
Li3 | Quarterly Report - Period Ending 31 March 2020

Key Points

- Exploration focus on the Warriedar Project
- Anomalous base and precious metals detected in soil sampling at the Meleya zone
- Ongoing data compilation and project reviews
- Field work delayed by COVID-19 outbreak
- Board restructure with strong team going forward

Projects

Yalgoo Region

Warriedar

The Warriedar Project comprises 4 tenements covering a combined area of 333km². The project is centered on the Walganna Suite monzonite which is associated with several mineral deposits in the area.

The Warriedar Project has two main target areas:

- The **Meleya Zone**. 25km length of previously unmapped greenstone and felsic stratigraphy wrapped around the eastern periphery of the Walganna suite. This zone is highly prospective for Volcanogenic Massive Sulphides (VMS) and Archaean Gold.
- The **Warriedar West Zone**. The western periphery of the Walganna Suite porphyritic monzonite is considered prospective for Shear Hosted Gold and Intrusion Related Gold Systems (IRGS). Evidence for this comes from a number of known sources of gold mineralization including in-situ primary quartz veins, laterites and alluvials. These have been exploited in adjacent leases by artisanal means.

Exploration during the quarter was largely focused on the Warriedar Project with wide spaced surface mapping and geochemistry sampling programs undertaken at both the Meleya and Warriedar West zones.

The early modelling of the results from the Meleya Zone sampling were highly encouraging, indicating multiple base and precious metal anomalies ¹.

An overview of the greater Warriedar Project is depicted in the diagram below.

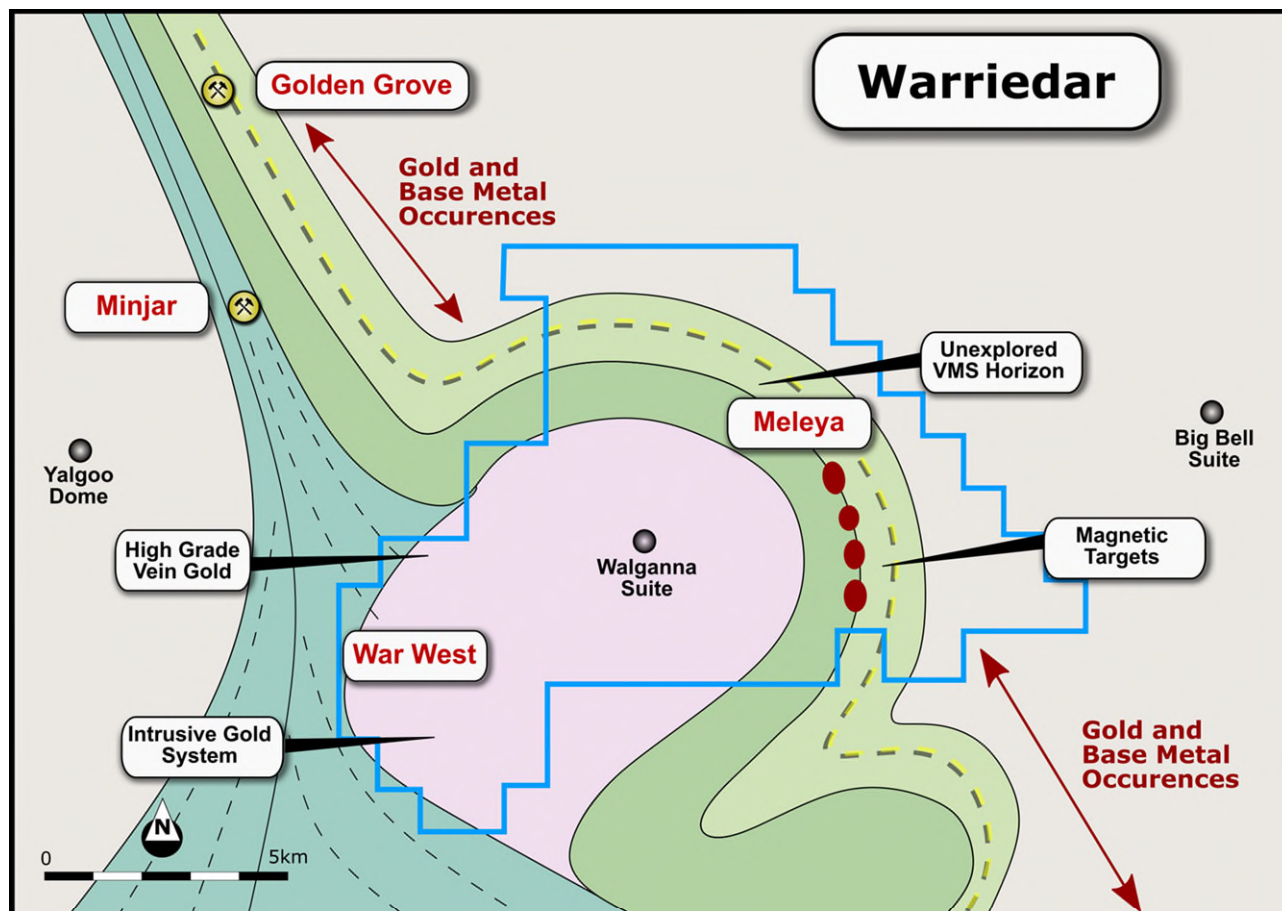


Figure 1: Warriedar Project Overview

Messenger

The Messenger Project comprises 2 tenements (1 granted, 1 pending) for a total of 93km² located nearby the world class EMR Golden Grove base and precious metal mine. The Messenger Project has outcrops of the key Golden Grove Unit as well as large outcrops of underexplored greenstone hosted quartz lodes.

There has been extensive unsophisticated gold production since 1907, however minimal modern exploration.

Exploration work conducted during the quarter focussed on preparation and planning for large scale sampling and mapping programs. This work included reconnaissance field work, desktop study and legacy data compilation.

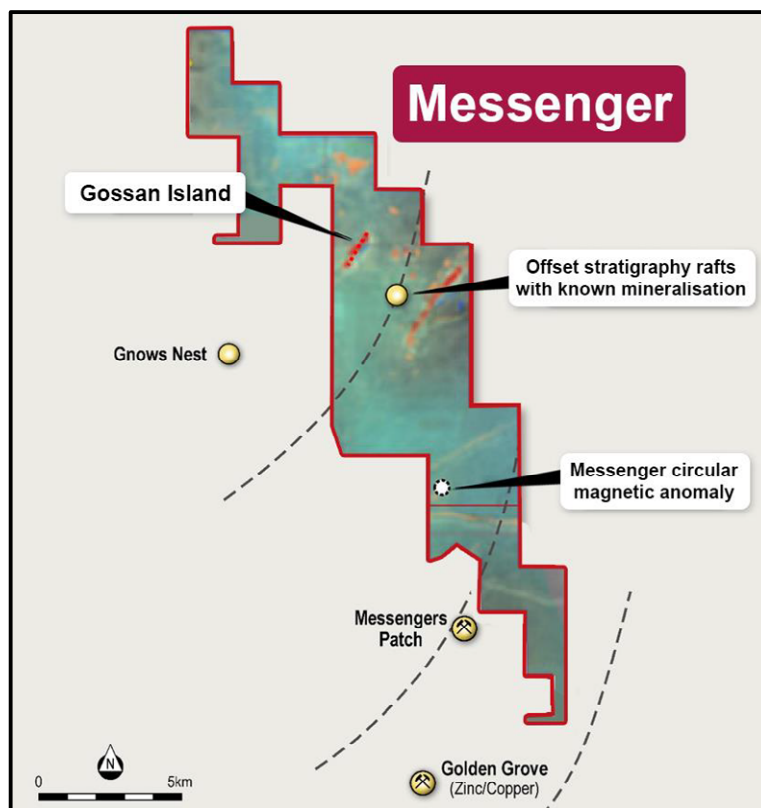


Figure 2 - Messenger Project Overview

Euro

The Euro Project is located in the same geological structures (folded greenstones) which host several major deposits including the Rothsay Gold Mine, Mount Mulgine Tungsten Project and the Karara Iron Mine.

Li3 extended the holding of this project during the March quarter to now encompass further extensions of the target greenstone and banded iron formation (BIF) horizons to the south-west towards the Sears Copper occurrence.

Exploration work conducted during the quarter included reconnaissance field work, desktop study and legacy data compilation.

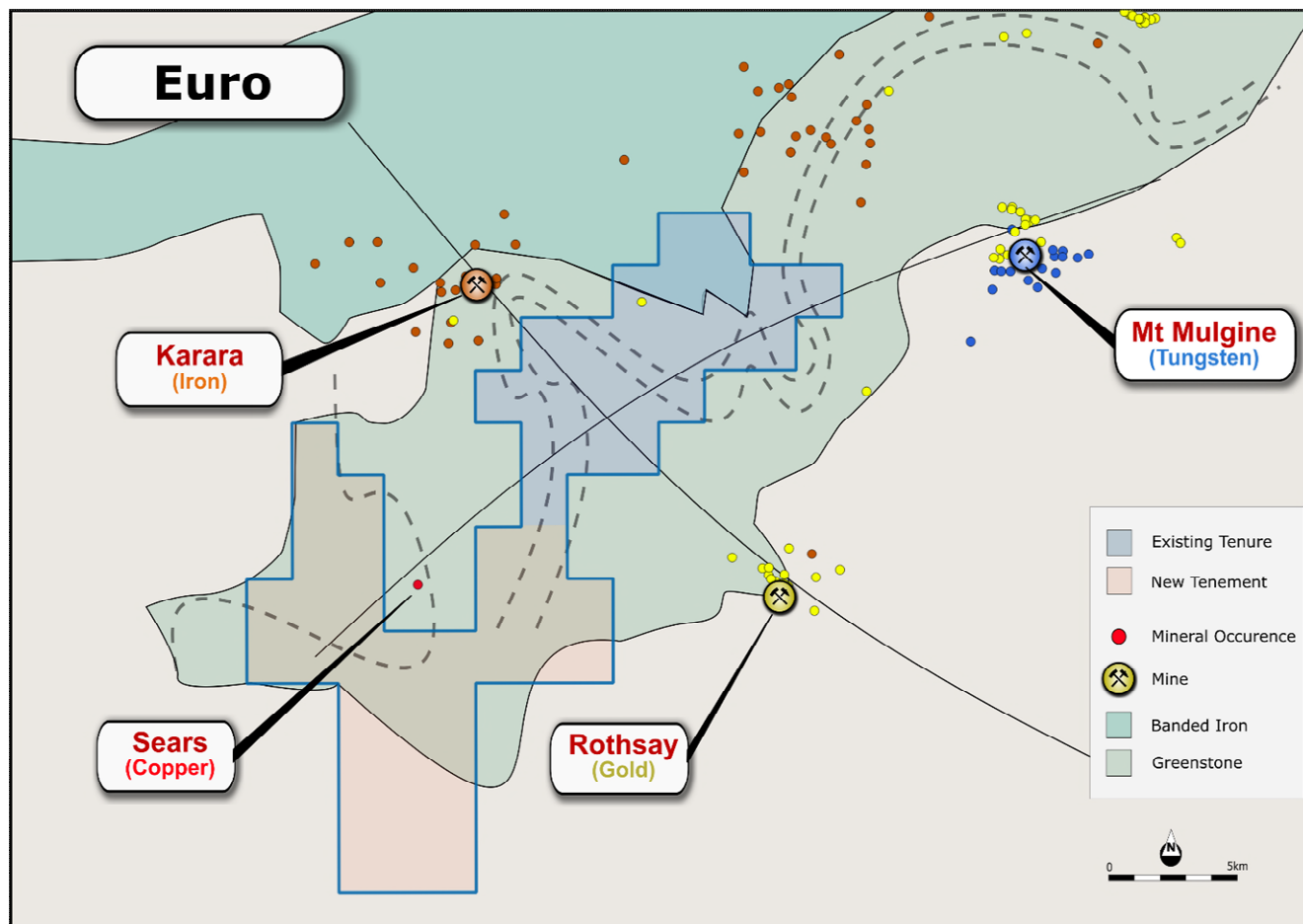


Figure 3 - Euro Project Extension

Mt Magnet Region

Range

Located in the heart of the Mount Magnet mineral field and 5km along strike of the prolific +6Moz Mount Magnet Operations, the Range Project consists of 17 tenements for 20km². The completion of the Warrigal Mining transaction in December 2019 triggered the acquisition of 2 sets of neighbouring tenements which were previously held under option from different holders. These tenements are now owned 100% by Li3. As such, work this quarter consisted of the compilation and consolidation of multiple datasets with the aim of designing and conducting integrated reconnaissance field work across the project.

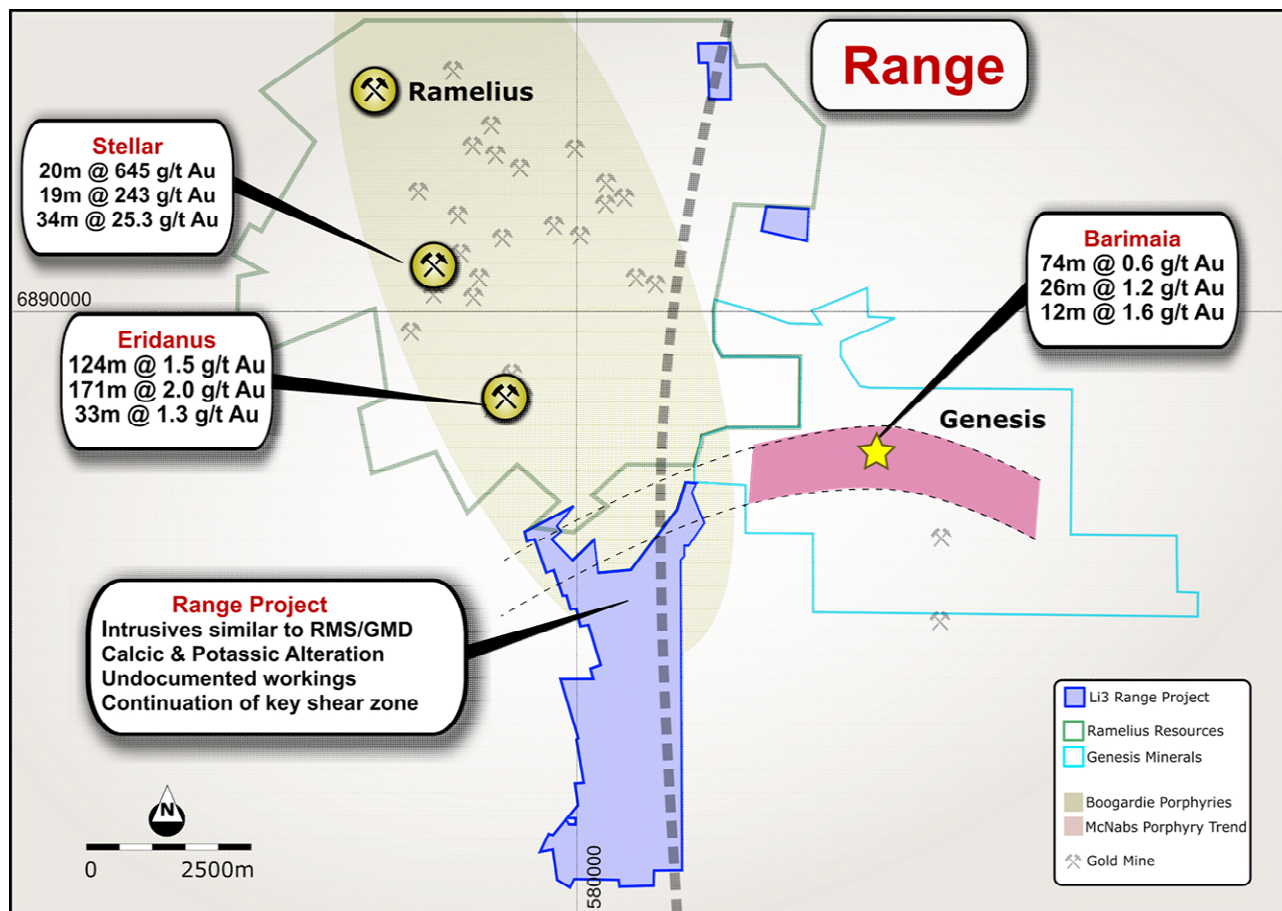


Figure 4 - Range Project Overview

Yilgarn Lithium Project (YLP)

Exploration activities this quarter were limited to a technical review of the project areas. This resulted in several tenements being re-rated as lower strategic priorities and subsequently relinquished. Full details can be found in Appendix B.

Zimbabwe

Field activities were delayed indefinitely due to unavailability of fuel in-country. This was further exacerbated by travel restrictions as a result of the COVID-19 outbreak. Li3 has conducted a detailed technical and commercial review of all assets. This resulted in several tenements being re-rated as lower strategic priorities and subsequently relinquished. Full details can be found in Appendix B.

Mozambique

In addition to a company wide technical review of assets, reconnaissance and confirmation mapping was undertaken. This resulted in several tenements being re-rated as lower strategic priorities and subsequently relinquished. Full details can be found in Appendix B.

Corporate

Board

Following the acquisition of Warrigal Mining Pty Ltd ², Li3 expanded the Company's experience base during the quarter and welcomed 2 new Directors - Don Smith and Owen Burchell ³.

As part of a board restructure ⁴, Don Smith became Managing Director and Interim Managing Director Andrew Haythorpe reverted to Non-executive Director. The Company thanks Andrew for his leadership through a challenging period in the Company's evolution and look forward to his continued contribution going forward.

The current board of directors is shown below:

Position	Name	Biography
Chair (non-exec)	Brian Moller	Mr Moller has been a partner at the legal firm HopgoodGanim for 30 years and specializes in capital markets, mergers and acquisitions, and corporate restructuring. He is a Non-Executive Director of ASX listed DGR Global Ltd, Dark Horse Resources Ltd and chairman of ASX listed AusTin Limited, Platina Resources Ltd and the AIM-listed SolGold plc
Managing Director	Don Smith	Mr Smith has over 20 years experience in the mining industry as a geologist, consultant and executive spanning 6 continents, numerous commodities including base and precious metals, and energy minerals. He was previously COO and a director of Alderan Resources during its successful IPO and is currently involved with several start-ups.
Director (non-exec)	Vincent Mascolo	Mr Mascolo is a mining engineer with extensive experience in a variety of fields including gold and coal mining; quarrying and completing large scale civil infrastructure projects. Mr. Mascolo is the CEO of AIM listed IronRidge Resources Ltd and a Non-Executive Director of ASX listed DGR Global Ltd.
Director (non-exec)	Andrew Haythorpe	Mr Haythorpe has 30 years experience in geology, finance and funds management. He was previously a Director and Chairman of a number of TSX and ASX listed companies including Crescent Gold and Michelago Resources and is currently a director of Accelerate Resources.
Director (non-exec)	Owen Burchell	Mr Burchell is a mining engineer with 20 years of operational and corporate experience including management positions in mining startups through to major companies such as Rio Tinto, BHP and Barrick Gold. Owen is currently a director of several private companies and consults to the resource sector.

Growth

Li3 continues to actively investigate and evaluate new growth opportunities in a number of jurisdictions and commodities.

Structure

Type	Amount	Comments
Ordinary Shares	147,266,673	-
Options	41,428,943	Various expiry dates and exercise prices
Performance Rights	700,000	Various expiry dates and performance hurdles
Share Price	\$0.017	Close of trading (31 March 2020)
Market Cap.	\$2.50 million	Close of trading (31 March 2020)

Top 20 Shareholders @ 31 March 2020

Rank	Shareholder	Shareholding	%IC
1	AUSTRALIAN CONSOLIDATED VENTURE CAPITAL PTY LTD	24,825,000	16.9
2	GALT INDUSTRIES PTY LTD	6,601,718	4.5
2	V-DOOR PTY LTD	6,601,718	4.5
3	BNP PARIBAS NOMINEES PTY LTD - <IB AU NOMS RETAILCLIENT DRP>	4,593,397	3.1
4	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	4,306,979	2.9
5	BIG SMOKEY EXPLORATION LLC	3,378,320	2.3
6	CITICORP NOMINEES PTY LIMITED	2,965,063	2.0
7	MR AJAIB SINGH DHILLON	2,490,000	1.7
8	MR NAIM ROYDEN JONES	2,434,685	1.7
9	MR PATMINDERJIT SINGH MHANSINGH	2,400,000	1.6
10	EASTERN GOLDFIELDS EXPLORATION PTY LTD	2,386,712	1.6
11	ROMARDO GROUP PTY LTD	2,250,000	1.5
12	NETWEALTH INVESTMENTS LIMITED - <SUPER SERVICES A/C>	2,022,304	1.4
13	NETWEALTH INVESTMENTS LIMITED - <WRAP SERVICES A/C>	2,000,000	1.4
13	RAGGED RANGE MINING PTY LTD	2,000,000	1.4
14	MR JUSTIN TAHERI-CHIVERS	1,800,000	1.2
15	MR SUKHDEEP SINGH JESSY	1,647,552	1.1
16	MR DAVID GREGORY CARTER	1,611,363	1.1
17	STANBURGH PTY LTD	1,500,000	1.0
17	MS EMMA FAIRHURST	1,500,000	1.0
18	MR WILLIAM JEAN GLITSOS	1,499,078	1.0
19	MR KAI BIN KOH	1,400,000	1.0
20	MR MICHAEL MASCOLO	1,250,000	0.8
	TOTAL	83,463,889	56.70

Sustainability

There were no incidents reported during the period.

The COVID-19 outbreak and subsequent pandemic resulted in a temporary suspension of site activities to reduce the chances of transmission within local communities. All staff and stakeholders have taken advantage of the company culture of digital interpersonal communications and work location flexibility

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

For more information, please contact:

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Managing Director

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Please visit us at: www.li3limited.com

Cautionary Statements

Forward-looking statements

This document may contain certain forward-looking statements. Such statements are only predictions, based on certain assumptions and involve known and unknown risks, uncertainties and other factors, many of which are beyond the company's control. Actual events or results may differ materially from the events or results expected or implied in any forward-looking statement.

The inclusion of such statements should not be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions or that any

forward-looking statements will be or are likely to be fulfilled. Li3 undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date of this document (subject to securities exchange disclosure requirements).

The information in this document does not take into account the objectives, financial situation or particular needs of any person or organisation. Nothing contained in this document constitutes investment, legal, tax or other advice.

Competent Person Statement

The information in this announcement that relates to Exploration Results and general project comments is based on information compiled by Dr Anthony Morey who is a consulting geologist to Lithium Consolidated. Dr Morey is a Member of The Australian Institute of Geoscientists and has sufficient experience relevant to the style of mineralisation under consideration and to the activities undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr Morey consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Appendix A: References

1. ASX announcement dated 24 March 2020 “Exploration update - Warriedar Project Murchison Province WA”
2. ASX announcement dated 13 Dec 2019 “Completion of Warrigal Mining Acquisition”
3. ASX announcement dated 13 Jan 2020 “Board Appointments”
4. ASX announcement dated 3 April 2020 “Appointment of Managing Director / Board Restructure)

Appendix B: Exploration Tenements

Li3 provides the following addendum in relation to additional information required by Listing Rule 5.3.3

Mining Tenements, Beneficial Interests and agreements held as at the end of the quarter:

Australia

License	Status	Li3 Interest %	Notes
Yalgoo Region			
Messenger			
E 5902350	Granted	100	-
E 5902381	Pending	100	-
Warriedar			
E 5902224	Granted	100	-
E 5902308	Granted	100	-
E 5902374	Granted	100	-
E 5902375	Granted	100	-
Euro			
E 5902319	Pending	100	-
E 5902410	Application	100	Application during March Quarter
E 5902418	Application	100	Application during March Quarter
E 5902419	Application	100	Application during March Quarter
Mount Magnet Region			
Range			
P 5801770	Granted	100	-
P 5801773	Granted	100	-
P 5801781	Granted	100	-
P 5801783	Granted	100	-

P 5801784	Granted	100	-
P 5801785	Granted	100	-
P 5801786	Granted	100	-
P 5801787	Granted	100	-
M 5800229	Granted	100	-
P 5801680	Granted	100	-
P 5801698	Granted	100	-
P 5801753	Granted	100	-
P 5801761	Granted	100	-
P 5801768	Granted	100	-
P 5801769	Granted	100	-
P 5801774	Granted	100	-
P 5801796	Granted	100	-
YLP (Yilgarn Lithium Project)			
E 7005321	Granted	100	Granted during the quarter
E 7702384	Pending	100	-
E 6301815	Pending	100	-
E 6903540	Relinquished	100	Relinquished during the March quarter
E 2802743	Relinquished	100	Relinquished during the March quarter
E 6301877	Relinquished	100	Relinquished during the March quarter
E 6301862	Relinquished	100	Relinquished during the March quarter
E 1501616	Relinquished	100	Relinquished during the March quarter

Zimbabwe

License	Status	Li3 %	Comment
Day Dawn			
M4940BM	Granted	100	-
M5035BM	Granted	100	-
M5036BM	Granted	100	-
M5037BM	Granted	100	-

Chisuma			
M4950BM	Granted	100	-
M4951BM	Granted	100	-
M4952BM	Granted	100	-
M4953BM	Granted	100	-
M4954BM	Granted	100	-
M5044BM	Granted	100	-
Bepe			
M5018BM	Granted	100	-
M5019BM	Granted	100	-
M5017BM	Granted	100	-
M5020BM	Granted	100	-
M4915BM	Granted	100	-
M5022BM	Granted	100	-
M4920BM	Granted	100	-
M5023BM	Granted	100	-
M4923BM	Granted	100	-
M4918BM	Granted	100	-
M4917BM	Granted	100	-
M4919BM	Granted	100	-
M4921BM	Granted	100	-
M4922BM	Granted	100	-
M5021BM	Granted	100	-
Nels Luck			
M4966BM	Granted	100	-
M4914BM	Granted	100	-
M4928BM	Granted	100	-
M4929BM	Granted	100	-
M4971BM	Granted	100	-
M4972BM	Granted	100	-
M4930BM	Granted	100	-
M4973BM	Granted	100	-

Odzi West			
M5034BM	Granted	100	-
M5097BM	Granted	100	-
M5098BM	Granted	100	-
M5099BM	Granted	100	-
M6000BM	Granted	100	-
M6001BM	Granted	100	-
019694AA	Pending	100	-
M5032BM	Granted	100	-
M5033BM	Granted	100	-
M6002BM	Granted	100	-
019695AA	Pending	100	-
M6004BM	Granted	100	-
M6003BM	Granted	100	-
M5029BM	Granted	100	-
M5030BM	Granted	100	-
M5031BM	Granted	100	-
M5028BM	Granted	100	-
M5024BM	Granted	100	-
M5027BM	Granted	100	-
M5026BM	Granted	100	-
M5025BM	Granted	100	-
019696AA	Pending	100	-
Chifamba			
031623AA	Relinquished	100	Relinquished during the March quarter
Sutswe			
031624AA	Relinquished	100	Relinquished during the March quarter
Grey Lady			
M4941BM	Relinquished	100	Relinquished during the March quarter
M4942BM	Relinquished	100	Relinquished during the March quarter
M4943BM	Relinquished	100	Relinquished during the March quarter
M4946BM	Relinquished	100	Relinquished during the March quarter
M4947BM	Relinquished	100	Relinquished during the March quarter
M4948BM	Relinquished	100	Relinquished during the March quarter

Magoda			
018157A	Relinquished	100	Relinquished during the March quarter
018158A	Relinquished	100	Relinquished during the March quarter
018159A	Relinquished	100	Relinquished during the March quarter
018160A	Relinquished	100	Relinquished during the March quarter
018153A	Relinquished	100	Relinquished during the March quarter
018154A	Relinquished	100	Relinquished during the March quarter
018155A	Relinquished	100	Relinquished during the March quarter
018156A	Relinquished	100	Relinquished during the March quarter
Tals 5			
M4916BM	Relinquished	100	Relinquished during the March quarter

Mozambique

License	Status	Li3 %	Comment
L9168	Granted	100	-
L9166	Granted	100	-
L9169	Granted	100	-
L9190	Granted	100	-
L9188	Granted	100	-
L9167	Granted	100	-