



# TALISON LITHIUM CONCLUDES NEGOTIATIONS FOR H1 CY12 SALES AND ACHIEVES A 15% PRICE INCREASE FOR ALL PRODUCTS

## NEWS RELEASE

*December 22, 2011*

### **First Half Calendar 2012 Sales**

Talison Lithium Limited (“Talison” or the “Company”) (TSX:TLH) advises that it has concluded negotiations with its customers with regards to first half calendar 2012 sales. A price increase of 15% has been agreed with customers across Talison’s entire product range. Approximately 75% of sales for the period have been contracted with the balance to be sold to other customers who typically contract on a shipment by shipment basis.

### **Bunbury Port Congestion**

Due to berth closures and unplanned Port outages there is currently significant congestion at the Port of Bunbury impacting all Port users. This may result in approximately 38,000 tonnes of Talison’s lithium concentrate sales that were ready at the Port for shipment earlier this month being delayed into early January 2012. A delay would reduce sales for the December quarter but is not expected to affect sales for the 2012 fiscal year.

### **1 Year Injury Free**

Talison has recently passed an important milestone of one year lost time injury (LTI) free days at its Greenbushes Lithium Operations. This was achieved through the commitment of all employees and contractors towards safety. The milestone is especially notable as it was achieved during the presence of a large additional workforce on site as part of the current expansion of the Greenbushes Lithium Operations.

### **About Talison**

Talison is a leading global producer of lithium. Talison has been producing lithium concentrate for a global customer network from the Greenbushes Lithium Operations in Western Australia for over 25 years. In addition, Talison explores for lithium at the Salares 7 lithium project made up of seven salars located in Region III, Chile.

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### **Cautionary Note Regarding Forward-Looking Statements**

Certain information contained in this press release, including any information as to Talison’s mineral reserve and mineral resource estimates, strategy, projects, plans, prospects, future outlook, anticipated events or results or future financial or operating performance, may constitute “forward-looking information” within the meaning of Canadian securities laws. All statements, other than statements of

historical fact, constitute forward-looking information. Forward-looking information can often, but not always, be identified by the use of words such as “plans”, “expects”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, “predicts”, “potential”, “continue” or “believes”, or variations (including negative variations) of such words, or statements that certain actions, events or results “may”, “could”, “would”, “should”, “might”, “potential to”, or “will” be taken, occur or be achieved or other similar expressions concerning matters that are not historical facts. The purpose of forward-looking information is to provide the reader with information about management’s expectations and plans. Readers are cautioned that forward-looking statements are not guarantees of future performance. All forward-looking statements made or incorporated in this press release are qualified by these cautionary statements.

Forward-looking statements are necessarily based on a number of factors, estimates and assumptions that, while considered reasonable by Talison, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Such factors, estimates and assumptions include, but are not limited to: anticipated financial and operating performance of Talison, its subsidiaries and their respective projects; Talison’s market position; future prices of lithium or lithium concentrates; estimation of mineral reserves and mineral resources; realization of mineral reserve and mineral resource estimates; timing, amount and costs of estimated future production; grade, quality and content of concentrate produced; sale of production; capital, operating and exploration expenditures; costs and timing of the expansion of the Greenbushes Lithium Operations; exploration and development of the Salares 7 lithium project; costs and timing of future exploration; requirements for additional capital; government regulation of exploration, development and mining operations; environmental risks; reclamation and rehabilitation expenses; title disputes or claims; absence of significant risks relating to Talison’s mining operations; the costs of Talison’s hedging policy; sales risks related to China; currency; interest rates, and limitations of insurance coverage. While Talison considers these factors, estimates and assumptions to be reasonable based on information currently available to it, they may prove to be incorrect and actual results may vary.

Readers are cautioned that forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Talison and/or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Such risk factors include, amount others, those described in the unaudited condensed consolidated interim financial statements of Talison and the related notes thereto as at September 30, 2011 and for the three months ended September 30, 2011 and under the heading “Risk Factors” in the annual information form of Talison for the year ended June 30, 2011 dated September 23, 2011, each of which can be found on Talison’s SEDAR profile at [www.sedar.com](http://www.sedar.com). While Talison considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect and actual results may vary.

Although Talison has attempted to identify statements containing important factors that could cause actual actions, event or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking information contained herein is made as of the date of this press release based on the opinions and estimates of management on the date statements containing such forward-looking information are made. Except as required by law, Talison disclaims any obligation to update any forward-looking information, whether as a result of new information, estimates or opinions, future events or results or otherwise. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information.