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NOTICE OF GENERAL MEETING AND EXPLANATORY MEMORANDUM

A General Meeting of the Company will be held at the office of Liontown Resources Limited, Level 2, 1292 Hay Street, West Perth, Western Australia, on Tuesday 24 May 2016 at 10.00 am (WST)

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TIME AND PLACE OF MEETING AND HOW TO VOTE

VENUE

A General Meeting of the Shareholders of Liontown Resources Limited (**Liontown** or **the Company**) to which this Notice of Meeting relates will be held at 10.00 am (WST) on Tuesday 24 May 2016 at:

Liontown Resources Limited, Level 2, 1292 Hay Street, West Perth, Western Australia

YOUR VOTE IS IMPORTANT

The business of the General Meeting affects your shareholding and your vote is important.

VOTING IN PERSON

To vote in person, attend the General Meeting on the date and at the place set out above.

VOTING BY PROXY

All Shareholders who are entitled to attend and vote at the Meeting have the right to appoint a proxy to attend and vote for them. The proxy does not have to be a Shareholder. Shareholders holding two or more shares can appoint either one or two proxies. If two proxies are appointed, the appointing Shareholder can specify what proportion of their votes they want each proxy to exercise.

To vote by proxy, please complete and sign the Proxy Form enclosed and either send it:

- (a) by post to Liontown Resources Limited, GPO Box 2890, Perth, WA 6001 or
- (b) by facsimile (within Australia) to (08) 9322 5800 and (outside Australia) +618 9322 5800

so that it is received **no later than 10.00 am (WST) on 22 May 2016**, being not less than 48 hours prior to the commencement of the Meeting. Proxy Forms received later than this time will be invalid. Where a Proxy Form is executed under power of attorney, the power of attorney must be lodged in the same way as the Proxy Form.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

- (a) the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed);
- (b) if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands;
- (c) if the proxy is the Chairman of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- (d) if the proxy is not the Chairman – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- (a) an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members;
- (b) the appointed proxy is not the Chairman of the meeting;
- (c) at the meeting, a poll is duly demanded on the resolution; and
- (d) either of the following applies:
 - (i) the proxy is not recorded as attending the meeting;
 - (ii) the proxy does not vote on the resolution,

the Chairman of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

BODIES CORPORATE – CORPORATE REPRESENTATION

A body corporate may appoint an individual as its representative to exercise any of the powers the body may exercise at the Meeting. The appointment may be a standing one. A “Certificate of Appointment of Corporate Representative” is attached.

VOTING ENTITLEMENTS

The board has determined that, for the purpose of voting at the meeting, Shareholders are those persons who are registered holders of the Company’s shares at 4.00 pm (WST) on 23 May 2016.

ENQUIRIES

The Company welcomes enquiries in respect of matters covered in this Notice of Meeting and Explanatory Memorandum and the attendance of Shareholders at the General Meeting. Should you require further information please contact:

The Company Secretary

Leanne Stevens

Phone: (+61 8) 9322 7431

Fax: (+61 8) 9322 5800

Email: lstevens@ltresources.com.au

NOTICE OF GENERAL MEETING

NOTICE IS GIVEN that a General Meeting of the Shareholders of Liontown Resources Limited (**Liontown or the Company**) will be held at the office of Liontown Resources Limited, Level 2, 1292 Hay Street, West Perth, Western Australia on Tuesday 24 May 2016 at 10.00 am (WST).

AGENDA

ORDINARY BUSINESS

RESOLUTION 1 – RATIFICATION OF SHARE ISSUE - PLACEMENT

To consider and, if thought fit, to pass as an ordinary resolution:

“That for the purposes of ASX Listing Rule 7.4 and all other purposes, Shareholders approve and ratify the allotment and issue of 87,133,335 Shares to professional and sophisticated investors at an issue price of 1.5 cents per Share, on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion Statement

The Company will disregard any votes cast on Resolution 1 by any person who participated in the issue (a ‘Participating Party’) and any associate of a Participating Party. However, the Company will not disregard a vote if:

- a) it is cast by a Participating Party as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- b) it is cast by a Participating Party who is chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

The Chairman intends to vote all available proxies in favour of Resolution 1.

RESOLUTION 2 – SHARE ISSUE TO MR TIM GOYDER IN LIEU OF OUTSTANDING LOAN FACILITY

To consider and, if thought fit, to pass as an ordinary resolution:

“That for the purposes of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 23,333,333 Shares at a deemed issue price of 1.5 cents per Share to Mr Tim Goyder (or his nominee) in full satisfaction of the outstanding loan facility of \$350,000.”

Voting Exclusion Statement

The Company will disregard any vote cast on Resolution 2 by Mr Tim Goyder (or his nominee) and any of their associates.

However the Company need not disregard a vote if:

- a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

The Chairman intends to vote all available proxies in favour of Resolution 2.

RESOLUTION 3 – APPROVAL OF SHARE PLACEMENT TO MR CRAIG WILLIAMS

To consider and, if thought fit, to pass as an ordinary resolution:

"That for the purposes of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 2,666,666 Shares as a placement at an issue price of 1.5 cents per Share to Mr Craig Williams (or his nominee) on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion Statement

The Company will disregard any vote cast on Resolution 3 by Mr Craig Williams (or his nominee) and any of their associates.

However the Company need not disregard a vote if:

- a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- b) it is cast by the Chairman as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

The Chairman intends to vote all available proxies in favour of Resolution 3.

RESOLUTION 4 – GRANT OF OPTIONS TO MR DAVID RICHARDS

To consider, and if thought fit, to pass as an ordinary resolution:

"That, for the purposes of ASX Listing Rule 10.14, Chapter 2E and section 195(4) of the Corporations Act 2001 and for all other purposes, approval is given to grant 2,000,000 options to the Managing Director, Mr David Richards, with an exercise price 3.5 cents each, expiring 31 March 2021 on the terms set out in the Explanatory Statement and in accordance with the Company's Employee Share Option Plan."

Voting Exclusion Statement

The Company will disregard votes cast on Resolution 4 by Mr David Richards (or his nominee) and by any other director of the Company who is eligible to participate in any of the Company's employee incentive schemes and by any of their associates.

However the Company need not disregard a vote if:

- a) it is cast by that person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- b) it is cast by the chairman of the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

In addition, the Company will disregard votes cast by a member of the Key Management Personnel (or any of their closely related parties) as proxy, where the appointment does not specify the way the proxy is to vote, unless the proxy is the Chairman of the meeting and has been expressly authorised to vote on behalf of someone entitled to vote on this resolution, even though it is connected with the remuneration of Key Management Personnel.

The Chairman intends to vote all available proxies in favour of Resolution 4.

RESOLUTION 5– GRANT OF OPTIONS TO MR CRAIG WILLIAMS

To consider, and if thought fit, to pass as an ordinary resolution:

"That, for the purposes of ASX Listing Rule 10.14, Chapter 2E and section 195(4) of the Corporations Act 2001 and for all other purposes, approval is given to grant 1,000,000 options to Non-executive Director, Mr Craig Williams, with an exercise price 3.5 cents each, expiring 31 March 2021 on the terms set out in the Explanatory Statement and in accordance with the Company's Employee Share Option Plan."

Voting Exclusion Statement

The Company will disregard votes cast on Resolution 5 by Mr Craig Williams (or his nominee) and by any other director of the Company who is eligible to participate in any of the Company's employee incentive schemes and by any of their associates.

However the Company need not disregard a vote if:

- a) it is cast by that person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- b) it is cast by the chairman of the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

In addition, the Company will disregard votes cast by a member of the Key Management Personnel (or any of their closely related parties) as proxy, where the appointment does not specify the way the proxy is to vote, unless the proxy is the Chairman of the meeting and has been expressly authorised to vote on behalf of someone entitled to vote on this resolution, even though it is connected with the remuneration of Key Management Personnel.

The Chairman intends to vote all available proxies in favour of Resolution 5.

RESOLUTION 6– GRANT OF OPTIONS TO MR ANTHONY CIPRIANO

To consider, and if thought fit, to pass as an ordinary resolution:

"That, for the purposes of ASX Listing Rule 10.14, Chapter 2E and section 195(4) of the Corporations Act 2001 and for all other purposes, approval is given to grant 1,000,000 options to Non-executive Director, Mr Anthony Cipriano, with an exercise price 3.5 cents each, expiring 31 March 2021 on the terms set out in the Explanatory Statement and in accordance with the Company's Employee Share Option Plan."

Voting Exclusion Statement

The Company will disregard votes cast on Resolution 6 by Mr Anthony Cipriano (or his nominee) and by any other director of the Company who is eligible to participate in any of the Company's employee incentive schemes and by any of their associates.

However the Company need not disregard a vote if:

- a) it is cast by that person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- b) it is cast by the chairman of the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

In addition, the Company will disregard votes cast by a member of the Key Management Personnel (or any of their closely related parties) as proxy, where the appointment does not specify the way the proxy is to vote, unless the proxy is the Chairman of the meeting and has been expressly authorised to vote on behalf of someone entitled to vote on this resolution, even though it is connected with the remuneration of Key Management Personnel.

The Chairman intends to vote all available proxies in favour of Resolution 6.

RESOLUTION 7 – GRANT OF OPTIONS TO MR TIM GOYDER

To consider, and if thought fit, to pass as an ordinary resolution:

"That, for the purposes of ASX Listing Rule 10.14, Chapter 2E and section 195(4) of the Corporations Act 2001 and for all other purposes, approval is given to grant 2,000,000 options to Mr Tim Goyder (Chairman), with an exercise price 3.5 cents each, expiring 31 March 2021 on the terms set out in the Explanatory Statement and in accordance with the Company's Employee Share Option Plan."

Voting Exclusion Statement

The Company will disregard votes cast on Resolution 7 by Mr Tim Goyder (or his nominee) and by any other director of the Company who is eligible to participate in any of the Company's employee incentive schemes and by any of their associates.

However the Company need not disregard a vote if:

- a) it is cast by that person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- b) it is cast by the chairman of the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

In addition, the Company will disregard votes cast by a member of the Key Management Personnel (or any of their closely related parties) as proxy, where the appointment does not specify the way the proxy is to vote, unless the proxy is the Chairman of the meeting and has been expressly authorised to vote on behalf of someone entitled to vote on this resolution, even though it is connected with the remuneration of Key Management Personnel.

The Chairman intends to vote all available proxies in favour of Resolution 7.



LEANNE STEVENS
Company Secretary

13 APRIL 2016

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the information of shareholders of Liontown Resources Limited (ACN 118 153 825) (**Liontown** or **the Company**) in connection with the business to be transacted at the General Meeting of the Company to be held on Tuesday 24 May 2016.

At the General Meeting, Shareholders will be asked to consider the following Resolutions:

- (a) the ratification of a share placement;
- (b) the issue of Shares to Mr Tim Goyder in lieu of the Company repaying an outstanding loan facility;
- (c) the placement of Shares to Mr Craig Williams;
- (d) the issue of Options to Mr David Richards;
- (e) the issue of Options to Mr Craig Williams;
- (f) the issue of Options to Mr Anthony Cipriano; and
- (g) the issue of Options to Mr Tim Goyder

The purpose of this Explanatory Memorandum is to provide information that the Directors believe to be material to Shareholders in deciding whether or not to pass these Resolutions. It explains the Resolutions and identifies the Board's reasons for putting them to Shareholders. The Explanatory Memorandum should be read in conjunction with the accompanying Notice of Meeting.

RESOLUTION 1 – RATIFICATION OF SHARE ISSUE – PLACEMENT

ASX Listing Rule 7.1 prohibits a company from issuing equity securities (which includes ordinary shares and options) representing more than 15% of its share capital in any 12 month period without shareholder approval (subject to certain exceptions). ASX Listing Rule 7.4 allows a company to seek subsequent approval for the issue if the issue did not breach ASX Listing Rule 7.1. The effect of such ratification is that the issue is then deemed to have been one to which shareholder approval has been obtained thus not counting towards the 15% referred to in this paragraph.

Resolution 1 seeks ratification of the issue of 87,133,335 Shares to professional and sophisticated investors on 31 March 2016 at 1.5 cents per Share raising \$1,307,000 before issue costs ("the Placement Shares"). The funds raised by the issue of the Placement Shares are intended to be applied to fund exploration and drilling activities at the Bynoe Lithium Project in the Northern Territory, the Mohanga Lithium Project in Tanzania and for general working capital purposes.

Pursuant to ASX Listing Rule 7.5 the following additional information is advised in relation to the Placement Shares:

- (a) the number of Shares issued was 87,133,335;
- (b) the Shares were issued on 31 March 2016 at 1.5 cents per Share raising \$1,307,000 before issue costs;
- (c) the Shares ranked equally from the date of issue with all existing Shares in the Company;
- (d) the Shares were issued sophisticated or professional investors for the purposes of the Corporations Act, who are not related parties of the Company; and
- (e) the purpose of the issue was to provide funds for exploration and drilling activities at the Bynoe Lithium Project in the Northern Territory, the Mohanga Lithium Project in Tanzania and for general working capital purposes.

Recommendation

The Directors **unanimously recommend** that Shareholders approve this Resolution.

RESOLUTION 2 – SHARE ISSUE TO MR TIM GOYDER IN LIEU OF OUTSTANDING LOAN FACILITY

Background

The Company announced on 18 December 2015 that Mr Tim Goyder, a Director of the Company, had provided a loan facility of \$350,000 to the Company in order to maintain ongoing exploration at the Mohanga Lithium-Tantalum Project in Tanzania.

The Company announced on 29 March 2016 that it had agreed with Mr Goyder to settle the outstanding loan of \$350,000 by issuing to Mr Goyder 23,333,333 (or his nominee) fully paid ordinary shares at a deemed issue price of 1.5 cents per Share, being the same issue price as the Placement Shares to sophisticated and professional investors (the subject of Resolution 1).

Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

Mr Goyder is a related party of the Company by virtue of his position as Director.

The Directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Shares the subject of Resolution 2 because the Shares are to be issued at a deemed issue price equal to the issue price agreed to by unrelated sophisticated and professional investors who subscribed for the Placement Shares the subject of Resolution 1. As such, the giving of the financial benefit is considered to be on arm's length terms.

ASX Listing Rule 10.11

ASX Listing Rule 10.11 provides that a company cannot issue equity securities to a related party (including its directors) unless shareholder approval is obtained or the issue falls within one of the exceptions in ASX Listing Rule 10.12. As none of the exceptions apply to the proposed issue of Shares to Mr Goyder pursuant to Resolution 2, the Company is seeking Shareholder approval for Resolution 2 under ASX Listing Rule 10.11.

The Company provides the following information required by ASX Listing Rule 10.13:

- (a) the Shares are proposed to be issued to Mr Goyder (or his nominee);
- (b) the maximum number of Shares to be issued is 23,333,333;
- (c) the Shares will be issued as soon as possible after the Meeting and in any event no later than 1 month thereafter (subject to any ASX waiver of the ASX Listing Rules);
- (d) the deemed share issue price as mutually agreed between the Company and Mr Goyder was arrived by reference to the Company's most recent capital raising (completed on 31 March 2016), being 1.5 cents per share;
- (e) the Shares will rank equally from the date of issue with all existing Shares in the Company; and
- (f) no new funds will be raised by the issue of the Shares as they are being issued in satisfaction of an outstanding loan.

As approval is sought under ASX Listing Rule 10.11, approval is not required under ASX Listing Rule 7.1. If Resolution 2 is approved, the Shares issued will not count towards the Company's 15% placement capacity.

Recommendation

The Directors, excluding Mr Tim Goyder, recommend that Shareholders vote in favour of Resolution 2.

RESOLUTION 3 – APPROVAL OF SHARE PLACEMENT TO MR CRAIG WILLIAMS

The Company announced on 29 March 2016 that, subject to the receipt of Shareholder approval, it would issue 2,666,666 shares to Mr Craig Williams, a Director of the Company, as a placement at an issue price of 1.5 cents per share.

Chapter 2E of the Corporations Act

A summary of the shareholder approval requirements under Chapter 2E of the Corporations Act is set out above.

Mr Williams is a related party of the Company by virtue of his position as Director.

The Directors consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the issue of the Shares the subject of Resolution 3 because the Shares are to be issued on the same terms and conditions as those agreed to by unrelated sophisticated and professional investors who subscribed for the Placement Shares the subject of Resolution 1. As such, the giving of the financial benefit is considered to be on arm's length terms.

ASX Listing Rule 10.11

ASX Listing Rule 10.11 provides that a company cannot issue equity securities to a related party (including its directors) unless shareholder approval is obtained or the issue falls within one of the exceptions in ASX Listing Rule 10.12. As none of the exceptions apply to the proposed issue of Shares to Mr Williams pursuant to Resolution 3, the Company is seeking Shareholder approval for Resolution 3 under ASX Listing Rule 10.11.

The Company provides the following information required by ASX Listing Rule 10.13:

- (a) the Shares are proposed to be issued to Mr Williams (or his nominee);
- (b) the maximum number of Shares to be issued is 2,666,666;
- (c) the Shares will be issued as soon as possible after the Meeting and in any event no later than 1 month thereafter (subject to any ASX waiver of the ASX Listing Rules);
- (d) the share issue price as mutually agreed between the Company and Mr Williams was arrived by reference to the Company's most recent capital raising (completed on 31 March 2016), being 1.5 cents per share;
- (e) the Shares will rank equally from the date of issue with all existing Shares in the Company; and
- (f) funds raised by the issue of the Shares are intended to be used for exploration and drilling activities at the Bynoe Lithium Project in the Northern Territory, the Mohanga Lithium Project in Tanzania and for general working capital purposes.

As approval is sought under ASX Listing Rule 10.11, approval is not required under ASX Listing Rule 7.1. If Resolution 3 is approved, the Shares issued will not count towards the Company's 15% placement capacity.

Recommendation

The Directors, excluding Mr Craig Williams, recommend that Shareholders vote in favour of Resolution 3.

RESOLUTION 4 – ISSUE OF OPTIONS TO MR DAVID RICHARDS

Resolution 4 seeks Shareholder approval for the Company to issue 2,000,000 unlisted Options to the Company's Managing Director, Mr David Richards, or his nominee, under the Company's Employee Share Option Plan on the terms set out below.

Shareholder approval for the issue of the Options, is sought for the purposes of:

- (a) Division 3 of Part 2E.1 of the Corporations Act, which governs the giving of financial benefits to "related parties", such as directors of a company; and
- (b) ASX Listing Rule 10.14, which requires the grant of securities to a director of a company under an employee incentive scheme to be approved by shareholders.

Purpose of the Options Issue

The purpose of the proposed grant of Options is to provide Mr Richards with an added incentive in carrying out his duties as Managing Director of the Company. Given the size and stage of the Company and its need to preserve cash, the issue of Options is a valuable part of the compensation to be provided to Mr Richards.

Terms of the Options

Mr Richards will be issued 2,000,000 Options for nil consideration. The Options will expire on 31 March 2021, will vest immediately and have an exercise price of 3.5 cents.

Subject to Shareholder approval, the Options will otherwise be issued on the terms and conditions established under the Employee Share Option Plan.

Part 2E of the Corporations Act

Part 2E.1 of the Corporations Act prohibits the Company from giving a financial benefit to a related party (such as a director) unless either:

- the giving of the financial benefit falls within one of the nominated exceptions to the relevant provisions of the Corporations Act; or
- Shareholder approval is obtained prior to the giving of the financial benefit.

The proposed grant of unlisted Options to Mr Richards or his nominee involves the provision of a financial benefit to a related party of the Company, and therefore, requires Shareholder approval.

In accordance with the requirements of Part 2E of the Corporations Act, the following information is provided to Shareholders to allow them to assess the proposed issue of Options to Mr Richards:

- Mr Richards is the Managing Director of the Company and is the person to whom the financial benefit, in the nature of Options, is to be given. As a Director, Mr Richards is a related party of the Company for the purposes of the Corporations Act.
- The financial benefit to be given is the grant of 2,000,000 unlisted Options on the terms noted above and otherwise on the terms and conditions established under the Company's Employee Share Option Plan.
- Those Directors who have no interest in the outcome of Resolution 4 (being all Directors other than Mr Richards) recommend that Shareholders vote in favour of Resolution 4 on the basis that the Options to be granted provide Mr Richards with an appropriate incentive in recognition of his extensive knowledge and experience. In determining the appropriate number of options to be issued, the Board has calculated the value of the Options using a Black & Scholes valuation model (see (f) below). The Board believes that the value of the Options supplements Mr Richards' salary which was reduced in August 2014 from \$300,000 (inclusive of superannuation) to \$164,250 (inclusive of superannuation) in order to preserve cash. From 1 April 2016, Mr Richards' salary was increased to \$220,000 (inclusive of superannuation).
- Mr Richards makes no recommendation in relation to Resolution 4 on the basis that he has an interest in the outcome of the resolution.
- The Options will be issued free of charge. However in the event that Mr Richards wishes to exercise the Options he would need to pay the appropriate exercise price in relation to the Options which is 3.5 cents. If he were to exercise all 2,000,000 of the Options he would be required to pay \$70,000 assuming an exercise price of 3.5 cents. These proceeds would be used for the Company's general working capital requirements at the appropriate time. The exercise price and exercise date for the Options are set out below.
- Using a Black & Scholes valuation model, the Company estimates that each Option, the subject of Resolution 7, has the following values based on the following assumptions:

Exercise Price	3.5 cents
Market Value on the ASX of underlying Shares at time of setting exercise price	2.3 cents
Expiry date	31 March 2021
Expected volatility	100%
Risk free interest rate	2.14%
Annualised dividend yield	Nil
The value of the Options	1.59 cents
The aggregate value of the Options	\$31,800

- Over the past 12 months prior to the date of this Notice of Meeting, the lowest recorded closing price of Shares traded on ASX was \$0.004 on 17 August 2015 and the highest closing price was \$0.023 on 6 April 2016. At the close of trading on 12 April 2016 the Share price on the ASX was 2.4 cents.
- The exercise price of 3.5 cents represents a premium of 84% to the Company's closing 30 day volume weighted average price of \$0.019 prior to 6 April 2016, and a premium of 133% to the recent March 2016 Placement of 1.5 cents.

- (i) If Resolution 4 is passed, Mr Richards will hold an interest in 2,859,583 Shares and 6,000,000 Options.
- (j) Mr Richards receives a salary of \$220,000 (inclusive of superannuation).
- (k) There are no taxation consequences for the Company arising from the issue of the Options (including fringe benefits tax).
- (l) The Company currently has 670,450,402 Shares and 8,650,000 Options on issue. Mr Richards' interests in shares and options as of the date of this Notice are as follows:

a. Shares	2,859,583
b. Options	4,000,000
- (m) Assuming that Mr Richards exercises all of the Options to be granted to him pursuant to Resolution 4, Mr Richards' interest including all the Shares and Options currently held would represent approximately 1.2% of the Company's expanded capital. This assumes all Resolutions in this Notice of Meeting are approved by Shareholders.
- (n) The Options will be issued as soon as practicable following the date of Shareholder approval but in any event no later than 12 months after the General Meeting. The right to exercise will be subject to the terms of their issue.
- (o) Neither the Directors nor the Company are aware of any other information that would be reasonably required by the Shareholders to make a decision whether it is in the best interests of Shareholders to approve Resolution 4.

Listing Rules

In accordance with ASX Listing Rule 10.14, the acquisition of securities by a director under an employee incentive scheme requires shareholder approval. The following information is provided for the purposes of ASX Listing Rule 10.15.

- (a) The maximum number of Options, pursuant to this Resolution, that can be acquired by Mr Richards is 2,000,000.
- (b) The price payable on the issue of each Option is nil. The price payable on the exercise of each Option is 3.5 cents.
- (c) No persons as referred to in Listing Rule 10.14 have received securities under the Employee Share Option Plan since last approval.
- (d) All Directors (being persons referred to in ASX Listing Rule 10.14) are entitled to participate in the Employee Share Option Plan, but subject to appropriate approvals (including shareholders). Mr Richards is a Director.
- (e) There is no loan proposed in relation to the proposed acquisition of the Options by Mr Richards.
- (f) The Options will be issued as soon as practicable following the date of Shareholder approval but in any event no later than 12 months after the General Meeting.

Recommendation

The Directors, excluding Mr David Richards, recommend that Shareholders vote in favour of Resolution 4.

RESOLUTION 5 – ISSUE OF OPTIONS TO MR CRAIG WILLIAMS

Resolution 5 seeks Shareholder approval for the Company to issue 1,000,000 unlisted Options to Non-executive Director, Mr Craig Williams, or his nominee, under the Company's Employee Share Option Plan on the terms set out below.

Shareholder approval for the issue of the Options, is sought for the purposes of:

- (a) Division 3 of Part 2E.1 of the Corporations Act, which governs the giving of financial benefits to "related parties", such as directors of a company; and
- (b) ASX Listing Rule 10.14, which requires the grant of securities to a director of a company under an employee incentive scheme to be approved by shareholders.

Purpose of the Options Issue

The purpose of the proposed grant of Options is to provide Mr Williams with an added incentive in carrying out his duties as a Non-executive Director of the Company. Given the size and stage of the Company and its need to preserve cash, the issue of Options is a valuable part of the compensation to be provided to Mr Williams.

Terms of the Options

Mr Williams will be issued 1,000,000 Options for nil consideration. The Options will expire on 31 March 2021, will vest immediately and have an exercise price of 3.5 cents.

Subject to Shareholder approval, the Options will otherwise be issued on the terms and conditions established under the Employee Share Option Plan.

Part 2E of the Corporations Act

Part 2E.1 of the Corporations Act prohibits the Company from giving a financial benefit to a related party (such as a director) unless either:

- the giving of the financial benefit falls within one of the nominated exceptions to the relevant provisions of the Corporations Act; or
- Shareholder approval is obtained prior to the giving of the financial benefit.

The proposed grant of unlisted Options to Mr Williams or his nominee involves the provision of a financial benefit to a related party of the Company, and therefore, requires Shareholder approval.

In accordance with the requirements of Part 2E of the Corporations Act, the following information is provided to Shareholders to allow them to assess the proposed issue of Options to Mr Williams:

- (a) Mr Williams is Non-executive Director of the Company and is the person to whom the financial benefit, in the nature of Options, is to be given. As a Director, Mr Williams is a related party of the Company for the purposes of the Corporations Act.
- (b) The financial benefit to be given is the grant of 1,000,000 unlisted Options on the terms noted above and otherwise on the terms and conditions established under the Company's Employee Share Option Plan.
- (c) Those Directors who have no interest in the outcome of Resolution 5 (being all Directors other than Mr Williams) recommend that Shareholders vote in favour of Resolution 5 on the basis that the Options to be granted provide Mr Williams with an appropriate incentive in recognition of his extensive knowledge, experience and will enable directors' fees to be kept to a modest figure, thus preserving cash for the Company. In determining the appropriate number of options to be issued, the Board has calculated the value of the Options using a Black & Scholes valuation model (see (f) below). The Board believes that the value of the Options in addition to the modest director's fees is an appropriate quantum and incentive for Mr Williams.
- (d) Mr Williams makes no recommendation in relation to Resolution 5 on the basis that he has an interest in the outcome of the resolution.
- (e) The Options will be issued free of charge. However in the event that Mr Williams wishes to exercise the Options he would need to pay the appropriate exercise price in relation to the Options which is 3.5 cents. If he were to exercise all 1,000,000 of the Options he would be required to pay \$35,000 assuming an exercise price of 3.5 cents. These proceeds would be used for the Company's general working capital requirements at the appropriate time. The exercise price and exercise date for the Options are set out below.
- (f) Using a Black & Scholes valuation model, the Company estimates that each Option, the subject of Resolution 5, has the following values based on the following assumptions:

Exercise Price	3.5 cents
Market Value on the ASX of underlying Shares at time of setting exercise price	2.3 cents
Expiry date	31 March 2021
Expected volatility	100%

Risk free interest rate	2.14%
Annualised dividend yield	Nil
The value of the Options	1.59 cents
The aggregate value of the Options	\$15,900

- (g) Over the past 12 months prior to the date of this Notice of Meeting, the lowest recorded closing price of Shares traded on ASX was \$0.004 on 17 August 2015 and the highest closing price was \$0.023 on 6 April 2016. At the close of trading on 12 April 2016 the Share price on the ASX was 2.4 cents.
- (h) The exercise price of 3.5 cents represents a premium of 84% to the Company's closing 30 day volume weighted average price of \$0.019 prior to 6 April 2016, and a premium of 133% to the recent March 2016 Placement of 1.5 cents.
- (i) If Resolutions 3 and 5 are passed, Mr Williams will hold an interest in 12,219,268 Shares and 1,000,000 Options.
- (j) Mr Williams is entitled to non-executive director's fees of \$35,161 (inclusive of superannuation), however due to market conditions, and with an emphasis on preserving cash, the directors have agreed to accrue director fees and defer payment of those fees.
- (k) There are no taxation consequences for the Company arising from the issue of the Options (including fringe benefits tax).
- (l) The Company currently has 670,450,402 Shares and 8,650,000 Options on issue. Mr Williams' interests in shares and options as of the date of this Notice are as follows:
 - a. Shares 9,552,602
 - b. Options Nil
- (m) Assuming that Mr Williams exercises all of the Options to be granted to him pursuant to Resolution 5, Mr Williams' interest including all the Shares and Options currently held would represent approximately 1.9% of the Company's expanded capital. This assumes all Resolutions in this Notice of Meeting are approved by Shareholders.
- (n) The Options will be issued as soon as practicable following the date of Shareholder approval but in any event no later than 12 months after the General Meeting. The right to exercise will be subject to the terms of their issue.
- (o) Neither the Directors nor the Company are aware of any other information that would be reasonably required by the Shareholders to make a decision whether it is in the best interests of Shareholders to approve Resolution 5.

Listing Rules

In accordance with ASX Listing Rule 10.14, the acquisition of securities by a director under an employee incentive scheme requires shareholder approval. The following information is provided for the purposes of ASX Listing Rule 10.15.

- (a) The maximum number of Options, pursuant to this Resolution, that can be acquired by Mr Williams is 1,000,000.
- (b) The price payable on the issue of each Option is nil. The price payable on the exercise of each Option is 3.5 cents.
- (c) No persons as referred to in Listing Rule 10.14 have received securities under the Employee Share Option Plan since last approval.
- (d) All Directors (being persons referred to in ASX Listing Rule 10.14) are entitled to participate in the Employee Share Option Plan, but subject to appropriate approvals (including shareholders). Mr Williams is a Director.
- (e) There is no loan proposed in relation to the proposed acquisition of the Options by Mr Williams.
- (f) The Options will be issued as soon as practicable following the date of Shareholder approval but in any event no later than 12 months after the General Meeting.

Recommendation

The Directors, excluding Mr Craig Williams, recommend that Shareholders vote in favour of Resolution 5.

RESOLUTION 6 – ISSUE OF OPTIONS TO MR ANTHONY CIPRIANO

Resolution 6 seeks Shareholder approval for the Company to issue 1,000,000 unlisted Options to Non-executive Director, Mr Anthony Cipriano, or his nominee, under the Company's Employee Share Option Plan on the terms set out below.

Shareholder approval for the issue of the Options, is sought for the purposes of:

- (a) Division 3 of Part 2E.1 of the Corporations Act, which governs the giving of financial benefits to “related parties”, such as directors of a company; and
- (b) ASX Listing Rule 10.14, which requires the grant of securities to a director of a company under an employee incentive scheme to be approved by shareholders.

Purpose of the Options Issue

The purpose of the proposed grant of Options is to provide Mr Cipriano with an added incentive in carrying out his duties as a Non-executive Director of the Company. Given the size and stage of the Company and its need to preserve cash, the issue of Options is a valuable part of the compensation to be provided to Mr Cipriano.

Terms of the Options

Mr Cipriano will be issued 1,000,000 Options for nil consideration. The Options will expire on 31 March 2021, will vest immediately and have an exercise price of 3.5 cents.

Subject to Shareholder approval, the Options will otherwise be issued on the terms and conditions established under the Employee Share Option Plan.

Part 2E of the Corporations Act

Part 2E.1 of the Corporations Act prohibits the Company from giving a financial benefit to a related party (such as a director) unless either:

- the giving of the financial benefit falls within one of the nominated exceptions to the relevant provisions of the Corporations Act; or
- Shareholder approval is obtained prior to the giving of the financial benefit.

The proposed grant of unlisted Options to Mr Cipriano or his nominee involves the provision of a financial benefit to a related party of the Company, and therefore, requires Shareholder approval.

In accordance with the requirements of Part 2E of the Corporations Act, the following information is provided to Shareholders to allow them to assess the proposed issue of Options to Mr Cipriano:

- (a) Mr Cipriano is Non-executive Director of the Company and is the person to whom the financial benefit, in the nature of Options, is to be given. As a Director, Mr Cipriano is a related party of the Company for the purposes of the Corporations Act.
- (b) The financial benefit to be given is the grant of 1,000,000 unlisted Options on the terms noted above and otherwise on the terms and conditions established under the Company's Employee Share Option Plan.
- (c) Those Directors who have no interest in the outcome of Resolution 6 (being all Directors other than Mr Cipriano) recommend that Shareholders vote in favour of Resolution 6 on the basis that the Options to be granted provide Mr Cipriano with an appropriate incentive in recognition of his extensive knowledge, experience and will enable directors' fees to be kept to a modest figure, thus preserving cash for the Company. In determining the appropriate number of options to be issued, the Board has calculated the value of the Options using a Black & Scholes valuation model (see (f) below). The Board believes that the value of the Options in addition to the modest director's fees is an appropriate quantum and incentive for Mr Cipriano.

- (d) Mr Cipriano makes no recommendation in relation to Resolution 6 on the basis that he has an interest in the outcome of the resolution.
- (e) The Options will be issued free of charge. However in the event that Mr Cipriano wishes to exercise the Options he would need to pay the appropriate exercise price in relation to the Options which is 3.5 cents. If he were to exercise all 1,000,000 of the Options he would be required to pay \$35,000 assuming an exercise price of 3.5 cents. These proceeds would be used for the Company's general working capital requirements at the appropriate time. The exercise price and exercise date for the Options are set out below.
- (f) Using a Black & Scholes valuation model, the Company estimates that each Option, the subject of Resolution 6, has the following values based on the following assumptions:

Exercise Price	3.5 cents
Market Value on the ASX of underlying Shares at time of setting exercise price	2.3 cents
Expiry date	31 March 2021
Expected volatility	100%
Risk free interest rate	2.14%
Annualised dividend yield	Nil
The value of the Options	1.59 cents
The aggregate value of the Options	\$15,900

- (g) Over the past 12 months prior to the date of this Notice of Meeting, the lowest recorded closing price of Shares traded on ASX was \$0.004 on 17 August 2015 and the highest closing price was \$0.023 on 6 April 2016. At the close of trading on 12 April 2016 the Share price on the ASX was 2.4 cents.
- (h) The exercise price of 3.5 cents represents a premium of 84% to the Company's closing 30 day volume weighted average price of \$0.019 prior to 6 April 2016, and a premium of 133% to the recent March 2016 Placement of 1.5 cents.
- (i) If Resolution 6 is passed, Mr Cipriano will hold an interest in 5,308,732 Shares and 1,000,000 Options.
- (ii) Mr Cipriano is entitled to non-executive director's fees of \$35,161 (inclusive of superannuation), however due to market conditions, and with an emphasis on preserving cash, the directors have agreed to accrue director fees and defer payment of those fees.
- (k) There are no taxation consequences for the Company arising from the issue of the Options (including fringe benefits tax).
- (l) The Company currently has 670,450,402 Shares and 8,650,000 Options on issue. Mr Cipriano's interests in shares and options as of the date of this Notice are as follows:
 - a. Shares 5,308,732
 - b. Options Nil
- (m) Assuming that Mr Cipriano exercises all of the Options to be granted to him pursuant to Resolution 6, Mr Cipriano's interest including all the Shares and Options currently held would represent approximately 0.9% of the Company's expanded capital. This assumes all Resolutions in this Notice of Meeting are approved by Shareholders.
- (n) The Options will be issued as soon as practicable following the date of Shareholder approval but in any event no later than 12 months after the General Meeting. The right to exercise will be subject to the terms of their issue.
- (o) Neither the Directors nor the Company are aware of any other information that would be reasonably required by the Shareholders to make a decision whether it is in the best interests of Shareholders to approve Resolution 6.

Listing Rules

In accordance with ASX Listing Rule 10.14, the acquisition of securities by a director under an employee incentive scheme requires shareholder approval. The following information is provided for the purposes of ASX Listing Rule 10.15.

- (a) The maximum number of Options, pursuant to this Resolution, that can be acquired by Mr Cipriano is 1,000,000.
- (b) The price payable on the issue of each Option is nil. The price payable on the exercise of each Option is 3.5 cents.
- (c) No persons as referred to in Listing Rule 10.14 have received securities under the Employee Share Option Plan since last approval.
- (d) All Directors (being persons referred to in ASX Listing Rule 10.14) are entitled to participate in the Employee Share Option Plan, but subject to appropriate approvals (including shareholders). Mr Cipriano is a Director.
- (e) There is no loan proposed in relation to the proposed acquisition of the Options by Mr Cipriano.
- (f) The Options will be issued as soon as practicable following the date of Shareholder approval but in any event no later than 12 months after the General Meeting.

Recommendation

The Directors, excluding Mr Anthony Cipriano, recommend that Shareholders vote in favour of Resolution 6.

RESOLUTION 7 – ISSUE OF OPTIONS TO MR TIM GOYDER

Resolution 7 seeks Shareholder approval for the Company to issue 2,000,000 unlisted Options to Mr Tim Goyder, Chairman, or his nominee, under the Company's Employee Share Option Plan on the terms set out below.

Shareholder approval for the issue of the Options, is sought for the purposes of:

- (a) Division 3 of Part 2E.1 of the Corporations Act, which governs the giving of financial benefits to “related parties”, such as directors of a company; and
- (b) ASX Listing Rule 10.14, which requires the grant of securities to a director of a company under an employee incentive scheme to be approved by shareholders.

Purpose of the Options Issue

The purpose of the proposed grant of Options is to provide Mr Goyder with an added incentive in carrying out his duties as Chairman of the Company. Given the size and stage of the Company and its need to preserve cash, the issue of Options is a valuable part of the compensation to be provided to Mr Goyder.

Terms of the Options

Mr Goyder will be issued 2,000,000 Options for nil consideration. The Options will expire on 31 March 2021, will vest immediately and have an exercise price of 3.5 cents.

Subject to Shareholder approval, the Options will otherwise be issued on the terms and conditions established under the Employee Share Option Plan.

Part 2E of the Corporations Act

Part 2E.1 of the Corporations Act prohibits the Company from giving a financial benefit to a related party (such as a director) unless either:

- the giving of the financial benefit falls within one of the nominated exceptions to the relevant provisions of the Corporations Act; or
- Shareholder approval is obtained prior to the giving of the financial benefit.

The proposed grant of unlisted Options to Mr Goyder or his nominee involves the provision of a financial benefit to a related party of the Company, and therefore, requires Shareholder approval.

In accordance with the requirements of Part 2E of the Corporations Act, the following information is provided to Shareholders to allow them to assess the proposed issue of Options to Mr Goyder:

- (a) Mr Goyder is the Chairman of the Company and is the person to whom the financial benefit, in the nature of Options, is to be given. As a Director, Mr Goyder is a related party of the Company for the purposes of the Corporations Act.
- (b) The financial benefit to be given is the grant of 2,000,000 unlisted Options on the terms noted above and otherwise on the terms and conditions established under the Company's Employee Share Option Plan.
- (c) Those Directors who have no interest in the outcome of Resolution 7 (being all Directors other than Mr Goyder) recommend that Shareholders vote in favour of Resolution 7 on the basis that the Options to be granted provide Mr Goyder with an appropriate incentive in recognition of his extensive knowledge, experience and capabilities.
- (d) To preserve cash, in November 2014, Mr Goyder elected to no longer receive directors' fees for his service as the Chairman of the Company. In determining the appropriate number of options to be issued, the Board has calculated the value of the Options using a Black & Scholes valuation model (see (f) below). The Board believes that the quantum of the Options (see (f) below) is an appropriate incentive for Mr Goyder given Mr Goyder has not been receiving any directors' fees.
- (e) Mr Goyder makes no recommendation in relation to Resolution 7 on the basis that he has an interest in the outcome of the resolution.
- (f) The Options will be issued free of charge. However in the event that Mr Goyder wishes to exercise the Options he would need to pay the appropriate exercise price in relation to the Options which is 3.5 cents. If he were to exercise all 2,000,000 of the Options he would be required to pay \$70,000 assuming an exercise price of 3.5 cents. These proceeds would be used for the Company's general working capital requirements at the appropriate time. The exercise price and exercise date for the Options are set out below.
- (g) Using a Black & Scholes valuation model, the Company estimates that each Option, the subject of Resolution 7, has the following values based on the following assumptions:

Exercise Price	3.5 cents
Market Value on the ASX of underlying Shares at time of setting exercise price	2.3 cents
Expiry date	31 March 2021
Expected volatility	100%
Risk free interest rate	2.14%
Annualised dividend yield	Nil
The value of the Options	1.59 cents
The aggregate value of the Options	\$31,800

- (h) Over the past 12 months prior to the date of this Notice of Meeting, the lowest recorded closing price of Shares traded on ASX was \$0.004 on 17 August 2015 and the highest closing price was \$0.023 on 6 April 2016. At the close of trading on 12 April 2016 the Share price on the ASX was 2.4 cents.
- (i) The exercise price of 3.5 cents represents a premium of 84% to the Company's closing 30 day volume weighted average price of \$0.019 prior to 6 April 2016, and a premium of 133% to the recent March 2016 Placement of 1.5 cents.
- (j) If Resolutions 2 and 7 are passed, Mr Goyder will hold an interest in 180,487,483 Shares and 2,000,000 Options.
- (k) Currently, Mr Goyder does not receive any non-executive director's fees or any other form of remuneration.
- (l) There are no taxation consequences for the Company arising from the issue of the Options (including fringe benefits tax).

- (m) The Company currently has 670,450,402 Shares and 8,650,000 Options on issue. Mr Goyder's interests in shares and options as of the date of this Notice are as follows:

a. Shares	157,154,150
b. Options	Nil

- (n) Assuming that Mr Goyder exercises all of the Options to be granted to him pursuant to Resolution 7 and Resolution 2 is approved by Shareholders, Mr Goyder's interest including all the Shares and Options currently held would represent approximately 25.7% of the Company's expanded capital. This assumes all Resolutions in this Notice of Meeting are approved by Shareholders.
- (o) The Options will be issued as soon as practicable following the date of Shareholder approval but in any event no later than 12 months after the General Meeting. The right to exercise will be subject to the terms of their issue.
- (p) Neither the Directors nor the Company are aware of any other information that would be reasonably required by the Shareholders to make a decision whether it is in the best interests of Shareholders to approve Resolution 7.

Listing Rules

In accordance with ASX Listing Rule 10.14, the acquisition of securities by a director under an employee incentive scheme requires shareholder approval. The following information is provided for the purposes of ASX Listing Rule 10.15.

- (a) The maximum number of Options, pursuant to this Resolution, that can be acquired by Mr Goyder is 2,000,000.
- (b) The price payable on the issue of each Option is nil. The price payable on the exercise of each Option is 3.5 cents.
- (c) No persons as referred to in Listing Rule 10.14 have received securities under the Employee Share Option Plan since last approval.
- (d) All Directors (being persons referred to in ASX Listing Rule 10.14) are entitled to participate in the Employee Share Option Plan, but subject to appropriate approvals (including shareholders). Mr Goyder is a Director.
- (e) There is no loan proposed in relation to the proposed acquisition of the Options by Mr Goyder.
- (f) The Options will be issued as soon as practicable following the date of Shareholder approval but in any event no later than 12 months after the General Meeting.

Recommendation

The Directors, excluding Mr Tim Goyder, recommend that Shareholders vote in favour of Resolution 7.

GLOSSARY

The following is a glossary of terms and abbreviations used frequently throughout this Explanatory Memorandum and in the Notice of Meeting and which such meanings shall apply unless the context requires otherwise. Additional terms used only occasionally are defined where used in their first instance in the body of this Explanatory Memorandum.

ASX:	means ASX Limited (ACN 008 624 691) or the Australian Securities Exchange, as appropriate.
ASX Listing Rules:	means the Listing Rules of ASX.
Board of Directors or Board:	means the board of Directors of the Company.
Business Day:	means a day, other than Saturdays, Sundays or any other public holiday in Perth, Western Australia.
Chairman:	means the chair appointed for the General Meeting.
Constitution:	means the constitution of the Company.
Corporations Act:	means the <i>Corporations Act 2001</i> (Cth).
Directors:	means the directors of the Company.
Employee Share Option Plan:	means the Employee Share Option Plan approved by Shareholders on 24 November 2015.
Explanatory Memorandum:	means this explanatory memorandum.
Key Management Personnel:	is as defined in the Company's most recent Remuneration Report.
Liontown or Company:	means Liontown Resources Limited (ACN 118 153 825).
Meeting or	
General Meeting:	means the meeting of Shareholders called by the Notice of Meeting.
Notice of Meeting:	means the notice of meeting of which this Explanatory Memorandum forms part.
Office:	means Level 2, 1292 Hay Street, West Perth, WA 6005, Australia.
Option:	means an option to acquire a fully paid ordinary share in the Company upon payment of the appropriate exercise price and prior to the Options expiry period.
Proxy Form:	means the proxy form enclosed with the Notice of Meeting.
Related Parties:	means Mr Tim Goyder, Mr Anthony Cipriano, Mr Craig Williams and Mr David Richards.
Resolution:	means a resolution to be considered by the Shareholders at the Meeting.
Shares:	means fully paid ordinary shares in the capital of the Company.
Shareholder:	means a registered member of the Company.
WST:	means Western Standard Time.

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LIONTOWN RESOURCES LIMITED
ACN 118 153 825

PROXY FORM

APPOINTMENT OF PROXY

I/We

being a Shareholder of Liontown Resources Limited entitled to attend and vote at the General Meeting hereby appoint

☐ the Chairman of the Meeting **OR**

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directors have been given, and to the extent permitted by law, as the proxy sees fit) at the General Meeting of Liontown Resources Limited to be held at 10.00 am (WST) on 24 May 2016 at Liontown Resources Limited, Level 2, 1292 Hay Street, West Perth, Western Australia and at any adjournment or postponement of that meeting.

Chairman's voting intentions in relation to undirected proxies

The Chair intends to vote all undirected proxies in favour of all Resolutions. In exceptional circumstances the Chairman may change his/her voting intentions on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

The Chairman is authorised to exercise undirected proxies on remuneration related resolutions: The Chairman intends to vote all available proxies in favour of each Resolution, including Resolutions 4-7. If the Chairman is your proxy or is appointed your proxy by default, unless you indicate otherwise by ticking either the 'for', 'against' or 'abstain' box in relation to each Resolution, including Resolutions 4-7, you will be authorising the Chairman to vote in accordance with the Chairman's voting intentions on each Resolution even if that Resolution is connected directly or indirectly with the remuneration of a member of Key Management Personnel.

Voting on Business of the General Meeting

		FOR	AGAINST	ABSTAIN
Resolution 1	Ratification of share issue - placement	☐	☐	☐
Resolution 2	Share issue to Mr Tim Goyder in lieu of outstanding loan facility	☐	☐	☐
Resolution 3	Approval of share placement to Mr Craig Williams	☐	☐	☐
Resolution 4	Issue of Options to Mr David Richards	☐	☐	☐
Resolution 5	Issue of Options to Mr Craig Williams	☐	☐	☐
Resolution 6	Issue of Options to Mr Anthony Cipriano	☐	☐	☐
Resolution 7	Issue of Options to Mr Tim Goyder	☐	☐	☐

The Chairman of the Meeting intends to vote all available proxies in favour of each item of business.

Signed this day of 2016

By:

Individuals and joint holders

Signature
Signature
Signature

Companies (affix common seal if appropriate)

Director
Director/Company Secretary
Sole Director and Sole Company Secretary

Instructions for Completing 'Appointment of Proxy' Form

1. A Shareholder entitled to attend and vote at a meeting is entitled to appoint not more than two proxies to attend and vote on their behalf. Where more than one proxy is appointed, such proxy must be allocated a proportion of the Shareholder's voting rights. If the Shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half the votes.
2. A duly appointed proxy need not be a Shareholder of the Company.

3. **Signing Instructions**

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, all of the Shareholders should sign.

Power of Attorney: to sign under Power of Attorney, you must have already lodged this document with the Company's share registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

If a representative of the corporation is to attend the meeting a "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate is either included in the Notice of General Meeting or may be obtained from the Company's share registry.

4. Completion of a proxy form will not prevent individual Shareholders from attending the meeting in person if they wish. Where a Shareholder completes and lodges a valid proxy form and attends the meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the meeting.
5. Please complete and sign the proxy form enclosed and either:
 - (a) send the proxy form by post to Liontown Resources Limited, GPO Box 2890, Perth, Western Australia, 6001; or
 - (b) send the proxy form by facsimile to the Company on facsimile number (+61 8) 9322 5800,

so that it is received **no later than 10.00 am (WST) on 22 May 2016**, being not less than 48 hours prior to the commencement of the meeting. **Proxy forms received later than this time will be invalid.**

Appointment of Corporate Representative**Section 250D of the Corporations Act 2001 (Cwlth)**

This is to certify that by a resolution of the directors of:

..... (Insert name of company)

(Company), the Company has appointed:

....., (Insert name of corporate representative),

in accordance with the provisions of section 250D of the Corporations Act 2001 (Cwlth), to act as the body corporate representative of that company at the General Meeting of Liontown Resources Limited to be held at 10.00 am (WST) on 24 May 2016 and at any adjournment of that meeting.

DATED 2016

Executed by the Company)
)
in accordance with its constituent documents

.....

Signed by authorised representative

.....

Name of authorised representative (print)

.....

Position of authorised representative (print)

.....

Signed by authorised representative

.....

Name of authorised representative (print)

.....

Position of authorised representative (print)

INSTRUCTIONS FOR COMPLETION

Under Australian law, an appointment of a body corporate representative will only be valid if the Certificate of Appointment is completed precisely and accurately.

Please follow the following instructions to complete the Certificate of Appointment:

1. Execute the certificate following the procedure required by your company's constitution or other constituent documents.
2. Print the name and position (eg director) of each company officer who signs this certificate on behalf of the company.
3. Insert the date of execution where indicated.
4. Send or deliver the certificate to the registered office of Liontown Resources Limited or fax the certificate to the registered office at (+61 8) 9322 5800.

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LIONTOWN RESOURCES LIMITED

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