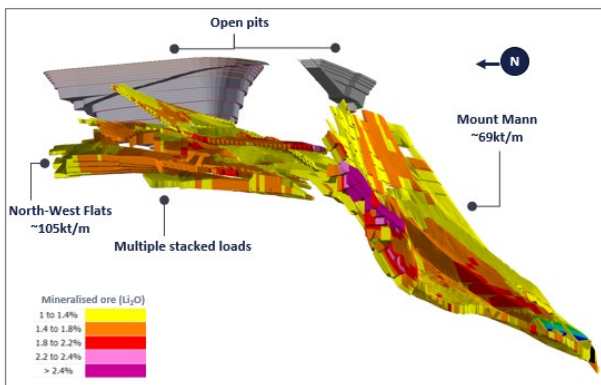


Figure 1: Two orebodies, one mine

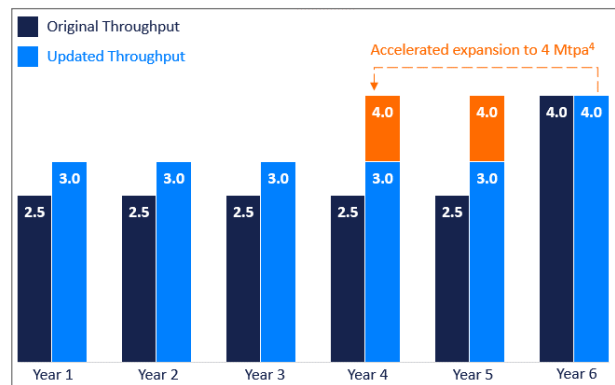


Figure 2: Kathleen Valley plant throughput capacity

<sup>2</sup> ASX Announcement 20 January 2023 “Kathleen Valley Project Update”

<sup>3</sup> ASX Announcement 29 September 2023 “Kathleen Valley Project Update”

<sup>4</sup> Plant throughput expansion subject to Board Approval

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Figure 3: Kathleen's Corner open pit



Figure 4: Aerial view of temporary U/G MSA and paste fill plant pad



Figure 5: Preparation of Mt Mann box cut for U/G operations underway



Figure 6: TSF lining in progress

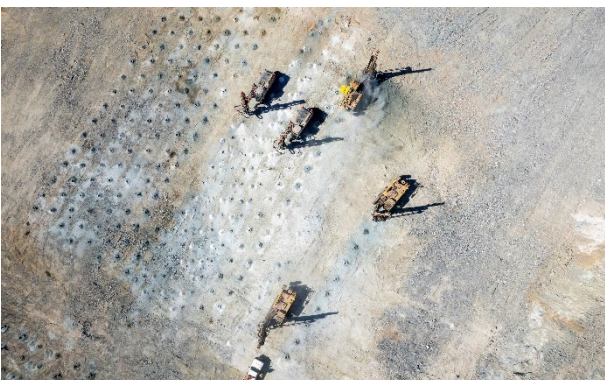


Figure 7: Blast preparation at Kathleen's Corner



Figure 8: Process Plant concrete nearing completion

### Ore Sorting Program

Liontown has completed ore sorting test work on contact ore (mineralised material that previously carried too much host rock dilution), previously identified for sale as DSO. While this material is not part of current Ore Reserves and would otherwise be stockpiled as mineralised waste for potential treatment later in the mine life, test work has confirmed the potential to crush, screen and process this material through ore sorters to remove dilution and increase the material grade. As previously advised, a contract has been awarded to Axis Mineral Services<sup>5</sup> which also included the purchase of two ore sorters and associated infrastructure.

<sup>5</sup> ASX Announcement 3 August 2023 "Liontown moves forward with DSO opportunity"

Importantly the crushing and sorting programme is being used to assist in the design of a potential large-scale sorting circuit which could support the planned 4 Mtpa process plant expansion and as part of underground mine plan optimisation.

## Kathleen Valley Project Development

### Contracts and Procurement

Final major mining and construction contracts awarded during the quarter included:

- Underground mining contract awarded to Byrnescut Australia Pty Ltd;
- Structural Mechanical Piping (**SMP**) and Electrical & Instrumentation (**E&I**) contract awarded to Monadelphous Group Limited; and
- Qube Holdings Limited awarded concentrate haulage services contract.

All major mining and construction contracts have now been awarded with approximately 90 percent of project capital cost committed. The remaining 10 percent are smaller scope contracts, significantly de-risking cost and schedule to first production.

### Process Plant and Infrastructure

The Process Plant is critical path to first production by mid-2024 and remains on schedule.

Tier 1 contractor Monadelphous was awarded the SMP and E&I contract for the Wet Plant. People on site and activity levels ramped up throughout the quarter. The plant design was completed in August, which has enabled focus to shift to final procurement across the processing plant.

Structural concrete poured to date is 8,800m<sup>3</sup> out of a total 10,900m<sup>3</sup> planned at the Process Plant. Completion of concrete works enabled SMP installation works to ramp up.

Steel and plate fabrication for the process plant reached 2,423 tonnes, out of 3,400 tonnes planned.

### Wet Plant

Significant progress was achieved at the Wet Plant throughout the quarter, including:

- Mill installation works on track for completion in October, around six months ahead of commissioning schedule;
- Commencement of flotation cell installation, with all float cells now on site; and
- Installation of structural steel, mechanical equipment and plate work, progressing to schedule.

### Dry Plant

The Dry Plant SMP work commenced and progressed well throughout the quarter, including:

- Installation of primary crusher and reclaim feeder;
- Fine ore bin welding progressed well; and
- Secondary crushing and screening buildings substantially completed, with first preassembled conveyors delivered to site.

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Figure 9: Progress of Wet Plant with thickening area in foreground



Figure 10: Process plant looking towards ROM Pad



Figure 11: Progress of Dry Plant area



Figure 12: Fine Ore Bin



Figure 13: Flotation pedestals complete

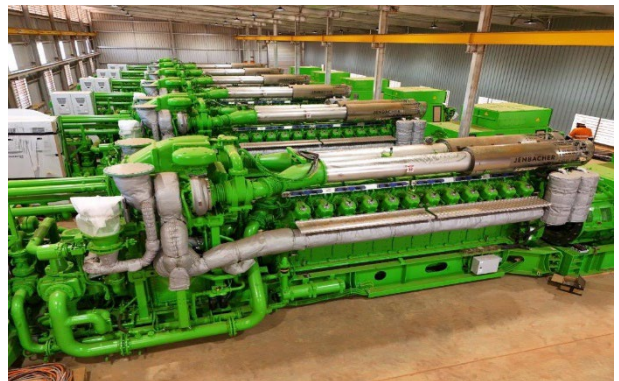


Figure 14: Gas turbines in place in engine hall

**Non-Process Infrastructure**

**Power**

Zenith Energy has continued to progress the 95MW Kathleen Valley Hybrid Power Station to schedule across multiple fronts. At quarter end, the Solar Farm was 82 percent completed, with around 24,000 solar panels installed.

The thermal power station and LNG facilities are more than 50 percent complete with significant deliveries and construction works completed during the quarter.

The foundation for the first of Kathleen Valley’s five wind turbines was poured during a 16-hour continuous concrete operation. 640 cubic metres of structural concrete and 80 tonnes of steel were used in the construction of the first wind turbine foundation, with completion of all five foundations anticipated by November.

The Project remains on track to achieve at least 60 percent renewable power from start-up.

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Figure 15: Solar Farm



Figure 16: LNG storage vessels



Figure 17: Aerial view of civil works at wind turbine 5



Figure 18: Aerial view of wind farm highlighting minimal disturbance

**Water Exploration and Permitting**

Water exploration and permitting continues to be a priority for the Project. A total of 23 holes were drilled across 10 water exploration targets resulting in five production bores being developed. Approval of the Mining Proposal revision remains a key schedule driver.

The Company is progressing a range of commercial arrangements and access deeds to underpin water requirements for the Project.

**Accommodation village**

By the end of the quarter, 676 permanent rooms had been installed and commissioned, with peak numbers reaching around 650 people in September. Central services including the laundries, gym, multipurpose court and training room became operational during the quarter. The wet mess and café will be completed during the December quarter.

One hundred temporary rooms were delivered to site by the end of the quarter, with 40 rooms commissioned and made available towards the end of the quarter. Planning has commenced for an additional satellite camp of 100 rooms that will accommodate peak workforce teams for the construction and installation of the Process Plant, underground mining and operational ramp-up through to April 2024.



Figure 19: 676 permanent rooms installed and commissioned



Figure 20: Camp aerial view

**Operational and Business Readiness**

**Operational readiness**

Operational readiness was a key focus during the quarter, including recruitment of key roles in Mining, Processing and Maintenance. These highly technical roles are critical to commissioning of the plant. Operations system and process development progressed well during the quarter, leveraging the latest technologies and modern ways of working to drive safety and productivity.

The Company is on track with its operational workforce ramp up plan to secure and retain key talent.

**Business readiness**

Attracting highly professional and experienced people was a focus during the quarter, with 47 people appointed to key roles. Building the functions of Health and Safety, Finance, HR, Technology, Procurement, ESG, and Sales and Marketing progressed well, along with developing the enterprise systems and processes to support production ramp-up.

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## Capital and Operating Costs

Liontown provided a Project Update in September<sup>6</sup> outlining the estimated capital and operating costs for Kathleen Valley.

### Capital Cost

Following the award of all major contracts the Company estimated Project capital cost to first production (including capitalised mining costs) of A\$951 million. This represents a ~six percent increase from the \$895 million estimate announced in January 2023.<sup>7</sup>

The updated Capital Cost estimate included:

- incorporation of awarded contract rates and quantities for all major mining and process plant scope;
- adopting a multi-contractor strategy to further de-risk plant execution and maintain schedule, including scope adjustments to the Structural Mechanical Piping package;
- higher specification materials, lining and equipment that will reduce future maintenance requirements, which are reflective of the Company's commitment to deliver a world-class project; and
- retention of A\$25 million contingency.

The updated Capital Cost estimate excluded:

- Costs of A\$26 million for early mine development and acceleration of the 4 Mtpa expansion; and
- A\$37 million associated with building the 567,000 tonne pre first production ROM stockpiles from the mining operations (which will be included in the Company's operating cost once spodumene sales commence).

### Operating Cost Estimate

The Company estimated a 10-year average cash cost (C1) of A\$651 per SC6 dry metric tonne, excluding royalties. In addition, the Company estimated its 10-year average unit rate for sustaining capital is A\$171 per SC6 dry metric tonne. The average 10-year operating costs and sustaining capital estimate calculation were from 1 January 2025.

## Exploration

### Buldanía exploration

An engineering study to develop the metallurgical flowsheet, process design and estimation of capital and operating costs is also underway.

Other studies completed during the quarter included surface water, geotechnical, groundwater and an initial site fauna assessment.

The Company will provide further updates as the study progresses.

### Kathleen Valley Exploration

No exploration work was undertaken at Kathleen Valley during the quarter, other than the grade control drilling reference above.

<sup>6</sup> LTR ASX Announcement 29 September 2023 "Kathleen Valley Project Update"

<sup>7</sup> LTR ASX Announcement 20 January 2023 "Kathleen Valley Project Update"

## Corporate

Liontown achieved ASX 100 status after the S&P Dow Jones Indices announced changes in the S&P/ASX Indices, effective 18 September 2023.

### Albemarle Non-Binding Proposal

On 4 September, Liontown received a revised conditional and non-binding indicative proposal from Albemarle Corporation<sup>8</sup> to acquire all ordinary shares outstanding in Liontown for \$3.00 in cash per share via scheme of arrangement. Albemarle advised that the revised indicative proposal was its best and final in the absence of a superior proposal.

On 16 October Albemarle advised<sup>9</sup> that it was withdrawing its indicative proposal, and that it will not be proceeding with its proposed acquisition of Liontown. Albemarle advised that its decision to withdraw its proposal was due to the growing complexities associated with executing the transaction. Albemarle confirmed to Liontown its favourable view of the flagship Kathleen Valley project and Liontown's management.

### Funding Update<sup>10</sup>

#### Debt Facilities Finalised

Subsequent to the end of the quarter, Liontown announced it had secured a debt funding package of A\$760 million on very attractive commercial terms with four domestic and two international banks, as well as the Clean Energy Finance Corporation, under a commercial lending syndicate including long duration project finance facilities and an optional cost overrun / working capital facility.

Additionally, following the previously announced joint letter of support from the government export credit agencies, Liontown received a commitment from Export Finance Australia (EFA) in relation to a A\$200 million facility, with flexible terms and long tenure. EFA will continue to work with Korea Trade Insurance Corporation (K-SURE) and Export-Import Bank of the United States (EXIM) in relation to their potential participation in the facility.

All debt facilities remain conditional on formal documentation and other customary conditions precedent.

#### Equity Raise Completed and Share Purchase Plan

Subsequent to the end of the quarter in October, a successful equity raising for A\$376 million was announced, comprising a fully underwritten A\$365 institutional placement which settled on 25 October 2023, and a non-underwritten conditional placement to Mr Timothy Goyder for 6 million shares (equivalent to A\$10.8 million) which is subject to shareholder approval at the upcoming Annual General Meeting on 30 November 2023.

Liontown will also invite eligible shareholders in Australia and New Zealand to participate in a non-underwritten Share Purchase Plan (SPP) to raise up to a further A\$45 million.

Proceeds from debt and equity raising will be used towards refinancing existing Ford debt, completing construction and ramp up of the Project, working capital and corporate costs, fully funding the Kathleen Valley Project to production and beyond.

<sup>8</sup> LTR ASX Announcement 4 September "Revised Proposal from Albemarle"

<sup>9</sup> LTR ASX Announcement 16 October "Albemarle and Liontown not proceeding with proposed scheme of arrangement"

<sup>10</sup> LTR ASX Announcement 19 October "Kathleen Valley Funding Package"

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**Tenement Schedules and Expenditure**

In accordance with ASX Listing Rule 5.3, refer to Appendix 3 for a listing of tenements. During the quarter, the Company spent A\$6.5 million on exploration and evaluation activities (including water exploration and evaluation studies) and A\$9.4 million on administration costs.

Payments reported in Appendix 5B, Section 6.1 and 6.2, relate to Directors’ salaries and fees and consulting fees paid to Director related parties.

**Cash Position**

The Company’s cash balance as at 30 September 2023 was A\$285.0 million.

During July 2023 the Company drew down a further A\$128.6 million under the A\$300 million finance facility with Ford. As at 30 September 2023, A\$52.7 million remains undrawn under the Ford facility.

**Forward Looking Statement**

This announcement contains forward-looking statements which involve several risks and uncertainties. These forward-looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this announcement. No obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

This announcement has been approved for release by the Board of Directors.

**Further Information**

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**About Liontown Resources**

Liontown Resources (ASX:LTR) is an emerging Tier-1 battery minerals producer. Our aim is to be an ESG leader and a globally significant provider of battery minerals for the rapidly growing clean energy market. As we transition from explorer to producer, we are committed to incorporating the right approach and foundation from the outset and ESG principles underpin all decisions. We currently control two major lithium deposits in Western Australia and aim to expand our portfolio through exploration, partnerships and acquisitions. In addition, we look to participate in downstream value-adding where control of the deposit provides a strong competitive advantage. To learn more, please visit: [www.ltresources.com.au](http://www.ltresources.com.au)

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# Appendix 1

## Kathleen Valley Lithium Project Overview

The Kathleen Valley Lithium Project (**Kathleen Valley** or the **Project**) is located in Western Australia, approximately 680km north-east of Perth and 350km north-north-west of Kalgoorlie, within the Eastern Goldfields of the Archaean Yilgarn Craton (Figure 17). With a world-class Mineral Resource Estimate of **156Mt @ 1.4% Li<sub>2</sub>O and 130ppm Ta<sub>2</sub>O<sub>5</sub>** Kathleen Valley is on track for first production in mid-2024.

In October 2023 Liontown secured debt funding of A\$761 million and undertook an equity raising of A\$376m to deliver a robust balance sheet and fully funding Kathleen Valley to first production and beyond.

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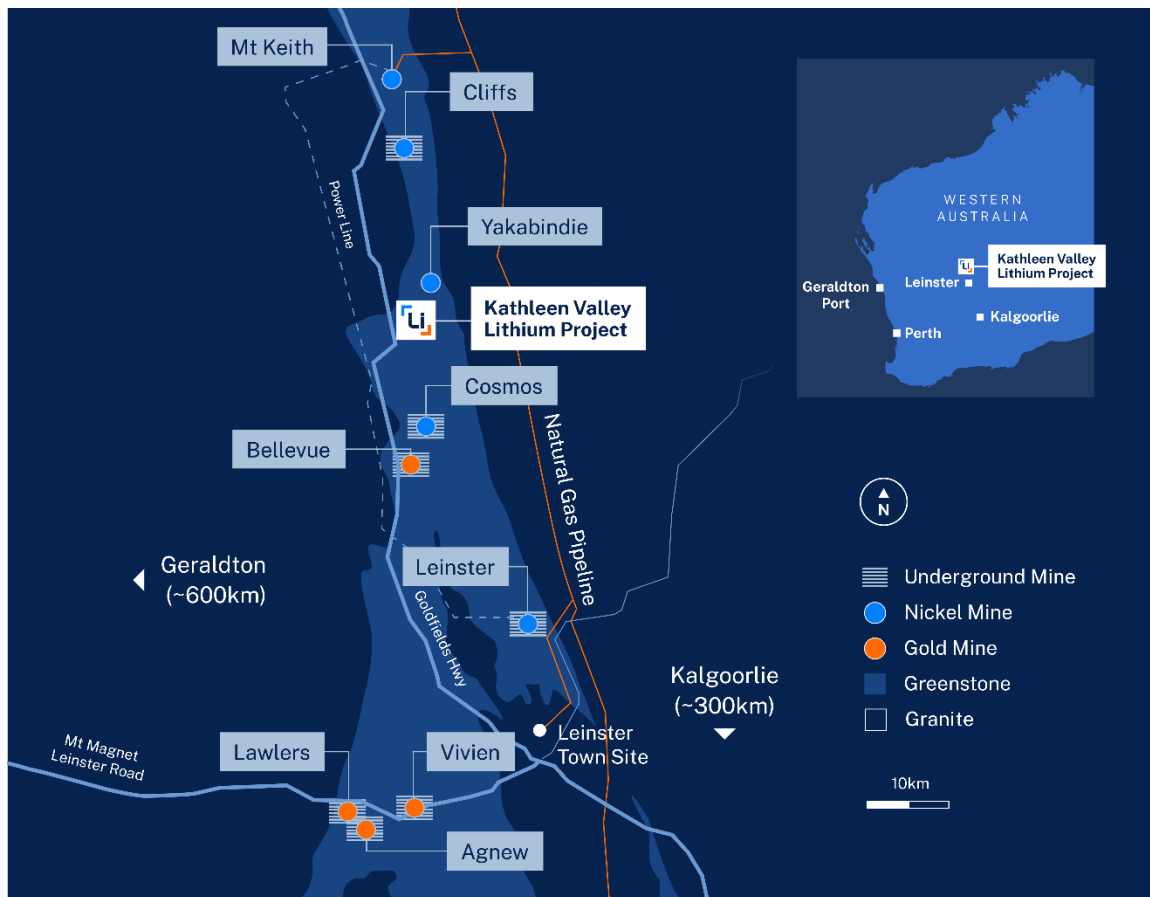


Figure 21: Kathleen Valley Lithium Project – Location and Geology Map

## Appendix 2

### Competent Person Statements

The Information in this Report that relates to 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](http://www.ltresources.com.au). The Company confirms that it is not aware of any other new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement 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.

#### Kathleen Valley Project – Mineral Resource Estimate as at April 2021

Resource category	Tonnes (Million)	Li <sub>2</sub> O (%)	Ta <sub>2</sub> O <sub>5</sub> (ppm)
Measured	20	1.3	145
Indicated	109	1.4	130
Inferred	27	1.3	113
<b>Total</b>	<b>156</b>	<b>1.4</b>	<b>130</b>

- Notes:
- Reported above a Li<sub>2</sub>O cut-off grade of 0.55%.
  - Tonnages and grades have been rounded to reflect the relative uncertainty of the estimate.

The Information in this Report 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 8 November 2019 which is available on [www.ltresources.com.au](http://www.ltresources.com.au). The Company confirms that it is not aware of any other new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement 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.

#### Anna Deposit, Buldania Project – Mineral Resource as at October 2019

Resource category	Tonnes (Million)	Li <sub>2</sub> O (%)
Indicated	9.1	1.0
Inferred	5.9	1.0
<b>Total</b>	<b>15.0</b>	<b>1.0</b>

- Notes:
- Reported above a Li<sub>2</sub>O cut-off grade of 0.5%
  - Tonnages and grades have been rounded to reflect the relative uncertainty of the estimate

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## Appendix 3

The following information is provided in accordance with ASX Listing Rule 5.3 for the Quarter.

1. Listing of tenements held in Australia (directly or beneficially):

Country	Project	Tenement No.	Registered Holder	Nature of interests
Australia	Kathleen Valley	M36/264	LRL (Aust) Pty Ltd (wholly owned subsidiary of Liontown Resources Limited).	100% - nickel claw back rights retained by other party
		M36/265		
		M36/459		
		M36/460		
		M36/696	LRL (Aust) Pty Ltd	100%
		E36/879		
		L36/236		
		L36/237		
		L36/248		
		L36/250		
		L36/251		
		L36/255		
		L36/256		
		L36/261		
		L36/262		
		L36/263		
		L36/270		
		L53/253		
		L53/254		
		L53/255		
		L53/256		
		G36/52	LRL (Aust) Pty Ltd	0% - pending application
		L53/263		
		L53/264		
		L53/265		
		L36/264		
		L36/265		
		L36/266		
		L36/267		
		L36/268		
		L53/266		
		L53/267		
		E36/1041		
L36/271				
L36/272				

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Country	Project	Tenement No.	Registered Holder	Nature of interests
		L36/273		
		L36/274		
		L36/275		
		L36/276		
		L36/278		
		L36/279		
		L36/280		
		L53/272		
		L53/273		
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		L53/288		
		L53/289		
		L53/290		
		L36/281		
		L36/282		
		L36/283		
	Buldanía	E63/856	Avoca Resources Pty Ltd	100% of rights to lithium and related metals secured by Lithium Rights Agreement
		P63/1977		
		M63/647		0% - pending application
		M63/676		
		E63/1660	Buldanía Lithium Pty Ltd	100%
		E63/2369		0% - pending application
		E63/2267	LRL (Aust) Pty Ltd	0% - pending application
	E63/2268			
	Monjebup	E70/6042	LBM (Aust) Pty Ltd	100%
		E70/6043		
		E70/6044		

2. Listing of tenements acquired (directly or beneficially) during the quarter:

Nil

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3. Tenements disposed, relinquished, reduced or lapsed (directly or beneficially) during the quarter:

Nil

4. Listing of tenements applied for (directly or beneficially) during the quarter:

Country	Project	Tenement No.	Registered Holder	Nature of interests
Australia	Buldanía	E63/2369	Buldanía Lithium Pty Ltd	0% - pending application

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## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Liontown Resources Ltd

ABN

39 118 153 825

Quarter ended ("current quarter")

30/09/2023

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(6,489)	(6,489)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(3,987)	(3,987)
	(e) administration and corporate costs <sup>1</sup>	(5,366)	(5,366)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	3,537	3,537
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (Business Development) <sup>2</sup>	(288)	(288)
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(12,593)</b>	<b>(12,593)</b>
<p>1. Includes GST arising from investing and financing activities in accordance with UIG 1031.</p> <p>2. Relates to business development costs including due diligence and financing activities.</p>			
<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(359)	(359)
	(d) exploration & evaluation	-	-
	(e) investments <sup>3</sup>	(5,100)	(5,100)
	(f) other non-current assets – assets under construction <sup>4</sup>	(130,471)	(130,471)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(135,930)</b>	<b>(135,930)</b>
3.	<i>Relates to refundable security payments for the \$25 million guarantee with Export Finance Australia and other guarantee security payments.</i>		
4.	<i>Includes costs associated with the development of the Kathleen Valley Project.</i>		
<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(14)	(14)
3.5	Proceeds from borrowings	128,599	128,599
3.6	Repayment of borrowings <sup>5</sup>	(457)	(457)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>128,128</b>	<b>128,128</b>
5.	<i>Repayments related to lease liabilities and hire-purchase agreements.</i>		
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	305,438	305,438
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(12,593)	(12,593)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(135,930)	(135,930)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	128,128	128,128
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>285,043</b>	<b>285,043</b>

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	284,938	304,467
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details) <sup>6</sup>	105	971
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>285,043</b>	<b>305,438</b>

6. Retention funds held in trust under the Building and Construction Industry (Security of Payment) Act 2021.

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	396
6.2	Aggregate amount of payments to related parties and their associates included in item 2	10

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

<b>7.</b>	<b>Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities	300,000	247,348
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	<b>Total financing facilities</b>	<b>300,000</b>	<b>247,348</b>
7.5	<b>Unused financing facilities available at quarter end</b>		<b>52,652</b>
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	On 29 June 2022 Liontown executed a Funding Facility with a Ford subsidiary (see ASX announcement "Liontown executes Binding Offtake Agreement with Ford" on 29 June 2022). The senior-secured debt facility of A\$300 million has an interest rate of BBSW + 1.5% and a maturity date of 5 years from supply commencement date <sup>7</sup> . The facility has security over the Kathleen Valley project assets and shares in the borrower (a wholly owned subsidiary of Liontown Resources Limited).		

7. Supply commencement date being the date of commercial production.

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(12,593)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(12,593)
8.4 Cash and cash equivalents at quarter end (item 4.6)	285,043
8.5 Unused finance facilities available at quarter end (item 7.5)	52,652
8.6 Total available funding (item 8.4 + item 8.5)	337,695
8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)<sup>8</sup></b>	27
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: Not applicable	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: Not applicable	
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: Not applicable	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

8. *The prescribed calculation excludes outgoings related to other investing activities. Outgoings in section 2.1 (f) relate to development expenditure on the Kathleen Valley Project which is the main activity of the Company. If this were to be included in the Estimated quarters of funding available calculation, the number of quarters would reduce from 27 to 2.*

### Compliance statement

- This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- This statement gives a true and fair view of the matters disclosed.

Date: ....31 October 2023.....

Authorised by: ....By the board.....  
(Name of body or officer authorising release – see note 4)

**Notes**

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

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