



## Delivering Ramp-up through Operational Excellence

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Bell Potter Unearthed Conference  
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ASX: [LTR](#)

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A blue L-shaped graphic element consisting of two perpendicular bars of equal length, positioned at the top left of the slide.

# Agenda

1. Liontown strategy
2. December quarter market update
3. Kathleen Valley December quarter update
4. Questions

The best strategies endure the cycles; ours is unchanged.



## Kathleen Valley Full Potential

Become a globally significant sustainable supplier of spodumene



## Downstream Expansion

Become a vertically integrated supplier to capture higher margins, create new supply chains



## Liontown Full Potential

Expand portfolio through organic growth, value accretive M&A and exposure to the circular economy

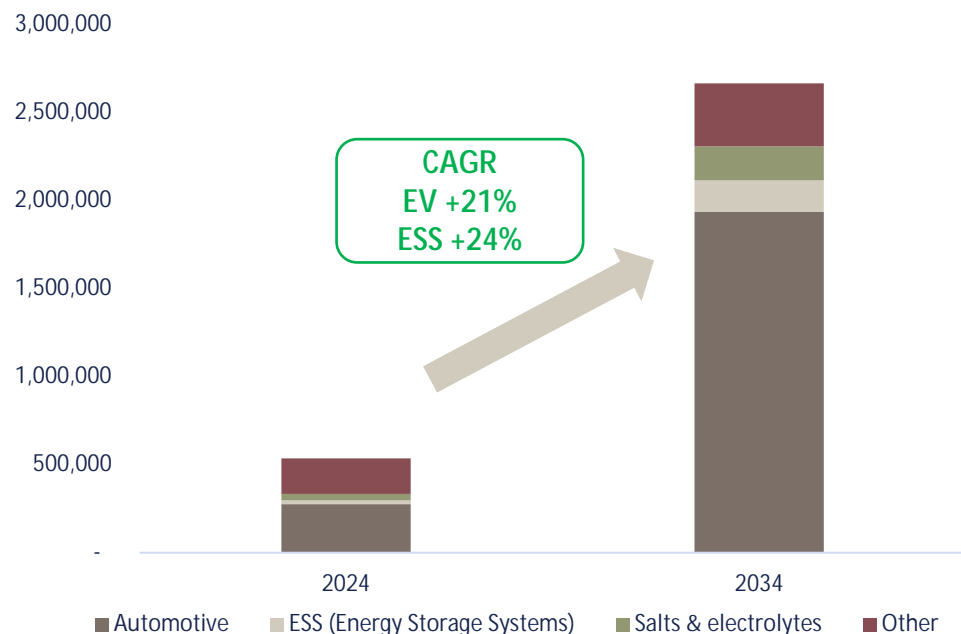
# December quarter market update



# Lithium demand outlook remains strong and resilient

## Lithium demand by end use

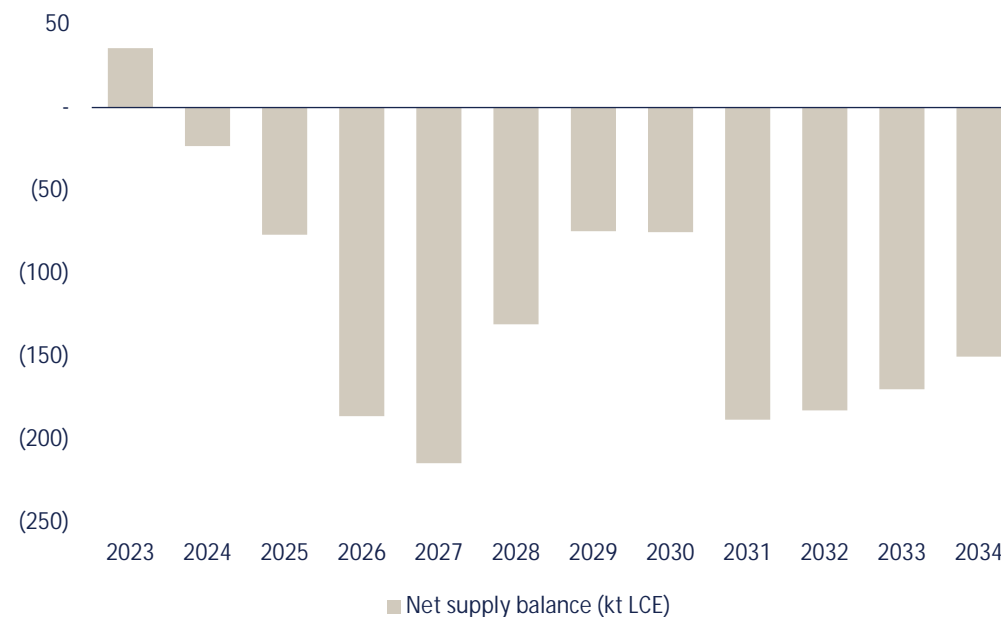
(lithium demand, kt LCE)



- Long-term demand fundamentals for lithium remain strong across multiple sectors, predominately driven by EVs
- Demand for large-scale energy storage systems (ESS) is also rising, as adoption of renewable energy sources increase

## Spodumene supply balance

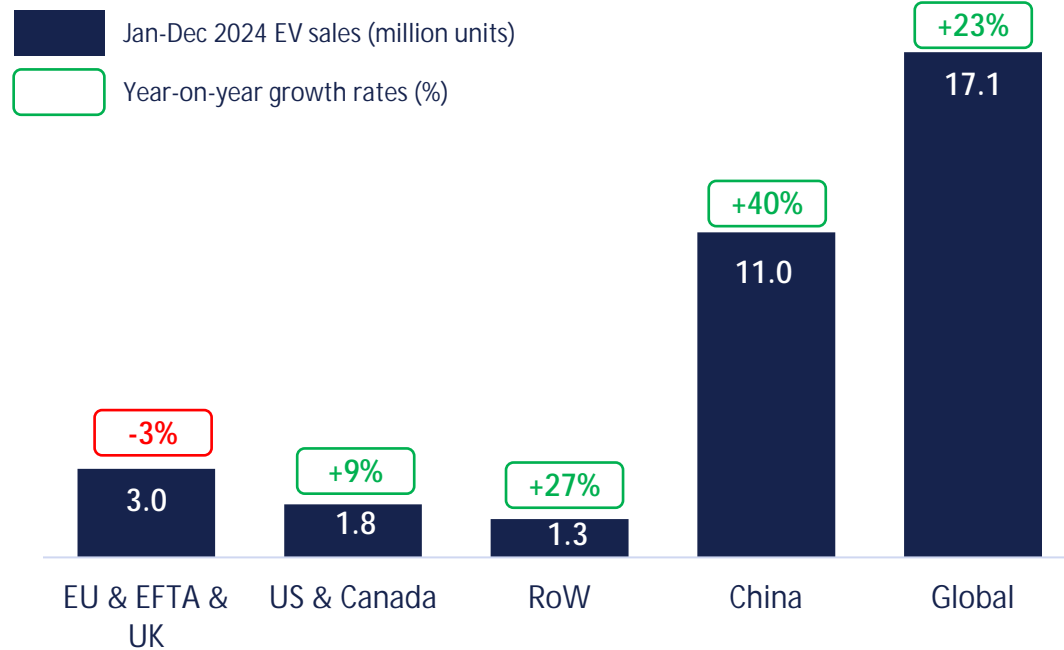
(spodumene concentrate inventory balances, kt LCE)



- Supply shortages in spodumene concentrate are forecasted to intensify, with deficits expected to grow significantly, exacerbated by the challenges associated with scale-up and development of new mining projects
- The urgency for China to replenish low inventory levels is the likely driver for CATL decision to restart its lepidolite mine

# EV sales remain strong but prices too high ex-China

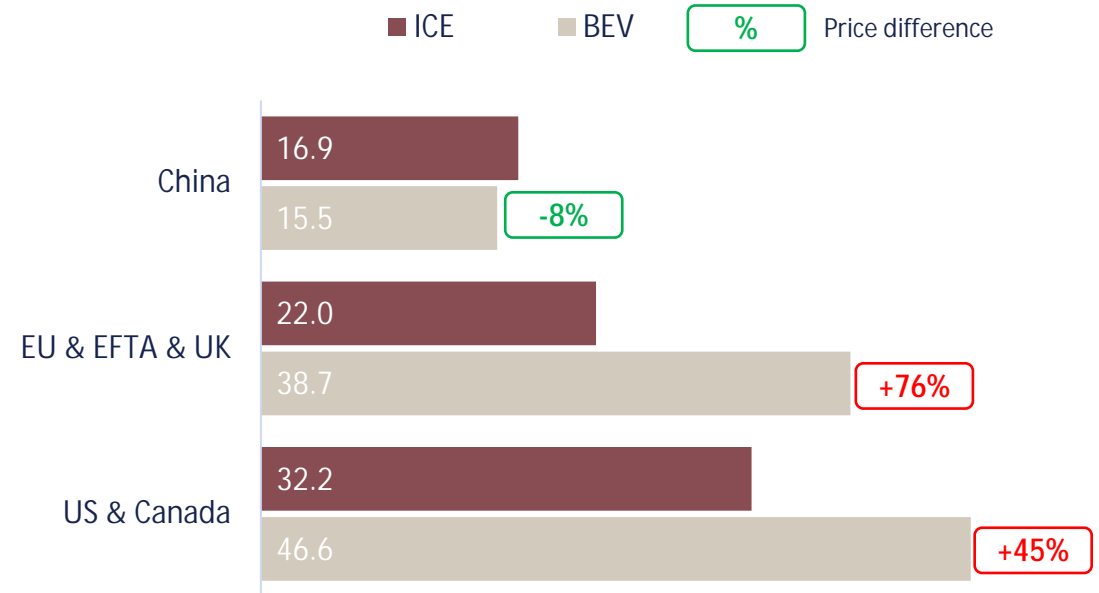
## Global EV sales growth remains robust



- 2024 EV sales growth remains strong, 2025 forecast continues the trajectory at 19% and CAGR of 17% to 2030
- China leads the way, and growth in 'Rest of World' countries like Brazil and Southeast Asia, with their large populations will drive strong lithium demand, regardless of government policies and incentives

## EV sales weakness ex-China is a pricing problem

Weighted average of the base price comparison YTD Sept-24 (US\$ thousands)



- Adoption of EV outside China has faced challenges, with upfront costs remaining a key barrier, especially in Western Europe and the US
- China has cracked the pricing issue, offering EVs at lower prices than traditional combustion engines

# China is building the future

Consumer concerns around long-range EVs are being addressed as China leads the way in developing EVs with groundbreaking 1,000km range, with 11-15-minute recharge time<sup>1</sup> and affordability



IM L6 presales begin. With “solid-state battery” and 1,000 km range, starting at 31,800 USD

Reading Time: 4 minutes · Adrian Leung | April 9, 2024 · 15



## Zeekr begins deliveries of its 001 EV with world leading 1000km range

04/18/2023 · NO COMMENTS · 5 MINUTE READ · DANIEL BEAUFAY



### ELECTRIC CARS IN CHINA

China's CATL aims to recharge stock price with 1,000-km EV battery

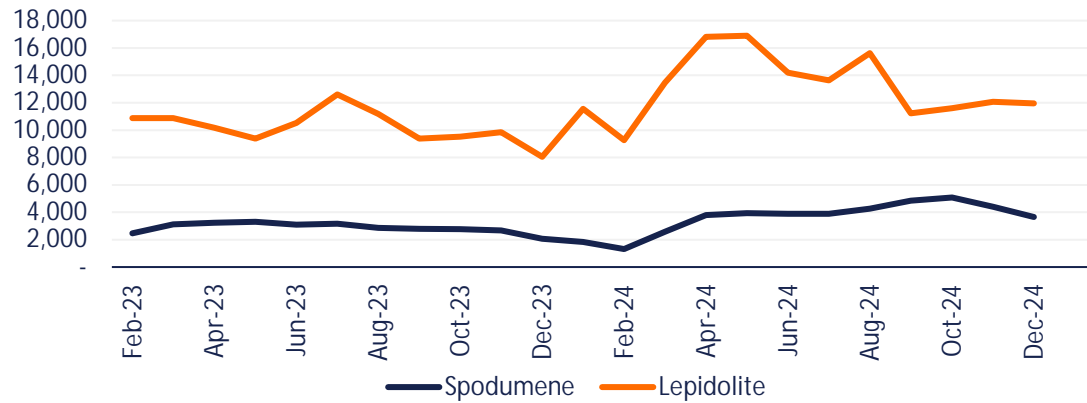
Company seeks to meet diverse needs of domestic customers

1. The Zeekr 001's charging time depends on the battery type and the charging method: Qilin NMC battery: 100 kWh battery can charge from 10% to 80% in 15 minutes. Shenxing LFP battery: 95 kWh battery can charge from 10% to 80% in 11 minutes. Source - Zeekr

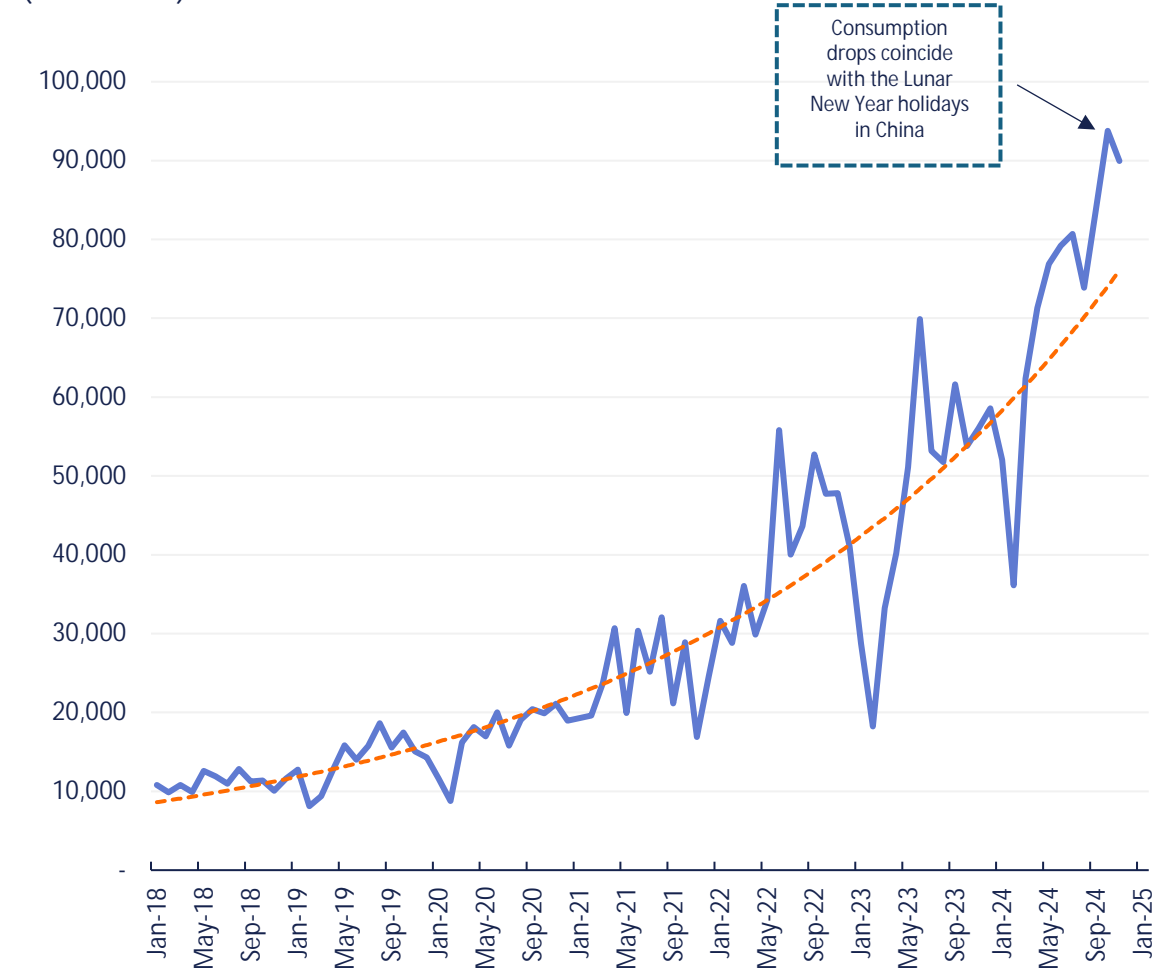


# Continue to see supply / demand dynamics shift through Q4 CY2025

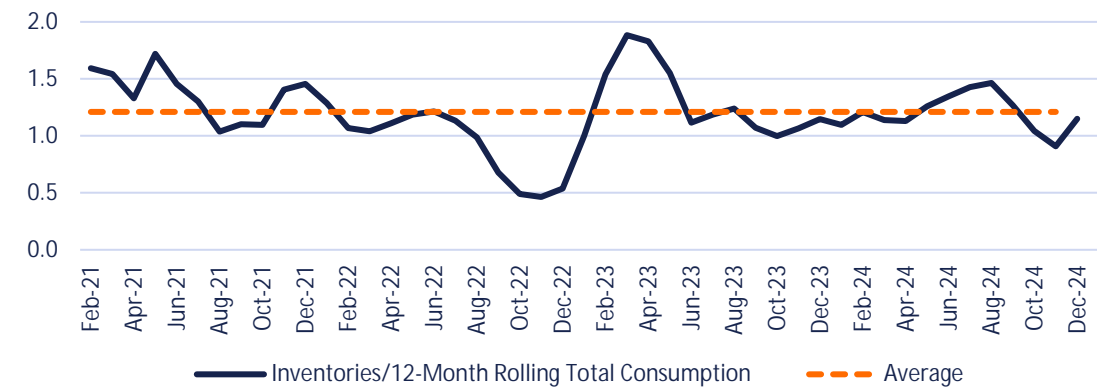
Production of Chinese lepidolite and spodumene has flattened... (LCE Tonnes)



While Chinese Lithium Carbonate Consumption Continues to Grow (LCE Tonnes)



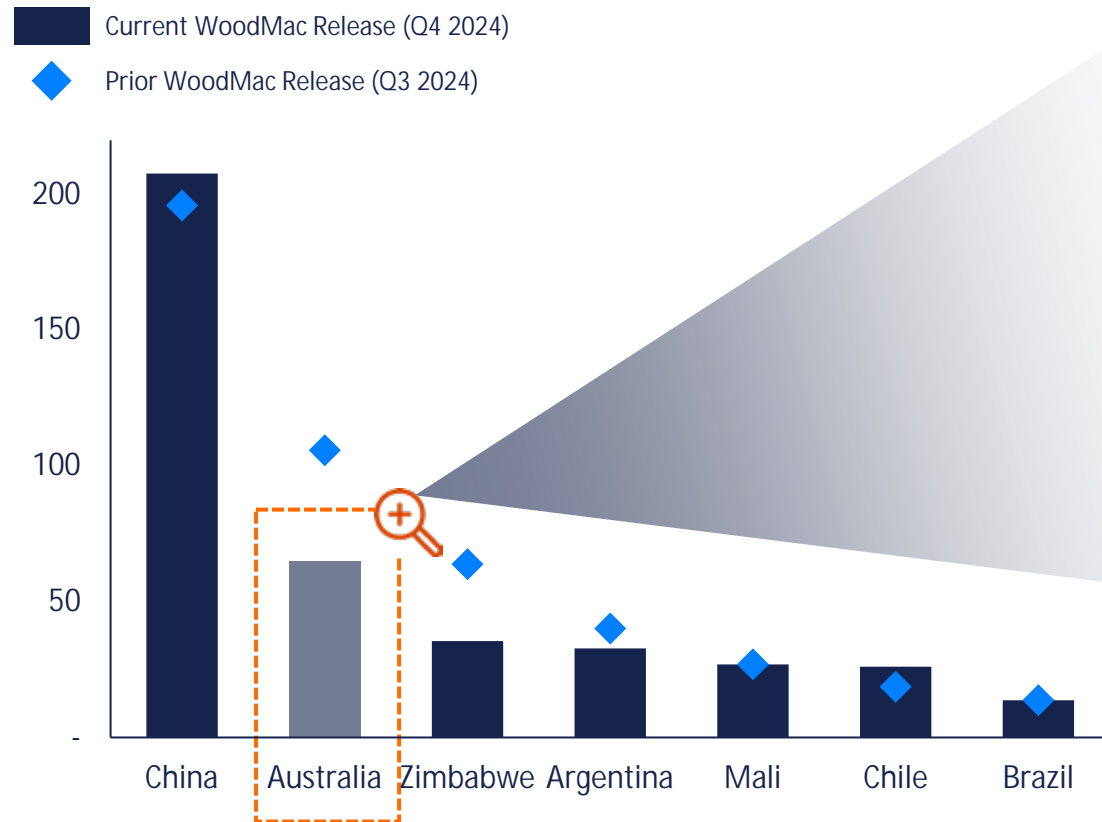
China's carbonate inventories levels are low... (LCE Tonnes)



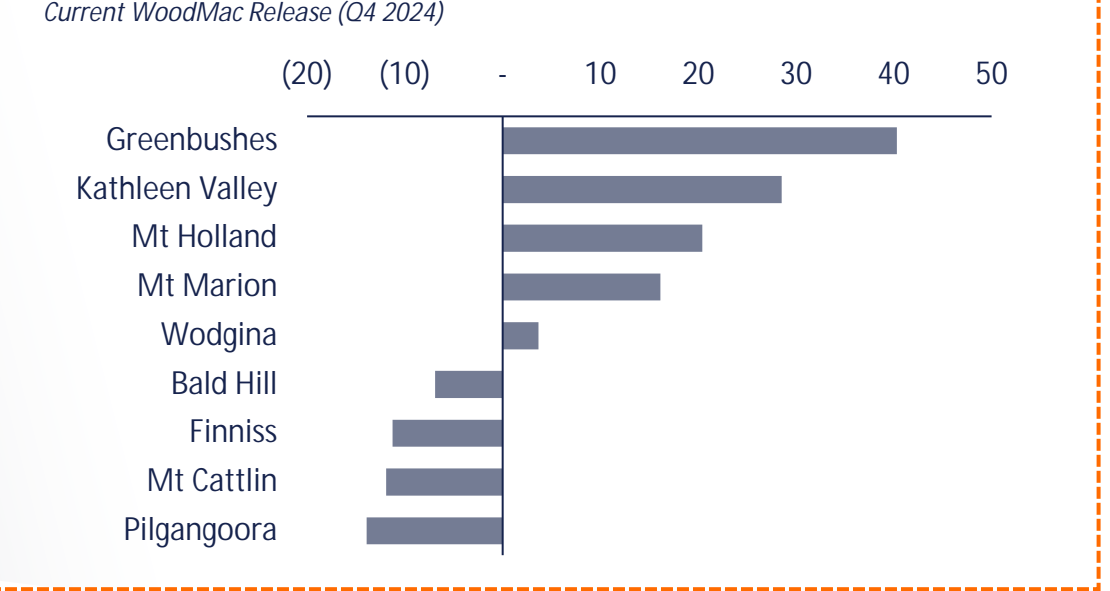
# Supply curtailments in brownfields beginning to impact Liontown forecasts

Forward forecasts, which previously assumed a significant jump in production for 2025, are now factoring in some curtailments and delayed output, which are set to widen the supply deficit

Assumed 2025 Production Increases Per Country (kt LCE)



Assumed 2025 Production Increases / Decreases in Australia (kt LCE)



- Curtailed Australian mines, alongside Zimbabwean Bikita mine have been reflected in forecasts
- Upward price pressure is expected as global lithium demand grows with EV adoption, while new supply is harder to bring online

Notes:

1. Source: Wood Mackenzie global lithium market investment horizon outlook – Q4 2024 / Q3 2024  
 2. Refer ASX announcements: IGO “Greenbushes – Chemical Grade Plant 3 Update” dated 31 October 2024; Mineral Resources “Bald Hill Operations and Mineral Resources Update” dated 13 November 2024; Pilbara Resources “September 2024 Quarterly Activities Presentation” dated 30 October 2024 ; Liontown “Kathleen Valley update and H2 FY25 guidance” dated 11 November 2024.

# Kathleen Valley December quarter update

# Highlights - December Quarter 2024



Kathleen Valley ramp-up continued to deliver strong performance, achieving positive net cashflow from operating activities in just the second quarter post first production

## Mining

**1.17Mt**

ore mined for the quarter  
(open pit + underground,  
incl OSP)

(2.8Mt total material mined)

## Processing

**619k dmt**

processed in the quarter

**~2.4Mtpa**

annualised run-rate

## Plant

**89%** average SAG mill  
availability for quarter  
(92% in December)

**55%** average lithia recovery  
for quarter (59% in December)

## Production

**88,683 dmt**

spodumene concentrate  
produced

246 dmt tantalite produced

## Sales

**81,341 dmt**

concentrate shipped  
(5.2% Li<sub>2</sub>O weighted average  
concentrate grade)

## Operating cash flow

**\$16.7M**

net cash from operating  
activities<sup>2</sup>

### Notes:

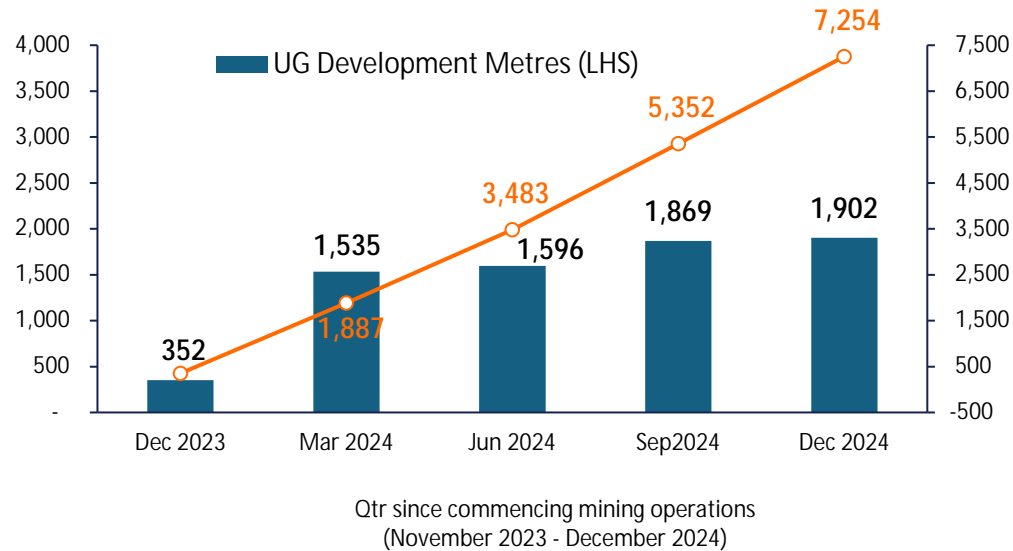
1. Production and plant metrics represent the period 1 October 2024 to 31 December 2024.

2. Cash commissioning costs of A\$5.2m, associated with the ramp-up of the Kathleen Valley processing plant were capitalised during the quarter. In a steady state operation, these costs would be considered operating costs. As a result, adjusted net cash from operating activities were A\$11.5m.

# Strong performance in mining and plant operations

## Mining

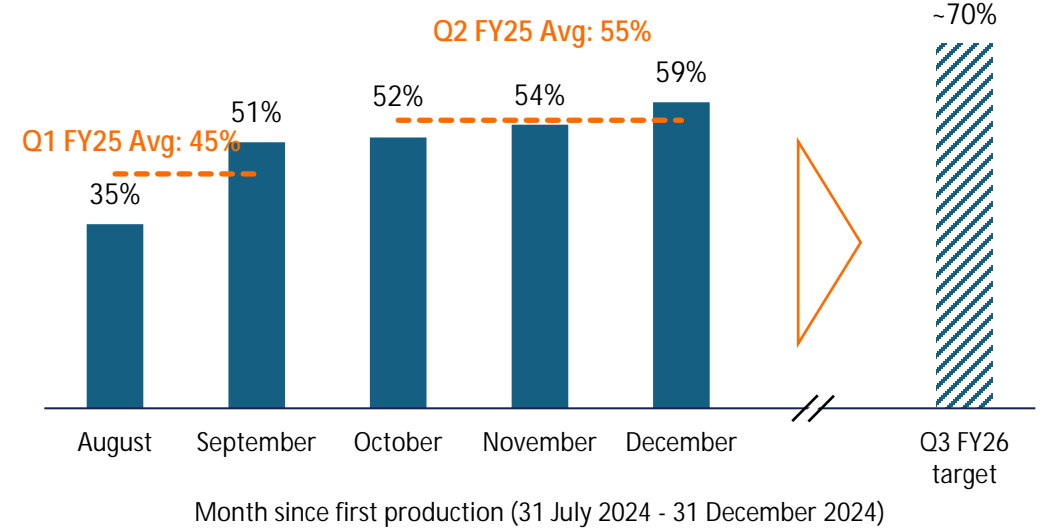
Underground development advancing on schedule to deliver first stoping production



- Ore recovered from main ore bench exceeded expectation, contributing to total stockpiles >1.3Mt at quarter end
- 1,902 metres of underground development completed this quarter; with ~7,254 total metres since November 2023
- 32,448 tonnes of clean ore mined from the underground, with high jumbo productivity (average 317 metres per jumbo per month)
- Production stoping activities remain on track for Q4 FY25

## Processing

Lithia recoveries on track, targeting 70% by Q3 FY26...



- Lithia recovery increased by 23% or 10 percentage points (55% vs 45% in Q1 FY25); achieved 59% monthly average in December. Targeting ~70% by Q3 FY26
- SAG mill availability averaged ~89% for the quarter, reaching 92% average in December
- Produced 88,683 dmt spodumene concentrate at 5.2% Li<sub>2</sub>O weighted average grade for quarter

# Kathleen Valley positioned for growth

## Ü Asset Quality

- Kathleen Valley's tier-1 resource, jurisdiction and customers provide basis to adapt to prevailing market conditions
- Well positioned on the cost curve

## Ü Track Record of Delivery

- Delivered globally-significant greenfields project in just 19 months, incorporating concurrent development of process plant, open pit and underground mines, standalone hybrid power solution and all associated infrastructure

## Ü Strong Operational and Financial Performance in Q2FY25

- A\$89.8 million in revenues, with positive net cash flow from operating activities of A\$16.7 million in first full quarter of production.
- Unit operating costs of US\$652 per tonne achieved in Q2 FY25, beating consensus estimates

## Ü Future Focused

- Underground stoping to commence in Q4 FY25
- Optionality retained with ability to revisit expansion when market conditions improve



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