

Placement of Shortfall from Rights Issue and Further Placement

Further to the Company's announcement dated 24 July 2020, **Lithium Consolidated Ltd ("Li3" or "Company")** is pleased to announce that in conjunction with the Lead Manager, RM Corporate Finance Pty Ltd (RM), it has completed the placement of the Shortfall arising from the non-renounceable pro-rata Entitlement Offer (**Offer**) offered on the basis of 1 new share for every 2 shares held at an issue price of \$0.016 per new share and has issued 22,511,599 shares raising a further \$360,185, for a total raising of **\$1.178 million** from the Rights Issue.

The Company, in conjunction with RM has considered alternatives to accommodate the excess demand for the Shortfall under the Offer and has received commitments from sophisticated clients of RM to raise a further \$176,000 (before costs) at an issue price of \$0.016 per share (**Placement**). 11,000,000 ordinary shares will be issued under the Company's remaining existing placement capacity under Listing Rule 7.1. The Placement is scheduled to close on or around 4 August 2020. The Company has agreed to pay RM a 6% fee on the funds raised in the Placement. The Placement strengthens Li3's cash position so it can continue delivering its corporate objectives.

RM advised Li3 on the Offer and acted as Lead Manager to the capital raising. Li3 are pleased with the support shown by existing shareholders through their participation in the Rights Issue and welcome new shareholders that have been introduced through RM. Li3 is now well funded to proceed to undertake its exploration.

As a result of the Offer and in accordance with the Listing Rules, the exercise price of the unlisted options on issue are reduced as follows:

No of options	Original Exercise price	New Exercise Price	Expiry date
40,428,943	\$0.05	\$0.04896	30 September 2020
346,000	\$0.25	\$0.2489	5 December 2020

The Board of the Company has authorised the release of this announcement to the market.

Contact

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About Li3

Li3 is an Australian based mineral exploration company with a diversified portfolio of projects in Western Australia. In December 2019, Li3 secured 510km² of projects in Western Australia highly prospective for gold and base metals.

The Company has an experienced board and management team with a history of exploration, operational and corporate success.

Li3 leverages the team's energy, technical and commercial acumen to execute the Company's mission - to maximize shareholder value through focussed, data-driven, risk-weighted exploration and development of our assets.