

ASX RELEASE

LPI.ASX

23 January 2024

SCHEME MEETING - CHAIRMAN'S ADDRESS AND PRESENTATION

Lithium Power International Limited (ASX: LPI) ("**LPI**" or the "**Company**") refers to the proposed scheme of arrangement pursuant to which a wholly-owned subsidiary of Corporación Nacional del Cobre de Chile ("**Codelco**"), Salar de Maricunga SpA, will acquire 100% of the share capital of LPI ("**Scheme**").

In accordance with ASX Listing Rule 3.13, attached to this announcement are the following documents to be presented at LPI's Scheme Meeting being held at 11:00am (AEDT) today:

- Chairman's address; and
- Scheme Meeting presentation.

LPI shareholders may participate in the Scheme Meeting by attending in person at Ashurst Australia, Level 11, 5 Martin Place Sydney, NSW 2000, or online at <https://web.lumiagm.com/330428612>. The voting results of the Scheme Meeting will be released to the ASX shortly after the conclusion of the Scheme Meeting.

Authorised for release by the Board of Directors of Lithium Power International Limited

**LITHIUM POWER INTERNATIONAL LIMITED
CHAIRMAN'S SCRIPT
SCHEME MEETING**

[Slide 1 – Holding slide]

Good morning to everyone here in Sydney and to those joining us online. I am David Hannon, Non-Executive Chairman of Lithium Power International Limited and I will be chairing today's Scheme Meeting.

Firstly, as a matter of housekeeping, should the building fire alarm sound or you are advised that there is an emergency in the building, there is a fire exit located at the back of the room. The fire warden staff will direct you to the nearest safety exit and designated assembly area.

On behalf of my fellow Directors, welcome to the LPI Scheme Meeting, which has been convened by order of the Federal Court of Australia. The Court has directed that I am to act as Chairperson of the Scheme Meeting. I will report the results of the Scheme Meeting to the Court.

In attendance with me today (either in person or online) are:

- Managing Director and Chief Executive Officer: Mr Cristobal Garcia-Huidobro;
- Chief Financial Officer, Company Secretary and Executive Director: Mr Andrew Phillips;
- Executive Director: Mr Richard Crookes;
- Non-Executive Director: Mr Russell Barwick; and
- Non-Executive Director: Mr Martin Borda.

The purpose of today's meeting is to give Shareholders the opportunity to consider and vote on the proposed Scheme of Arrangement between LPI and its Shareholders, referred to as the Scheme.

Today's Scheme Meeting is held via a hybrid format - allowing shareholders, proxyholders, representatives and guests to attend the meeting either in person or virtually. Online attendees can watch a live webcast of the meeting and have the ability to ask questions and vote online via the Lumi online virtual meeting platform.

If anyone attending the meeting online experiences any issues or requires any assistance in relation to the online platform, they should call the telephone support line on 1300 737 760 (or +61 2 9290 9600 from outside Australia).

[Slide 2 – Scheme consideration]

Before moving to our formal business, I would like to say a few words about the proposed Scheme. Details of the Scheme are outlined in the Scheme Booklet, which was made available to Shareholders in accordance with the orders of the Federal Court of Australia.

If the Scheme is approved and implemented, a wholly-owned subsidiary of Corporación Nacional del Cobre de Chile (known as Codelco), Salar de Maricunga SpA, will acquire all of the ordinary shares in LPI for 57 cents cash per share.

This price represents a significant premium of 119% to the undisturbed closing share price of 26 cents per LPI share on 26 September 2023, being the trading day prior to LPI's response to media speculation regarding discussions with Codelco, 136% to the undisturbed 30-day volume weighted average price of 24.2 cents per LPI share up to, and including, 26 September 2023, and 6% to LPI's closing share price of 54 cents per LPI share on 15 December 2023, being the last practicable date before the release of the Scheme Booklet.

[Slide 3 – Reasons to vote for / against the Scheme]

The LPI Board of Directors unanimously recommend that Shareholders vote in favour of the Scheme. The Board has identified a number of reasons why you might choose to vote in favour of the Scheme and a number of reasons why you might choose to vote against it. These are set out in detail in the Scheme Booklet and are summarised on the slide now showing.

The decision of the LPI Directors to unanimously recommend the Scheme follows LPI running a broad strategic process, which included the assessment of potential financing and/or change of control transactions in relation to LPI's Maricunga Project, and a comprehensive assessment of the potential benefits and risks of the Scheme.

The LPI Directors consider that the opportunity to immediately realise value for cash offered by the Scheme has the potential to deliver greater benefits to LPI Shareholders than any other alternative currently available, including the standalone financing and development of the Maricunga Project which could be difficult to obtain due to the uncertainty created for project financiers by the National Lithium Policy.

Since the Scheme was announced on 18 October 2023, no superior proposal has emerged and the LPI Directors are not aware of, and have not received, any proposal or any approach from any person which they expect is likely to lead to a superior proposal.

The LPI Directors also appointed BDO as the Independent Expert to assess the merits of the Scheme. The Independent Expert concluded that the Scheme is fair and reasonable, and in the best interests of Shareholders, in the absence of a superior proposal. The Independent Expert has assessed the value of an LPI share on a controlling interest basis to be in the range of 30 cents to 68 cents. The Scheme consideration of 57 cents per LPI share is in the upper half, and exceeds the valuation mid-point of 49 cents, of this range. A copy of the Independent Expert's Report is included in the Scheme Booklet.

[Slide 4 – Scheme implementation timetable]

If the requisite majorities of Shareholders vote in favour of the Scheme at today's Scheme Meeting, and all other relevant conditions precedent to the Scheme are satisfied or waived, LPI will apply to the Federal Court of Australia for orders approving the Scheme. If the Court approves the Scheme, a copy of the Court orders will be lodged with ASIC, following which the Scheme will become legally effective, and LPI shares will be suspended from trading on the ASX.

As announced to the ASX on 16 January 2024, LPI informed the market that certain events in the initial timetable which is contained in the Scheme Booklet and as otherwise announced by LPI to the ASX, would be delayed due to an extension to the statutory deadline to obtain FIRB approval for the Scheme. As a result, the Court hearing to seek approval of the Scheme is now scheduled for Tuesday, 13 February 2024. Lodgement of the Court orders with ASIC and suspension from trading on the ASX is expected to occur on the day following Court approval. The Scheme is then expected to be implemented on Friday, 23 February 2024, and it is on this date that the payment of 57 cents cash per LPI share would be dispatched to Shareholders in respect of LPI shares held on the Record Date for the Scheme, which is currently expected to be 5.00 pm (Australian Eastern Daylight Time) on Friday, 16 February 2024.

These dates are subject to satisfaction or waiver of the outstanding conditions precedent to the Scheme. Any changes will be communicated to Shareholders as soon as possible. If the outstanding conditions precedent are not satisfied or waived or the Scheme is not approved, the Scheme will not proceed and LPI will continue as a standalone entity listed on the ASX.

[Slide 5 – How to ask a question online]

Online attendees can submit questions at any time. To submit a written question, please select the “Messaging” tab, then select the "Ask a Question" box and type in your message. Once you are happy with your message, select the send icon.

Please note that while you can submit questions at any time, I will not address them until the relevant time in the meeting. Please also note that your questions may be moderated or amalgamated together if we receive multiple questions on the same or similar topic.

To ask a verbal question via the online platform, please click on the "Request to speak" button at the bottom of the broadcast window to confirm your details. Click "Submit Request", then follow the audio prompts to connect.

For shareholders, authorised representatives, attorneys and proxyholders who are attending in person, holders of blue and green cards will be given the opportunity to raise their voting card and ask a question via the microphone.

If you wish to ask a question, I ask that you please first state your name and indicate whether you are speaking on behalf of your own shareholding or whether you are speaking as a representative for another shareholder.

All questions should relate to the resolution which is being voted upon.

[Slide 6 - How to vote online]

If you are attending online and are eligible to vote, once voting opens please press the “Vote” icon. To cast your vote simply select one of the options. There is no need to hit a submit or enter button as the vote is automatically recorded. You will receive a vote confirmation notification on your screen. You can change your vote up until the time I declare voting closed.

For shareholders, authorised representatives, attorneys and proxyholders who are attending in person, you would have received a voting card. Please complete your voting card once voting opens and a member of the Boardroom team will collect your card at the end of the poll.

I will shortly open voting and will give you a warning before I move to close voting.

[Slide 7 - Business of meeting]

I now call this Scheme Meeting to order.

I confirm that a quorum is present and now formally declare the meeting open.

Our share registry, Boardroom, is represented here today by Mr David Parkinson, who is in attendance.

To enable Shareholders to consider the proposed Scheme, and the resolution that will be voted on today, a Scheme Booklet containing the Notice of Scheme Meeting was made available to all Shareholders and can be accessed via LPI's website and the ASX announcements platform.

The Scheme Booklet includes an Independent Expert's report that concludes that the Scheme is fair and reasonable, and in the best interests of Shareholders, in the absence of a superior proposal.

Before proceeding further, I advise that 642 proxies totalling 392,981,059 votes have been received for this Scheme meeting. Where a proxy vote has been given to the Chairman of the Meeting without any direction as to how to vote, I, as the Chairman of the Meeting, will vote in favour of the resolution.

Voting on the Scheme Resolution today will be conducted by a poll.

I appoint Mr David Parkinson from Boardroom as Returning Officer for today's meeting and I now declare voting open.

The only resolution for consideration at this meeting is the approval of the Scheme of Arrangement proposed between LPI and the holders of its ordinary shares, as contained in and more particularly described in the Scheme Booklet including the Notice of Meeting previously made available to Shareholders.

For the Scheme to proceed and become effective, the Scheme Resolution must be passed by:

- a majority in number, being more than 50%, of Shareholders present and voting at this meeting; **and**
- at least 75% of the total number of votes cast on the Scheme Resolution by Shareholders present and voting at this meeting.

I refer you to the screen for the wording of the Scheme Resolution and the details of the proxies that have been received so far for the Scheme Resolution.

As you can see, the Scheme Resolution is:

That pursuant to and in accordance with the provisions of section 411 of the Corporations Act:

- (a) *the Scheme proposed between the Company and the holders of its fully paid ordinary shares, the terms of which are contained in and more precisely described in the Scheme Booklet of which the notice convening this meeting forms part, is approved, with or without*

alterations or conditions as approved by the Court to which the Company and Codelco agree; and

(b) the Company is authorised, subject to the terms of the Scheme Implementation Deed, to:

(i) agree to any such alterations or conditions; and

(ii) subject to approval by the Court, implement the Scheme with any such alterations or conditions.

QUESTIONS

I will now address any questions relating to the resolution.

As a reminder to online attendees, to submit a written question, please select the "Messaging" tab, then select the "Ask a Question" box and type in your message. Once you are happy with your message, select the send icon.

To ask a verbal question via the online platform, please click on the "Request to speak" button at the bottom of the broadcast window to confirm your details. Click "Submit Request", then follow the audio prompts to connect.

Firstly, are there any questions from shareholders in the room? Please raise your voting card and we will bring you a microphone.

Moderator, are there any written or audio questions received online?

Moderator, are there any/further questions received online?

There being no (more) questions I put the Scheme Resolution to the meeting.

If you are attending online and haven't already done so, please now cast your vote for this item, by pressing the "Vote" icon.

POLL

As outlined at the outset of the meeting, I will now put the Resolution to a poll for those attending in person. For those attending online, please use this time to ensure that you have voted and have received a vote confirmation notification on your screen. Please note that online voting will close upon completion of the Poll.

As mentioned before, Boardroom will coordinate the poll on the Company's behalf. Mr David Parkinson can you please come forward. Thank you...

As all voting cards have now been collected, I now declare the poll closed.

Details of the final results will be posted on both the Company's website and on the ASX Announcements platform later today.

I would like to thank you all for your attendance and participation, and I now formally declare the meeting closed.

Last but not least, regardless of today's outcome, I would like to thank you all for your tremendous support during the Company's journey.

As we collectively approach what may be the end of a successful chapter, I sincerely wish everyone that has been involved all the best in their future endeavours.

It has been a pleasure to serve as your Chair.

Thank you.

[Slide 8 – final holding slide]



LITHIUMPOWER

INTERNATIONAL LTD

Lithium Power International Scheme Meeting

23 January 2024



Premium to LPI historical trading prices

The Scheme Consideration of \$0.57 cash per LPI Share represents a significant premium of:

- **119% to the undisturbed closing share price of \$0.26** per LPI share on 26 September 2023, being the trading day prior to LPI's response to media speculation regarding discussions with Codelco ("**Undisturbed Date**");
- **136% to the undisturbed 30-day volume weighted average price of \$0.242** per LPI share up to, and including, the Undisturbed Date; and
- **6% to LPI's closing share price of A\$0.54** per LPI Share on 15 December 2023, being the Last Practicable Date before the release of the Scheme Booklet.



Advantages and disadvantages of the Scheme



The LPI Directors consider that the benefits of the Scheme outweigh the potential disadvantages of the Scheme

Reasons for LPI shareholders to vote in favour of the Scheme:

- ✓ Your LPI Directors unanimously recommend that you vote in favour of the Scheme, in the absence of a Superior Proposal and provided that the Independent Expert continues to conclude that the Scheme is in the best interests of LPI Shareholders.
- ✓ The Scheme Consideration of A\$0.57 cash per LPI Share represents a significant premium for your LPI Shares.
- ✓ The Independent Expert has concluded that the Scheme is fair and reasonable, and in the best interests of Scheme Shareholders, in the absence of a Superior Proposal.
- ✓ LPI Shares are likely to trade at a lower price if the Scheme is not implemented and no Superior Proposal emerges, in the absence of favourable market conditions.
- ✓ The Scheme Consideration provides LPI Shareholders with certainty of value and the opportunity to realise their investment for cash, and will avoid any ongoing risks and uncertainties involved in LPI's operations and future developments.
- ✓ Development of the Maricunga Project would require significant capital which LPI currently does not have.
- ✓ You will not incur any brokerage charges on the transfer of LPI Shares if the Scheme proceeds.
- ✓ No Superior Proposal has emerged since the Scheme was announced on 18 October 2023.

Reasons LPI shareholders may want to vote against the Scheme:

- ✗ You may disagree with your LPI Directors' unanimous recommendation and/or the Independent Expert's conclusion.
- ✗ You may prefer to participate in the future financial performance of the LPI business on a standalone basis or otherwise.
- ✗ You may believe it is in your best interests to maintain your current investment and risk profile.
- ✗ You may consider there is potential for a Superior Proposal for LPI to emerge in the future, if LPI were to continue as a standalone entity.
- ✗ The tax consequences of the Scheme may not suit your current financial position or tax circumstances.

Scheme implementation timetable



Key dates if Scheme is approved*

Second Court Date for approval of the Scheme	10.15 am (AEDT) Tuesday, 13 February 2024
Effective Date	Wednesday, 14 February 2024
Scheme Record Date	5.00 pm (AEDT) Friday, 16 February 2024
Implementation Date	Friday, 23 February 2024

** Assuming Scheme is approved by LPI Shareholders and the Court and other conditions to the Scheme are satisfied or waived.*



How to ask a question online



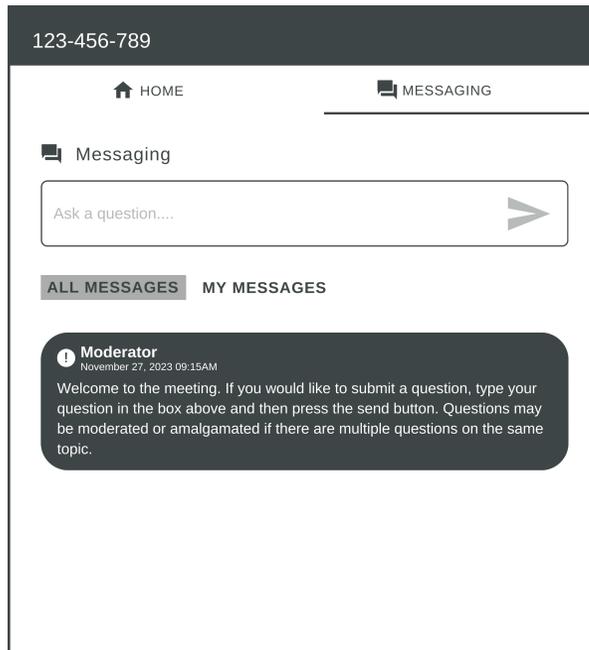
Asking text questions

Select the messaging tab

Type your question in the 'Ask a question' box

Press the arrow symbol to submit your message

Select 'My Messages' to view your submitted messages along with any written responses



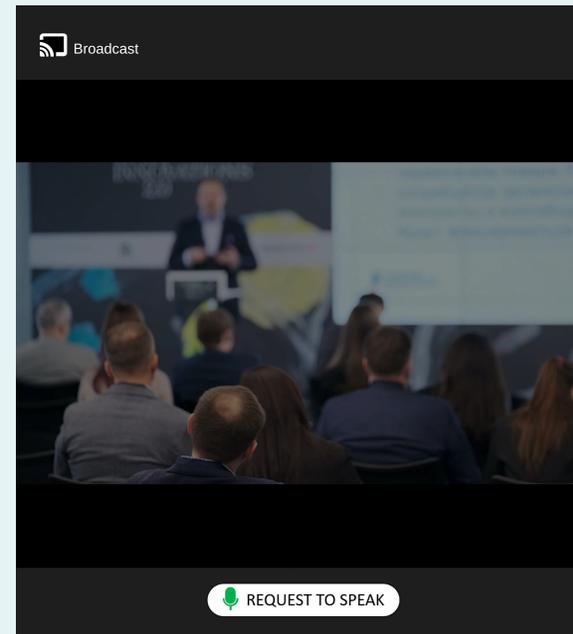
Asking audio questions

Click 'Request to Speak'

Enter the topic of your question

Click 'Submit Request'

Click 'Join Queue' and follow the audio prompts



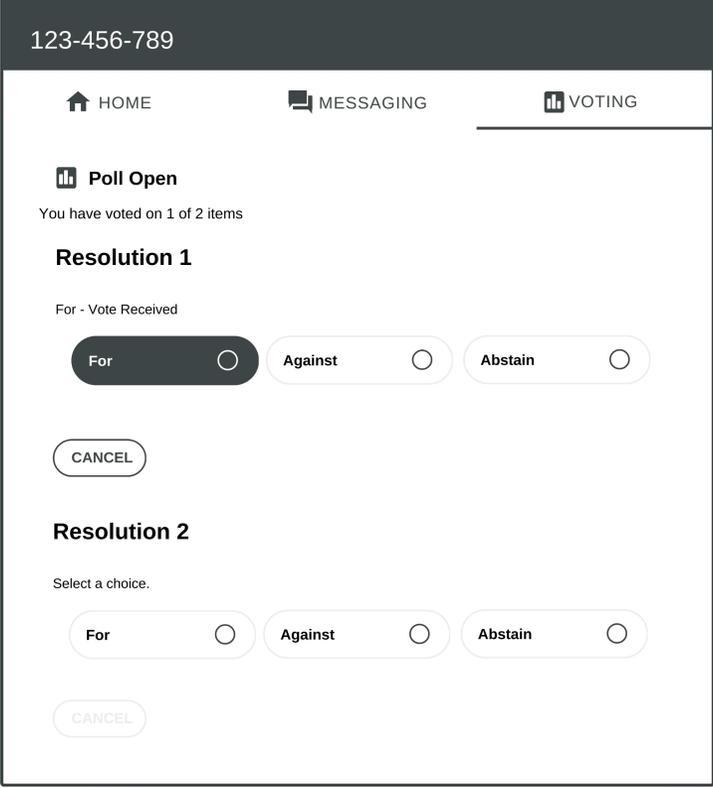
How to vote online

Select the voting tab

Select your voting preference for each resolution

Your selected option will change colour

You can change your vote until the poll is closed



123-456-789

HOME MESSAGING VOTING

Poll Open
You have voted on 1 of 2 items

Resolution 1
For - Vote Received

For Against Abstain

CANCEL

Resolution 2
Select a choice.

For Against Abstain

CANCEL

Scheme resolution and proxy votes



Scheme resolution:

That pursuant to, and in accordance with, section 411 of the Corporations Act 2001 (Cth):

- a. the Scheme proposed between the Company and the holders of its fully paid ordinary shares, the terms of which are contained in and more precisely described in the Scheme Booklet of which the notice convening this meeting forms part, is approved, with or without alterations or conditions as approved by the Court to which the Company and Codelco agree; and*
- b. the Company is authorised, subject to the terms of the Scheme Implementation Deed, to:
 - i. agree to any such alterations or conditions; and*
 - ii. subject to approval by the Court, implement the Scheme with any such alterations or conditions.**

Proxy votes:

	For	Against	Open	Abstain
Votes	384,286,946	1,799,146	6,894,967	25,257
% of Vote	97.79%	0.46%	1.75%	N/A



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