

ASX RELEASE
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UPDATE ON SALE OF THE CENTENARIO LITHIUM PROJECT IN ARGENTINA

Lithium Power International Limited (ASX: LPI) (“LPI” or “the Company”) provides an update on the status of the sale of its Argentinian lithium brine project situated in the Centenario Salar to Centenario Lithium Limited (“the Purchaser”) (“the Transaction”).

As announced on 2 May 2018, the completion date of the Transaction was extended from 30 April 2018 to 14 May 2018.

The Company and the Purchaser have now agreed a further extension to 14 June 2018.

On completion, the Purchaser will be required to pay A\$3M to the Company or up to A\$3.25M in cash and shares in the Purchaser if the Company elects to receive a mix of cash and shares, as detailed below.

In conjunction with agreeing to extend the completion date of the Transaction, the parties have agreed that:

- the Purchaser paid on the 15th May 2018 to LPI an amount of A\$120,000 as reimbursement for certain expenses and A\$25,000 in additional legal fees in connection with the Transaction;
- up to 50% of the completion payment may be paid by the issue of shares in the Purchaser, at the election of the Company. The remainder of the purchase price (no less than 50%) must be settled by the payment of cash to the Company. If the Company elects to receive shares, the issue price will be the share price at which the Purchaser undertakes its next private capital raising;
- LPI has the right to accept 100% cash at completion; and
- in addition, the Purchaser will issue 1.25 million shares to the Company at an issue price of \$0.10 per share, for the Company allowing this extension.

Exploration Update

The Company has commenced gravity and electromagnetic geophysical surveys over the Centenario project in May 2018. The Company has engaged Quantec Geoscience Argentina SA to carry out this work. The cost of the geophysical survey work has been reimbursed by the Purchaser.

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