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POTENTIAL INVESTMENT IN THE MARICUNGA JV BY A MAJOR CHINESE INDUSTRIAL GROUP

Lithium Power International Limited (ASX: LPI) (“LPI” or “the Company”) notes overnight Chilean media speculation and confirms that Minera Salar Blanco SA (**MSB**), the entity which holds the Maricunga lithium brine project and in which LPI is a 50% shareholder, has entered into discussions with major Chinese company, Fulin Group which is the head company of its wholly owned subsidiary Fulin Energy Investment Co. Ltd and Yema Auto Co. Ltd.

Fulin Group was founded in 1995 and is a large-scale enterprise group in China with modern, trans-regional and cross-sectorial business.

The draft MOU contemplates that Fulin Group and MSB will investigate co-operation between the two companies including a potential equity purchase in MSB between 20-50% and a funding agreement to provide the necessary equity and debt associated with the CAPEX for the project. For this potential investment, Fulin seeks to secure, direct project interest, offtake and agency rights.

The MOU under discussion is non-binding and any transaction between Fulin Group and MSB is subject to due diligence, agreement of the commercial terms, entry into legally binding documentation and the parties obtaining all required approvals. There is no certainty that any transaction will be entered into and LPI will update the market if and when material developments occur.

LPI's Chief Executive Officer, Martin Holland, commented:

"The Company announces our ongoing discussions, following an unsolicited approach from Fulin. This further validates the global nature and scale of the Maricunga project".

For further information, please contact:**Martin C Holland – CEO**

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