

# Maricunga Lithium Brine Project

## Investor Presentation

---

# Important Notice and Disclaimer

This investor presentation has been prepared by Lithium Power International Limited (**LPI** or **Company**) and contains summary information about LPI and its activities as of 7 December 2016.

## Representations

No person is authorised to give any information or to make any representation in connection with Lithium Power International Limited (LPI or Company)) which is not contained in this presentation.

Any information or representation not so contained may not be relied on as having been authorised by the Company.

## Not a disclosure document

This presentation does not contain the information that would be contained in a prospectus or other disclosure document prepared under the Corporations Act and does not purport to contain all the information that may be necessary or desirable to enable a potential investor to properly evaluate and consider an investment in the Company.

## Presentation is not advice

The provision of this presentation is not and should not be taken as a recommendation in relation to an investment in the Company or that an investment in the Company is a suitable investment for the recipient of this presentation. This presentation does not purport to constitute any advice whatsoever, but to the extent it does, it constitutes only general advice (within the meaning of section 766B(4) of the Corporations Act) and does not take into account your individual investment objectives, financial situation or particular needs. It does not contain personal advice. The Company recommends prospective investors seek independent financial and taxation advice before making a decision as to whether or not to apply for shares.

## Prospective investor to conduct own investigation and analysis

Prospective investors should carry out their own independent investigations and analysis of the Company and the information referred to in this presentation and other matters that may be relevant to it in considering whether to acquire the shares. Each prospective investor considering an investment in the shares must make, and will be taken to have made, its own independent investigation and analysis of the information provided in this presentation. Independent expert advice (including from a prospective investor's accountant, lawyer or other professional adviser) should be sought before making a decision to invest in the Company.

## No responsibility for contents of presentation

To the maximum extent permitted by law, no representation, warranty or undertaking, express or implied, is made and, to the maximum extent permitted by law, no responsibility or liability is accepted by the Company and its advisers or any of their officers, employees, agents or advisers or any other person as to the adequacy, accuracy, completeness or reasonableness of the information contained in this presentation. To the maximum extent permitted by law, no responsibility for any errors or omissions whether arising out of negligence or otherwise is accepted.

## Past performance

Past performance information, including past share price performance, should not be relied upon as an indication of future performance.

## Projections and forecasts may not be accurate

The provision of this presentation may contain forward looking statements, which are based on subjective estimates and assumptions and about circumstances and events that have not yet taken place. Such estimates and assumptions involve significant elements of subjective judgement and analysis, which may or may not be correct. Accordingly, no representations are made by the Company, its related parties, consultants or advisers as to the accuracy of such information and there can be no assurance that any projected result would be achieved.

## Investment risk

An investment in LPI shares is subject to investment and other known and unknown risks, some of which are beyond the control of the Company. LPI does not guarantee any particular rate of return or the performance of the LPI shares.

## Information regarding the lithium market

The information contained in this presentation relating to the global lithium market and its expected outlook as been sourced from the Independent Consultant's Industry Report by CRU International (Australia) Pty Ltd, which is contained in full in the Company's replacement prospectus dated 23 May 2016. Please refer to the replacement prospectus, available at [www.asx.com.au](http://www.asx.com.au), for further details.

## Disclaimer

This presentation may contain some references to forecasts, estimates, assumptions and other forward-looking statements. Although the company believes that its expectations, estimates and forecast outcomes are based on reasonable assumptions, it can give no assurance that they will be achieved. They may be affected by a variety of variables and changes in underlying assumptions that are subject to risk factors associated with the nature of the business, which could cause actual results to differ materially from those expressed herein. All references to dollars (\$) and cents in this presentation are to Australian currency, unless otherwise stated. Investors should make and rely upon their own enquires and assessments before deciding to acquire or deal in the Company's securities.

## Competent Person's Statement

The information contained in this ASX release relating to Mineral Resources has been compiled by Mr Murray Brooker. Mr Brooker is a Geologist and Hydrogeologist and is a Member of the Australian Institute of Geoscientists and has sufficient relevant experience to qualify as a competent person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. He is also a "Qualified Person" as defined by Canadian Securities Administrators' National Instrument 43-101. Murray Brooker consents to the inclusion in this announcement of this information in the form and context in which it appears. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

## Reference to Resource Estimate

The reader is referred to the previous announcement by LPI on the 28 July 2016, which provided details of the Maricunga project resource and information regarding what is considered by ASX as a production target. With regards to the resource, LPI confirms that it is not in possession of any new information or data relating to the resource (which is considered by ASX to be a foreign estimate), that materially impacts on the reliability of the estimate or the mining entity's ability to verify the foreign estimate as mineral resources in accordance with Appendix 5A (JORC Code). LPI confirms that all the material assumptions underpinning the production target provided in that announcement continue to apply. LPI confirms that the supporting information provided in the announcement by LPI on the 28 July 2016 continues to apply and has not materially changed. LPI cautions the foreign estimate (NI43-101) was not reported in accordance with the JORC code. This work was completed three years before the JV was announced on 20/07/1. A competent person has not done sufficient work to classify the foreign estimate as mineral resources or ore reserves in accordance with the JORC Code. It is uncertain that following evaluation and/or further exploration work that the foreign estimate will be able to be reported as mineral resources or ore reserves in accordance with the JORC Code. The resource refers to lithium carbonate equivalent (LCE), this is a conversion factor of 5.32x lithium metal. Future reporting will be under the JORC code.

## Cautionary note regarding reserves and resources

You should be aware that as an Australian company with securities listed on the ASX, the Company is required to report reserves and resources in Australia in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ("JORC Code"). You should note that while the Company's reserve and resource estimates may comply with the JORC Code, they may not comply with the relevant guidelines in other countries and, in particular, do not comply with Industry Guide 7, which governs disclosures of mineral reserves in registration statements filed with the U.S. Securities and Exchange Commission. The JORC Code differs in several significant respects from Industry Guide 7. In particular, Industry Guide 7 does not recognise classifications other than proven and probable reserves and, as a result, the SEC generally does not permit mining companies to disclose their mineral resources in SEC filings. Information contained in this presentation describing the Company's mineral deposits may not be comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements of United States securities laws. You should not assume that quantities reported as "resources" will be converted to reserves under the JORC Code or any other reporting regime or that the Company will be able to legally and economically extract them.

# Lithium Power International – Executive Summary

## Key attributes of LPI

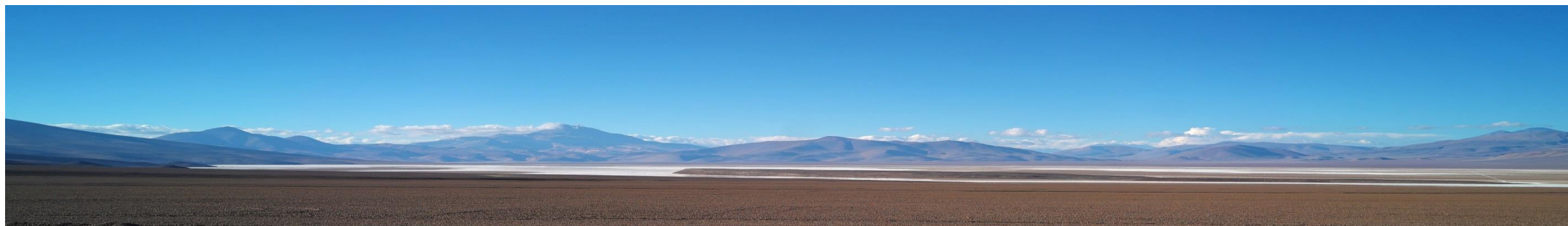
- Pure-play lithium explorer & developer, which is diversified by geography and deposit type (brine & hard rock).
- Exploration targets identified across our project regions in South America and Western Australia. All project areas are close to critical road, rail, and port infrastructure.
- An experienced Board with extensive mining and commercial experience, with highly-qualified technical experts in both Australia and South America.
- Strong lithium market fundamentals driven by worldwide battery demand.

## Key points for Maricunga lithium brine project

- The Board considers that Maricunga is one of the highest quality lithium salars in South America – with characteristics comparable to the world-leading Atacama deposit. Exploration drilling commenced in September 2016, aimed at expanding the existing lithium resource base.
- Maricunga is located within the “Lithium Triangle” in northern Chile, close to road & port infrastructure, and within the known pro-mining province of Copiapo.
- LPI owns 50% of the Maricunga JV. The majority of the Maricunga JV tenements are granted under the Chilean Mining Code of 1932, which allows immediate exploitation of lithium.

LPI WAS ESTABLISHED TO ACQUIRE  
HIGH-QUALITY LITHIUM TENEMENTS  
IN AUSTRALIA AND SOUTH AMERICA

THE COMPANY COMPLETED  
A SUCCESSFUL IPO ON ASX IN JUNE  
2016, FOLLOWING A HEAVILY  
OVERSUBSCRIBED OFFER



---

# Lithium Power International – Executive Summary (continued)

## Maricunga JV – Tenement Consolidation

### ■ Recent progress:

- LPI has established a wholly-owned Chilean based subsidiary, which is a 50% shareholder of the newly formed Maricunga JV entity (“NewCo”).
- The tenements Cocina 19-27, Litio 1-6, Blanco and Camp1 have now been vended into the JV entity by our partners.
- In October 2016, LPI acquired from MSB the options over the San Francisco, Salamina and Despreciada tenements (“Option Rights”), and LPI has issued 16 million ordinary shares to MSB as payment, as approved by shareholders at the recent AGM.
- LPI has subsequently exercised the Option Rights at an exercise price of USD\$5.22m, and these tenements will now be transferred into NewCo.

## Maricunga JV – Earn-In and Timeline

### ■ Funding timeline:

- LPI to provide initial capital of USD\$8.38m to facilitate the Maricunga JV exploration & development program over the next 12 months.
- Milestones to be completed over this period include: completion of resource drilling, brine pump & flow testing, new JORC lithium resource report, construction of evaporation test ponds & lithium carbonate pilot plant, site camp & other infrastructure, plus preparation work for the EIA and DFS.
- This initial payment of USD\$8.38m comprises:
  - a) Secured loan to NewCo of up to USD\$3.92m, drawn down as required until JV finalisation, to fast-track early exploration activities. The loan will be converted to equity, forming part of LPI’s 50% interest in NewCo.
  - b) LPI to provide a further USD\$4.46m to NewCo, to fund ongoing operational activities & the project milestones listed above.
- A final earn-in payment of USD\$13.62m will be made in stages from November 2017 until December 2018, to fund final DFS and EIA approval.
- Any further funding required for the Maricunga JV beyond this final earn-in payment is to be provided on a pro-rata basis by the three JV partners.

### ■ Capital Raising

In October 2016, LPI completed a successful capital raising of AUD\$13.5m in new capital at a price of \$0.38 per share by way of:

- A private placement of AUD\$12.0m worth of shares to sophisticated and professional investors, in two tranches.
- A share purchase plan of \$1.0m worth of shares to existing shareholders (the underwritten portion of SPP).
- A placement to Directors of AUD\$0.5m worth of shares on the same terms as above, following shareholder approval at the recent AGM.
- All shares issued under the capital raising included a free attaching option (1:1 basis), with an exercise price of \$0.55 and expiry of 24 November 2017, as approved at the recent AGM.



# Lithium Power - Capital Structure

## Capital Structure (as at 6 December 2016)

ASX Code	LPI
Shares on issue	164.2m*
Share price	A\$0.265
<b>Market Capitalisation (undiluted)</b>	<b>A\$43.5m</b>
Listed Options	37.5m#
Unlisted Options	31.4m^

\* 68m shares (41.5% of total) are escrowed until 24 June 2018 or later

# listed options issued as part of the capital raise in October/November 2016

^ 95% of options on issue are escrowed until 24 June 2018

## Substantial Shareholders (as at 6 December 2016)

Founders & Directors*	37.3%
Chilean Joint Venture Partner	9.7%
JP Morgan Nominees	4.4%

## Capital Raised in October/November 2016 (at \$0.38)

Sophisticated & Institutional Placement	\$12.0m
Underwritten Share Purchase Plan	\$ 1.0m
Placement to Directors~	\$ 0.5m

~ on the same terms as the Sophisticated & Institutional Placement

# Lithium Power - Board and Technical Team



**Mr Ricky P Fertig**

Chairman

Founding director and senior executive with 30yrs of international commercial experience across property, healthcare and mining services sectors.



**Mr Murray Brooker**

Group Technical & Exploration Adviser

Geologist specialising in lithium brine over the last 6yrs, with 25yrs total experience in mining and exploration. Most recently, he was the JORC Competent Person to Orocobre on their lithium brine project in Argentina.



**Mr Martin C Holland**

Chief Executive Officer

Founder and CEO with 11yrs management experience focused on the mining exploration sector. Previously CEO of gold explorer Stratum Metals from 2010 to 2014, which listed on ASX in 2011.



**Mr Stuart Peterson**

Exploration Manager – Hard Rock

Hard rock pegmatite geologist with spodumene lithium experience. Most recently, the Senior Geologist with Mineral Resources on their Mt Marion lithium project in Western Australia.



**Dr Luis Ignacio Silva P**

Director and Regional Manager Latin America

Mining geologist with 40yrs experience in Sth America, including the last 10yrs as a lithium specialist. He has worked with Talison, Freeport, Amax, Barrick, Homestake, Rio Tinto, Shell-Billiton, Pegasus, CNC, and SERNAGEOMIM.



**Mr Todd Axford**

Independent Expert – Hard Rock

Completed the IER in regards to all the Australian hard rock tenements and applications in LPI's prospects. Senior geologist with 21yrs experience. Previously held exploration positions at: Stratum Metals, Australasian Resources, Mt Gibson Iron, and Cliffs Natural Resources.



**Mr Andrew G Phillips**

CFO and Company Secretary

Over 25yrs of commercial and financial experience internationally. Previously held senior management roles with Aristocrat, Allianz, Hoya Lens, and Sequoia, with additional Board experience in the small cap resources sector.



**Dr Mark King**

Independent Expert - Brine

Completed the IER in regards to all the brine tenements in Chile and Argentina. In LPI's prospects. Expert in hydrogeology with technical advice provided on over 100 projects across the Americas.

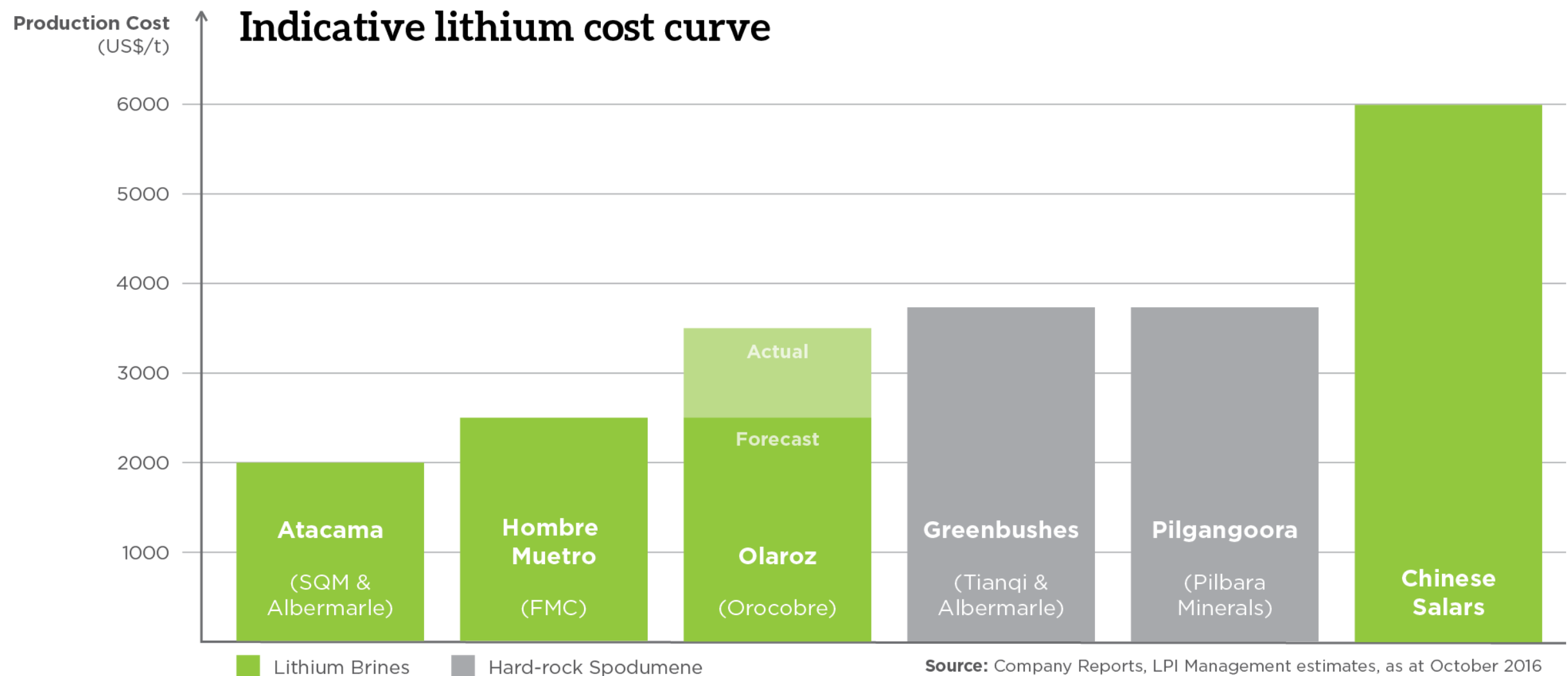


A wide-angle landscape photograph of the Maricunga Lithium Project. The foreground is filled with tall, golden-brown grasses. In the middle ground, a large, dark brown body of water (likely a lithium brine pond) stretches across the frame. A prominent, irregularly shaped white salt flat or island is visible in the center of the pond. The background features a range of brown, arid mountains under a clear, deep blue sky.

## Maricunga Lithium Project

# Lithium Brines in South America – Lowest On The Cost Curve

- While difficult to directly compare lithium brine vs hard-rock spodumene, the following observations generally apply:
  - ✓ Brines are typically easier & cheaper to explore.
  - ✓ Brines are typically cheaper & quicker to develop to production (depending on permits).
  - ✓ Brines require less opex once in production, and generally see less cost volatility.
  - ✓ Brines can be purified onsite to >99% lithium, while hard-rock production is sold as 6% beneficiated ore.
  - ✓ Brines have historically been preferred by battery manufacturers.
  - ✓ Brine operations are generally regarded as having less environmental impact over time.
- For the reasons above, South American lithium brine producers inhabit the bottom of the cost curve, as can be seen below:

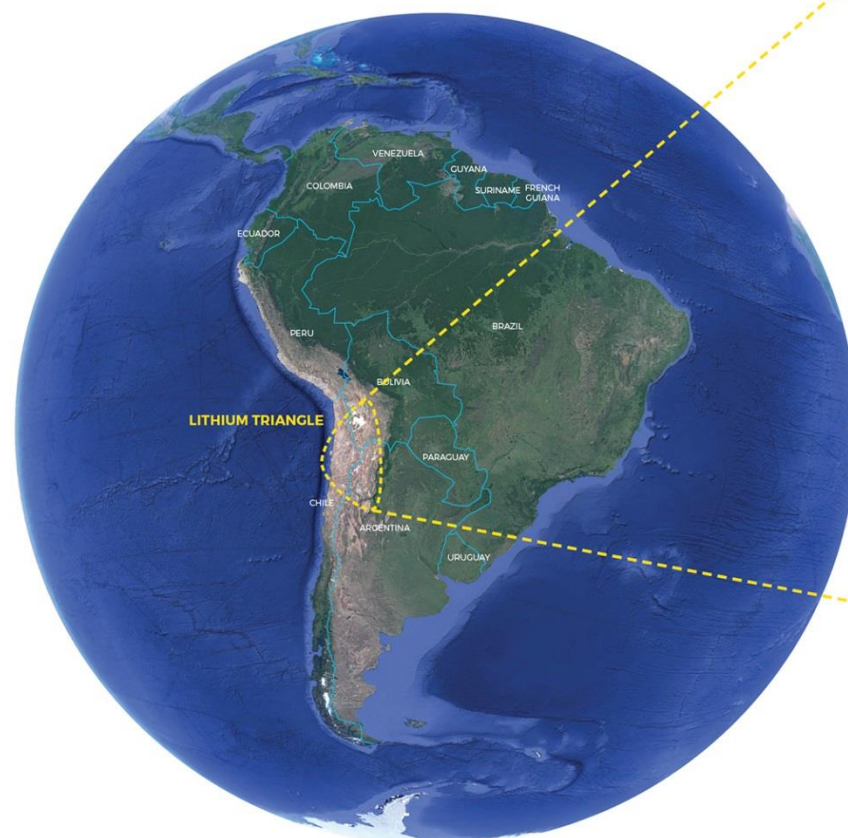




# Maricunga Lithium Brine JV – Project Overview

- The Maricunga Salar is located in northern Chile and sits within the “Lithium Triangle”, which contains the largest and highest quality lithium brine deposits in South America.
- Maricunga is regarded by as the highest quality pre-production lithium brine project in Chile, with characteristics comparable to the world-leading Atacama lithium brine deposit operated by SQM and Abermarle (which sits at the bottom of the global lithium cost curve).
- The Maricunga project has a foreign resource estimate\* (from 2012) of 574,000 tonnes of lithium carbonate equivalent, with a very high average grade - lithium (1250mg/l) and potassium (8970mg/l).
- Maricunga is located in Region III of Atacama in northern Chile. It is approx 170km NE of the mining town of Copiapo. In terms of infrastructure access, Maricunga is directly adjacent to International Highway 31, which connects northern Chile and Argentina, and 250km from the Chilean coast.

*Note: LPI cautions the foreign estimate (NI43-101) was not reported in accordance with the JORC code. This work was completed three years before the Maricunga JV was announced on 20 July 2016. A competent person has not done sufficient work to classify the foreign estimate as mineral resources or ore reserves in accordance with the JORC Code. It is uncertain that following evaluation and/or further exploration work that the foreign estimate will be able to be reported as mineral resources or ore reserves in accordance with the JORC Code.*



\* Refer to LPI announcement on 28 July 2016 and Important Notice of this presentation



# Maricunga – One of the highest quality lithium salars in South America

- Known foreign resource estimate of 574,000 tonnes of lithium carbonate equivalent, based on previous exploration. (refer to LPI's announcement of 28 July 2016 and the Important Notice of this presentation)
- An additional 1125 Ha of new tenements now under exploration.
- Second highest lithium grade\* (1250mg/l) of the major salars in South America.
- Magnesium grade\* below the Atacama deposit, with a similar Mg/Li ratio.
- High potash byproduct resulting in improved project economics.
- Close to critical road & port infrastructure.
- Recent study of 37 salars ranked Maricunga as #7 salar worldwide. (signumBOX Aug 2016)
- Chilean Geological Survey has classified Maricunga as a Category 1 deposit (one of only four in Chile).

	<b>Salar de Maricunga<sup>1</sup></b>	<b>Salar de Atacama<sup>2</sup></b>	<b>Salar de Centenario<sup>4</sup></b>	<b>Salar Del Hombre Muerto<sup>2</sup></b>	<b>Salar de Olaroz<sup>2</sup></b>	<b>Salar de Cauchari<sup>3</sup></b>
Country	Chile	Chile	Argentina	Argentina	Argentina	Argentina
Owner	LPI/MSB/Li3	SQM/Albemarle	LPI/Eramet	FMC/Lithium One	Orocobre/Toyota	Orocobre/SQM/Lithium Americas
Lithium (g/l)	1.25	1.84	0.56	0.74	0.69	0.59
Potassium (g/l)	8.97	22.63	5.11	7.40	5.73	4.85
Magnesium (g/l)	8.28	11.74	3.26	1.02	1.66	1.42
Mg/Li	6.63	6.40	5.87	1.40	2.40	2.43
K/Li	7.18	12.33	9.20	9.95	8.30	8.30
K/Mg	1.08	1.93	1.57	7.26	3.46	3.58
Altitude (m) <sup>5</sup>	3800	2300	3900	4000	3900	3900
Precipitation (mm/yr) <sup>5</sup>	125	15	100	100	100	100
Evaporation Rate (mm/yr) <sup>5</sup>	2400	3200	2600	2710	2600	2600

(1) NI 43-101 amended report prepared for Li3 Energy Inc. dated 23 May, 2012

(2) NI 43-101 report prepared for Orocobre Ltd. dated 13 May, 2011

(3) NI 43-101 report prepared for Lithium Americas Corp. dated 11 July, 2012

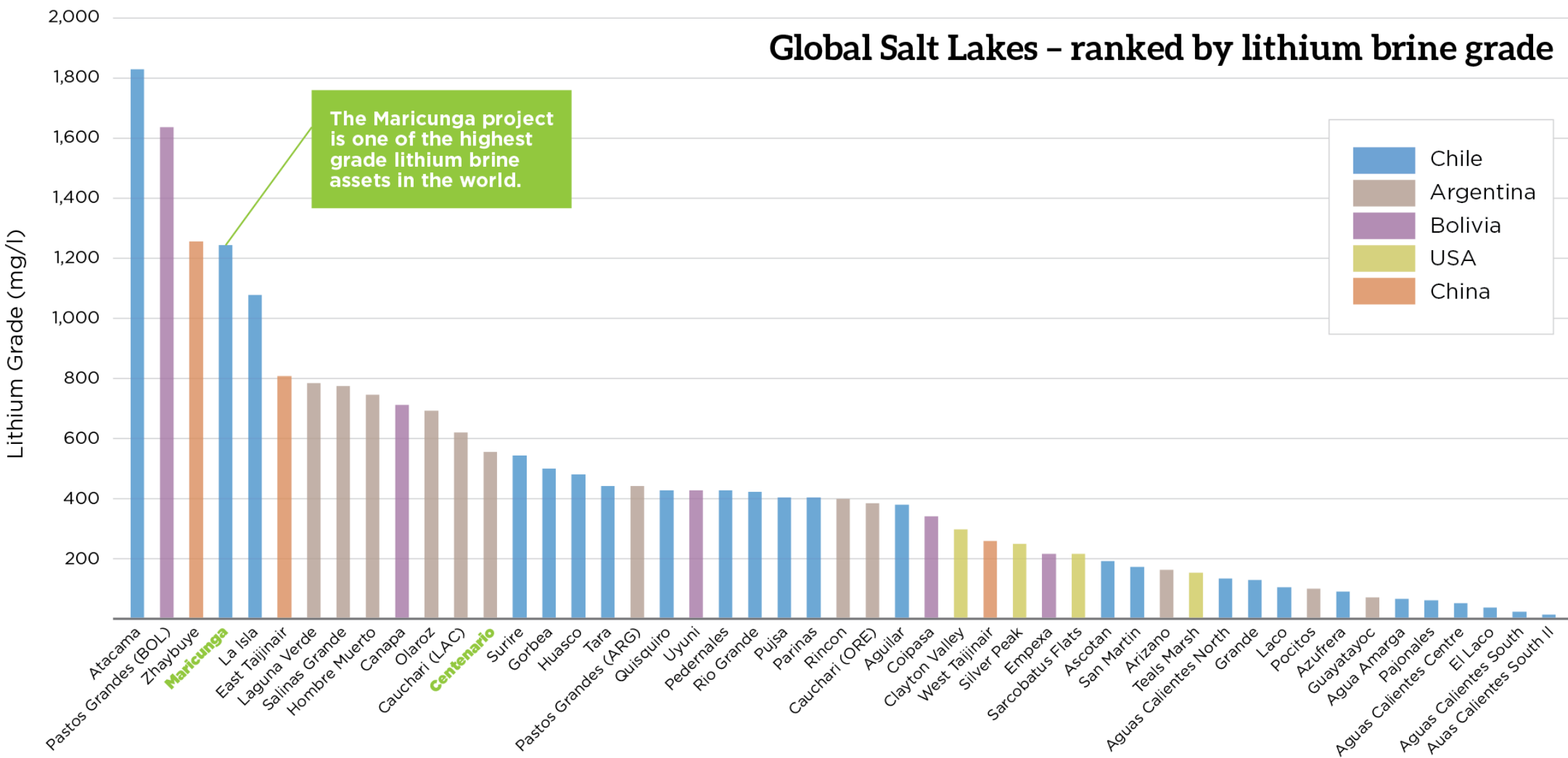
(4) S area – from Lacus preliminary resource estimate (which is outside of LPI tenements) dated Jan/Feb 2012

(5) Peter Ehren presentation at LSM Conference, dated 20–22 May, 2014

*Note: LPI cautions the foreign estimate (NI43-101) was not reported in accordance with the JORC code. This work was completed three years before the JV was announced on 20 July 2016. A competent person has not done sufficient work to classify the foreign estimate as mineral resources or ore reserves in accordance with the JORC Code. It is uncertain that following evaluation and/or further exploration work that the foreign estimate will be able to be reported as mineral resources or ore reserves in accordance with the JORC Code.*

# Maricunga - One of the highest grade salt lakes in the world

- As can be seen below, there are only 5 known salar globally with a lithium brine grade above >1,000mg/l.
- Further, 3 of the 5 highest grade salars are in Chile.
- On this measure, Maricunga ranks as the 4<sup>th</sup> highest lithium grade salar in the world, based on available public data.



Source: Company Reports, USGS, SERNAGEOMIM, Mark King IER, as at Oct 2016

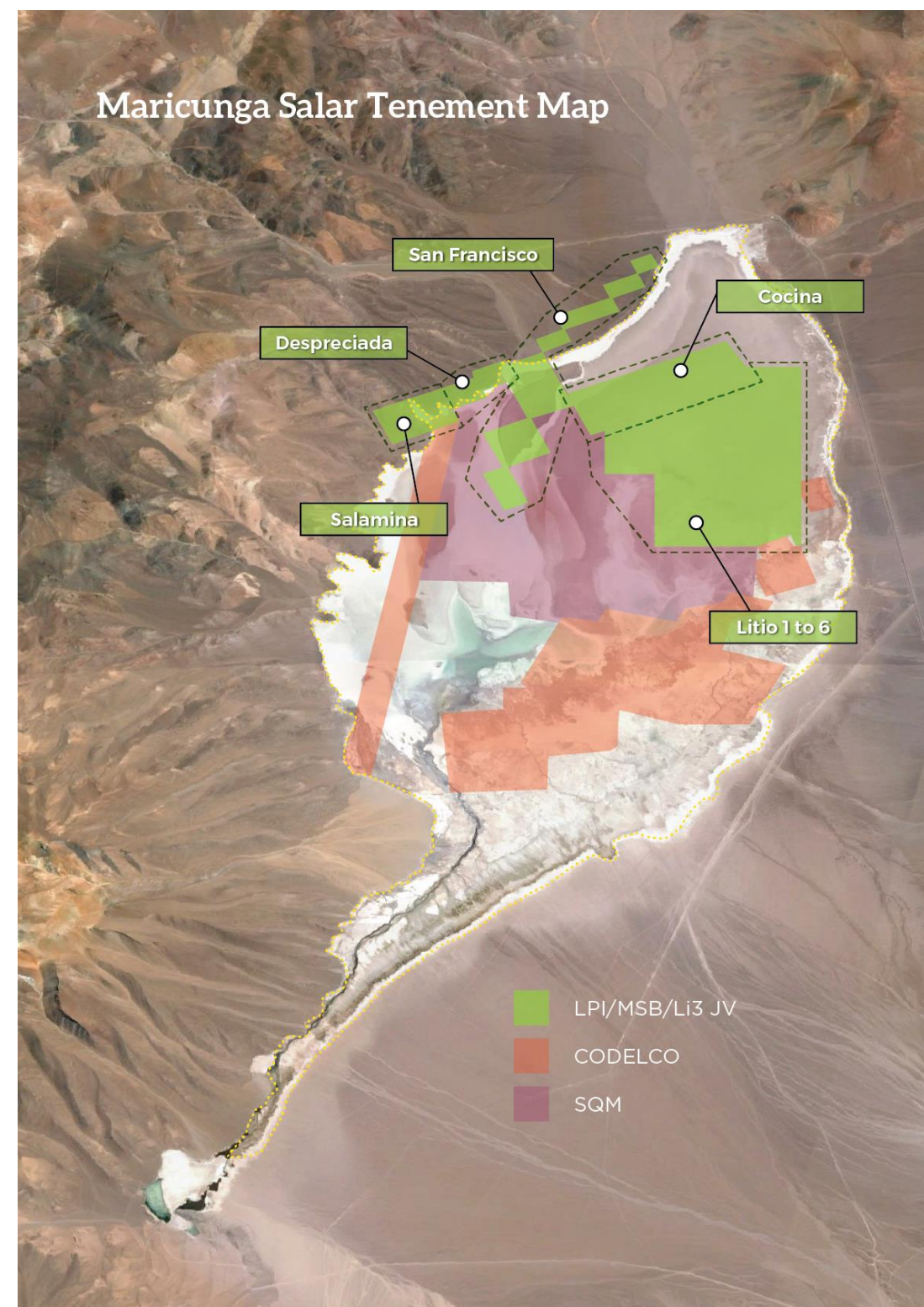


# Maricunga Lithium Brine JV - Tenement Map

- The JV tenements consist of a collection of holdings in the northern (lithium-rich) section of the Maricunga salar:

Tenement	Code	Size	Vendor
San Francisco	1932	425 Ha	LPI
Salamina	1932	150 Ha	LPI
Despreciada	1932	100 Ha	LPI
Cocina 19–27	1932	450 Ha	MSB/Li3
Litio 1–6	1982	1438 Ha	MSB/Li3
Blanco	n/a	1800 Ha	MSB/Li3
Camp1	n/a	100 Ha	MSB/Li3

- The Maricunga Salar has been subject to significant past exploration under the previous partners, MSB and Li3. More than US\$30m has been invested in these tenements over the past 5yrs, in order to generate the existing lithium resource.
- The current phase of exploration will include the drilling of new rotary & sonic holes, as well as new pumping test wells, within the “old code” tenements. These tenements were consolidated in the last 3yrs, and have not been previously explored for lithium.
- The drilling program commenced in late September 2016, and is expected to be completed by end January 2017. LPI is targeting an update of the existing lithium resource, with a new JORC report anticipated in 1H 2017.





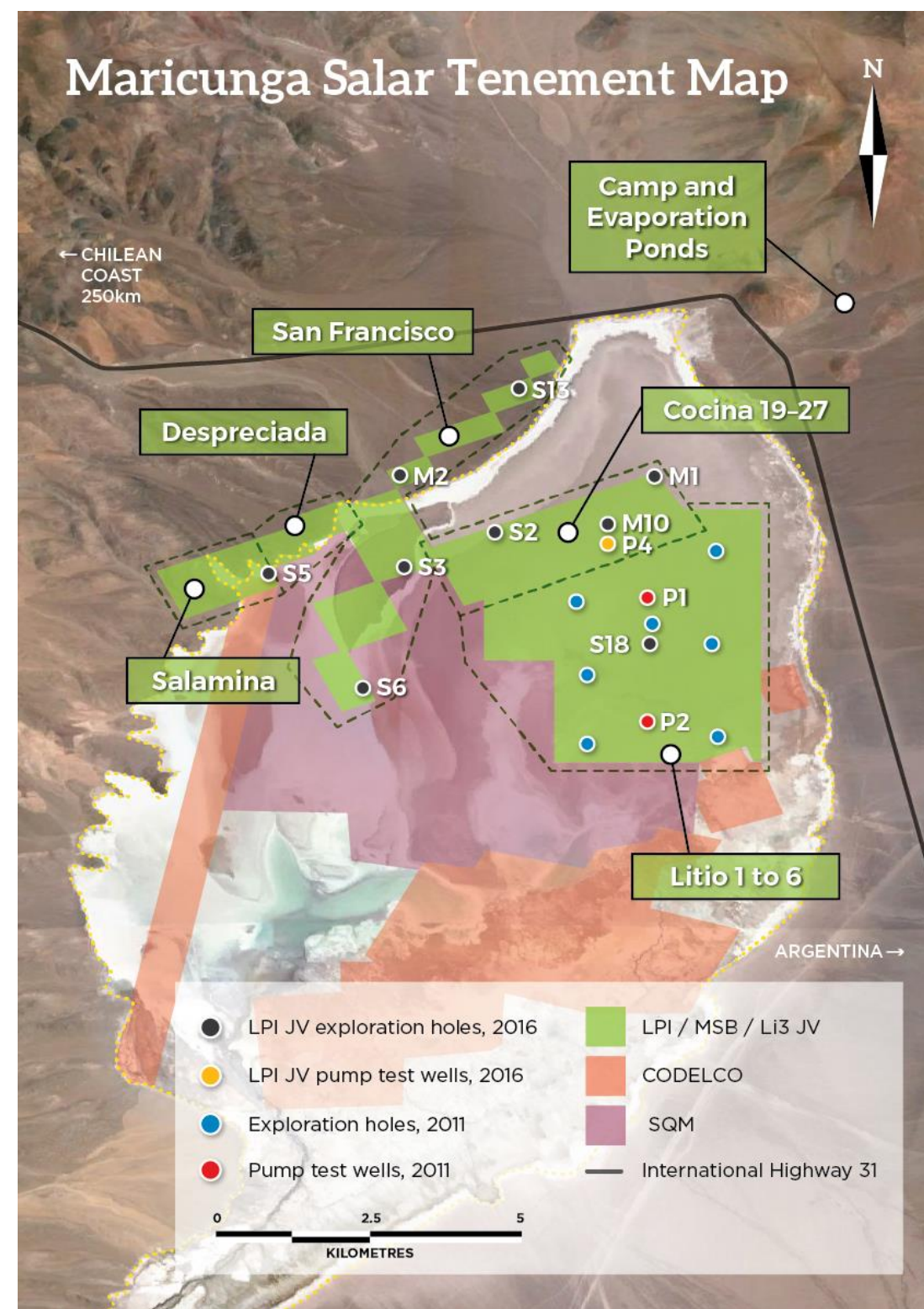
# Maricunga Lithium Brine JV – Drilling Update

- The resource & exploration drilling program at Maricunga is well underway\*:

Drill Hole	Location	Depth	Result
M10	Cocina	200m	1,239 mg/l of Li over 150–190m 8,611 mg/l of K over 150–190m
M1	Cocina	77m	1,447 mg/l of Li over 0–75m 9,903 mg/l of K over 0–75m
M2	San Francisco	198m	931 mg/l of Li over 0–198m 6,605 mg/l of K over 0–198m
P4	Cocina	180m	30 day brine flow test underway
S5	Salamina	200m	completed, assays pending
S3	San Fransisco	200m	completed, assays pending
S13	San Fransisco		underway

- Assay results from the first three drill holes (M10, M1, M2) produced high grades of both lithium and potassium over their test intervals. A further two drill holes have now been completed, with assay results due shortly.
- A new pumping test well (P4) has been completed as a twin hole to the first exploration hole in Cocina, with a 30-day brine flow test now underway. Historical results from other pumping test wells (P1 and P2) in 2015 indicated strong brine flow rate and high lithium grades within the Litio tenement.
- A number of monitoring wells have also been drilled, to start the data collection for the upcoming Environmental Impact Assessment (EIA) on the salar.

\* see Appendix for full details on the drilling results to date



# Maricunga Lithium Brine JV – Development Timeline





# Maricunga Lithium Brine JV – Structure & Ownership

- LPI, MSB and Li3 have agreed the following ownership structure for the new Maricunga JV entity in Chile (“NewCo”):

**Lithium Power - 50.0%**

**Minera Salar Blanco - 32.3%**

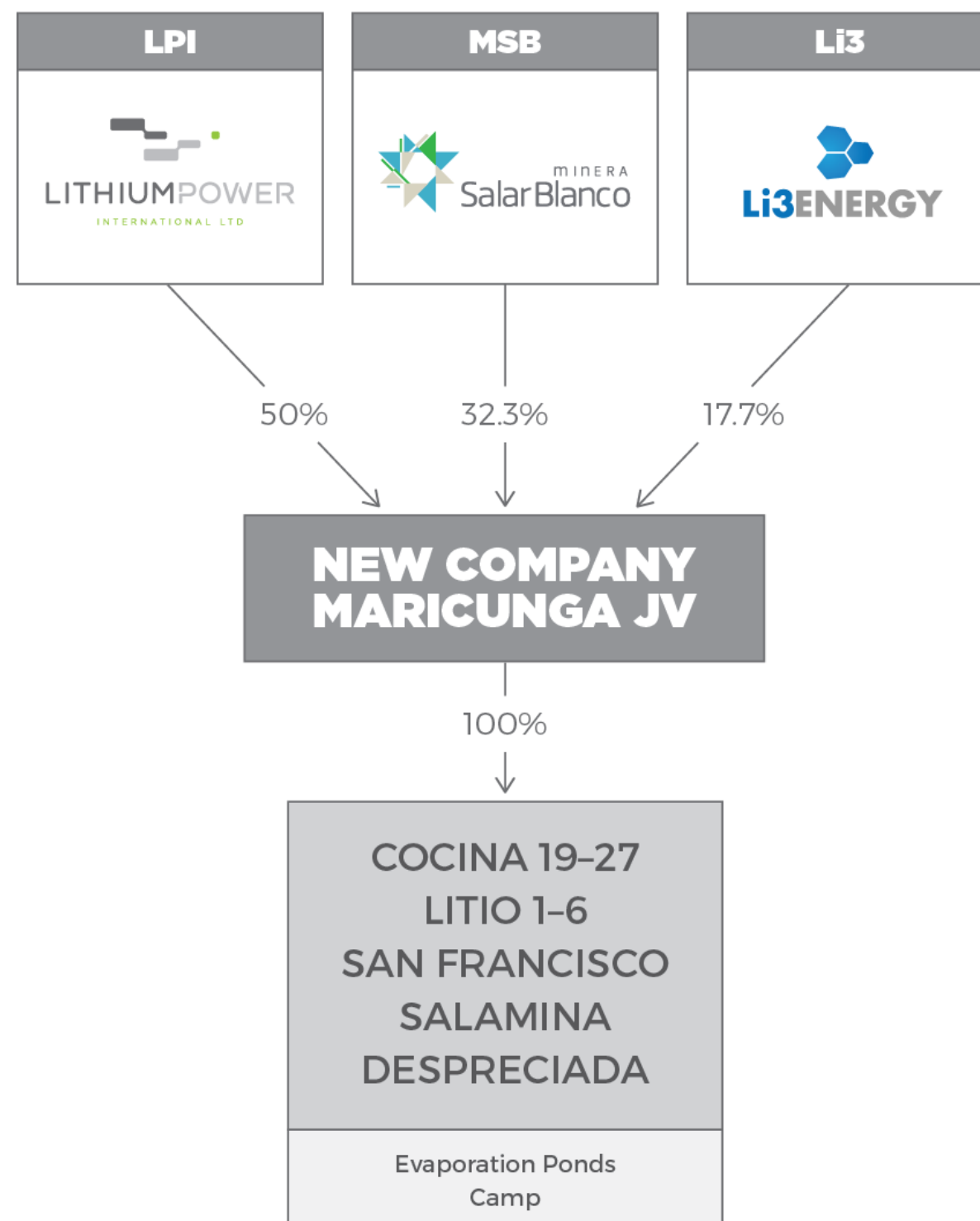
**Li3 Energy - 17.7%**

- NewCo has now been incorporated in Chile, and the Cocina 19-27 and Litio 1-6 tenements have now been vended-in by our JV partners.

- LPI has established a wholly-owned Chilean subsidiary, Lithium Power Inversiones Chile SpA, which holds LPI’s 50% share in NewCo.

- LPI has acquired & exercised the Option Rights over the San Francisco, Salamina and Despreciada tenements, and will transfer these tenements into NewCo upon JV finalisation. The Option Rights were acquired from MSB in return for 16m shares (voluntarily escrowed until 24 June 2018) as approved at the recent AGM. The exercise price was USD\$5.22m, paid in cash by LPI. It is noted that these 3 tenements are all granted under the “1932 old mining code”, which allows the immediate exploitation of lithium.

- Under the JV agreement, LPI holds 50% of the voting rights in NewCo from the outset. The Board will be split between LPI, MSB, Li3, based on each company’s respective shareholding in the JV. In addition, an expert Technical Committee will advise the Board during the development period.



# Maricunga Lithium Brine JV – Earn-In & Timeline

- Under the JV agreement, LPI will fund 100% of the Maricunga project development costs over the next ~2yrs to earn its 50% equity interest in NewCo.
- The earn-in payments and timeline for the Maricunga JV are as follows:
  - LPI to provide NewCo with initial capital of USD\$8.38m to facilitate Phase 1 and 2 of the Maricunga JV exploration & appraisal program over the next 12mths until December 2017. This payment comprises:
    - a) Secured loan to NewCo of up to USD\$3.92m, drawn down as required until JV finalisation, in order to fast-track the current lithium resource drilling program. This loan is funded from LPI's current cash reserves, and will be converted to equity in NewCo (forming part of LPI's 50% interest in NewCo), following completion of all other initial JV requirements.
    - b) LPI will provide a further USD\$4.46m to NewCo to cover other operating expenses required to meet the project milestones over the next 12 months, as listed below.
  - A final earn-in payment of USD\$13.62m to NewCo will be made in stages from November 2017 until December 2018, to fund the full Definitive Feasibility Study ("DFS") and the Environmental Impact Assessment ("EIA") approval.
  - Any further funding required for the JV beyond this final earn-in payment is to be provided on a pro-rata basis by the three JV partners.
- Project milestones to be completed over the next 12mths:
  - exploration wells & resource drilling
  - pumping wells & brine flow testing
  - new JORC lithium resource report
  - construction of evaporation test ponds
  - construction of the lithium carbonate pilot plant
  - construction of site camp, roads & other infrastructure
  - preparation work for the EIA and DFS
- The JV has a target date for completion of the DFS and approval of the EIA of late 2018.



Maricunga pump test (2015)



Maricunga drill hole #1 (Sept 2016)



# Maricunga JV – Management & Technical Committee

## **Mr Christobal Garcia-Huidobro – Chief Executive Officer – NewCo**

Civil Engineer with 18yrs experience developing & financing of Mining, Energy, Infrastructure, Finance & Property projects. Formerly CIO of investment company CENTINELA. Board or committee member of a number of mining, property and agricultural funds in North & South America.

## **Mr Andres Lafuente – Chief Operating Officer – NewCo**

Senior Executive with 24yrs experience in Financial & Infrastructure companies. Previously, GM for Scotia Bank in Chile, and Corporate Manager of Compliance for Euroamerica Financial & Life Insurance.

## **Mr Tarek Halasa – Chief Development Officer – NewCo**

Civil Engineer with 17yrs international experience, specialising in project & cost management, feasibility studies, and sub contractor management. Previously held the role of Construction Coordinator for Bechtel for the past 8 years, working on projects for BHP, Xstrata, Anglo, and BP.

## **Mr Don Hains – QP under TSX NI 43-101 – MSB**

Professional Geoscientist with over 35yrs of experience in exploration, appraisal, development, and analysis of industrial minerals including lithium. Has prepared valuation reports for feasibility & market studies in Canada, USA, Europe, Africa and Asia. Author of CIM Best Practice Guidelines for Estimation of Lithium Brine Resources & Reserves.

## **Mr Frederick Reidel – QP under TSX NI 43-101 – MSB**

Hydrogeologist with 25yrs experience in water, lithium brine and infrastructure projects in North & South America. Undertook the reserve evaluation & feasibility study for Orocobre at the Olaroz lithium brine project. Technical advisor to Lithium Americas on the Cauchari lithium brine project. Participated in the initial resource evaluation for FMC's Hombre Muerto lithium brine project.

## **Mr Peter Ehren – QP under TSX NI 43-101 – MSB**

Independent consultant, and industry expert in development processes and technical & economic assessment for new brine projects, especially relating to lithium and potassium. Currently also consulting to Orocobre on the Olaroz project. Previously designed & evaluated projects in Chile, Argentina, China, and Australia.

## **Dr Luis Ignacio Silva P – Board Member – LPI**

Senior Geologist with over 40yrs experience, including the last 10yrs in lithium brine. Previously, Deputy Manager of Geology at SERNAGEOMIM (Chilean Geological Survey). Has project experience in Chile, Argentina, Panama, Bolivia, Costa Rica, and Peru. He has worked with a variety of mining companies including: Talison, Freeport, Amax, Barrick, Homestake, Rio Tinto, Shell-Billiton, Pegasus, and the Chilean Nuclear Energy Commission.

## **Mr Murray Brooker – QP/CP under TSX NI 43-101/JORC – LPI**

Senior Geologist specialising in lithium brine over the last 6yrs, with 25yrs total experience in mining and exploration. Areas of expertise include: project management, project evaluation & feasibility, and geological interpretation & reporting. Has previously led teams in Chile, Argentina, and Australia. Was the JORC Competent Person to Orocobre on their Olaroz lithium brine project.

## **Dr Mark King – QP/CP under TSX NI 43-101/JORC – LPI**

Independent consultant, and Professional Geoscientist & Hydrogeologist who has consulted on multiple lithium brine projects across North & South America. Experience includes: resource & reserve estimation, project due diligence, and numerical brine modelling. Completed the IER on the Centenario Salar in the LPI prospectus.



*Maricunga JV technical team on site (2016)*



# Maricunga JV - Exploration Program 2016

Pump Well Drilling



Drill Cuttings



Brine Samples



Resource Drilling





# Maricunga JV - Exploration Program 2016

Test Ponds and Camp



Pump Test Pipeline



Pump Well Preparation



Drillers and LPI Board





# Maricunga JV - Exploration Program 2016





---

## LPI – Maricunga Lithium Brine JV Highlights

Lithium is the new growth commodity ✓

Lithium brines are at the bottom of the global cost curve ✓

Lithium brines produce 99%-grade lithium carbonate feedstock ✓

Highest grade lithium brine deposits & largest producers are found in the Atacama region of Chile ✓

Old code mining tenements, which allow immediate exploitation of lithium ✓

Capex already spent to consolidate salar & prove high-grade lithium resource ✓

Close to existing road & port infrastructure ✓

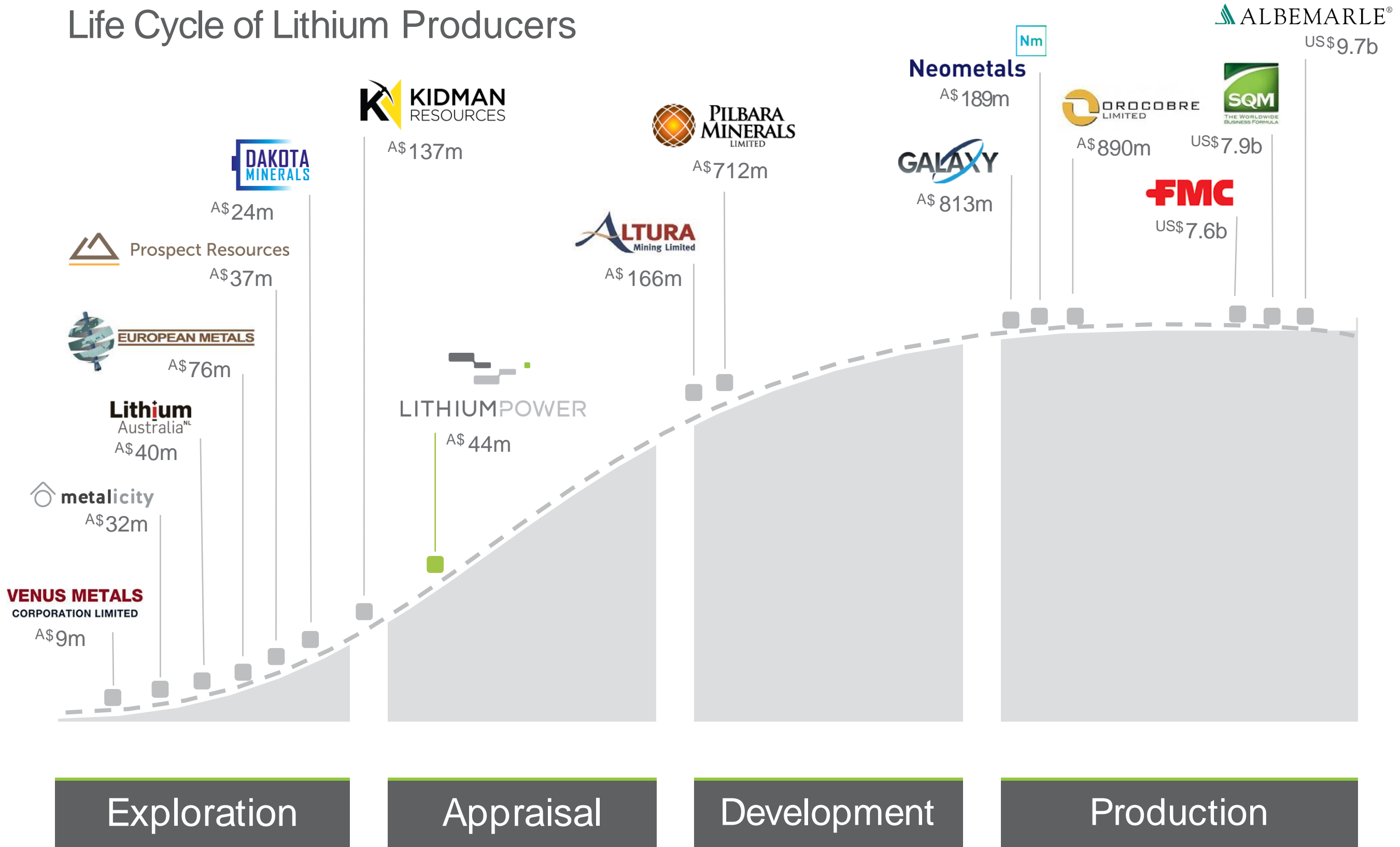
Final drilling program has commenced, to update current lithium resource ✓

All Government permits to DFS completed ✓

50% ownership of the asset, with Chilean corporate partner ✓

**LPI = the only ASX-listed company with exposure to a high-grade Chilean lithium brine resource**

# Life Cycle of Lithium Producers



Source: Bloomberg

Market capitalisations as at 05/12/16





## LPI's Other Lithium Projects



# Lithium Power - Our Other Projects

- Apart from the Maricunga Salar JV, Lithium Power has three other distinct project areas - two spodumene hard rock projects in Western Australia, and one additional lithium brine project in Argentina.
- In summary:
  1. **Greenbushes** in southern Western Australia – Two granted exploration tenements adjacent to the world's largest hard-rock lithium spodumene mine owned by Talison / Tianqi. The tenements are 100% owned by LPI.
  2. **Pilbara** in northern Western Australia – Three pending exploration tenements, the largest of which is located at Pilgangoora, and adjacent to the lithium spodumene deposits discovered by PLS, AJM and DKO. The exploration tenements, once granted, will be 100% owned by LPI.
  3. **Centenario Salar** in northern Argentina – A collection of lithium brine exploration tenements within the central & northern section of the salar. In the same region as ORE, FMC and LAC. The tenements are 100% owned by LPI.

*Greenbushes Mine*



*Pilbara Tenement*



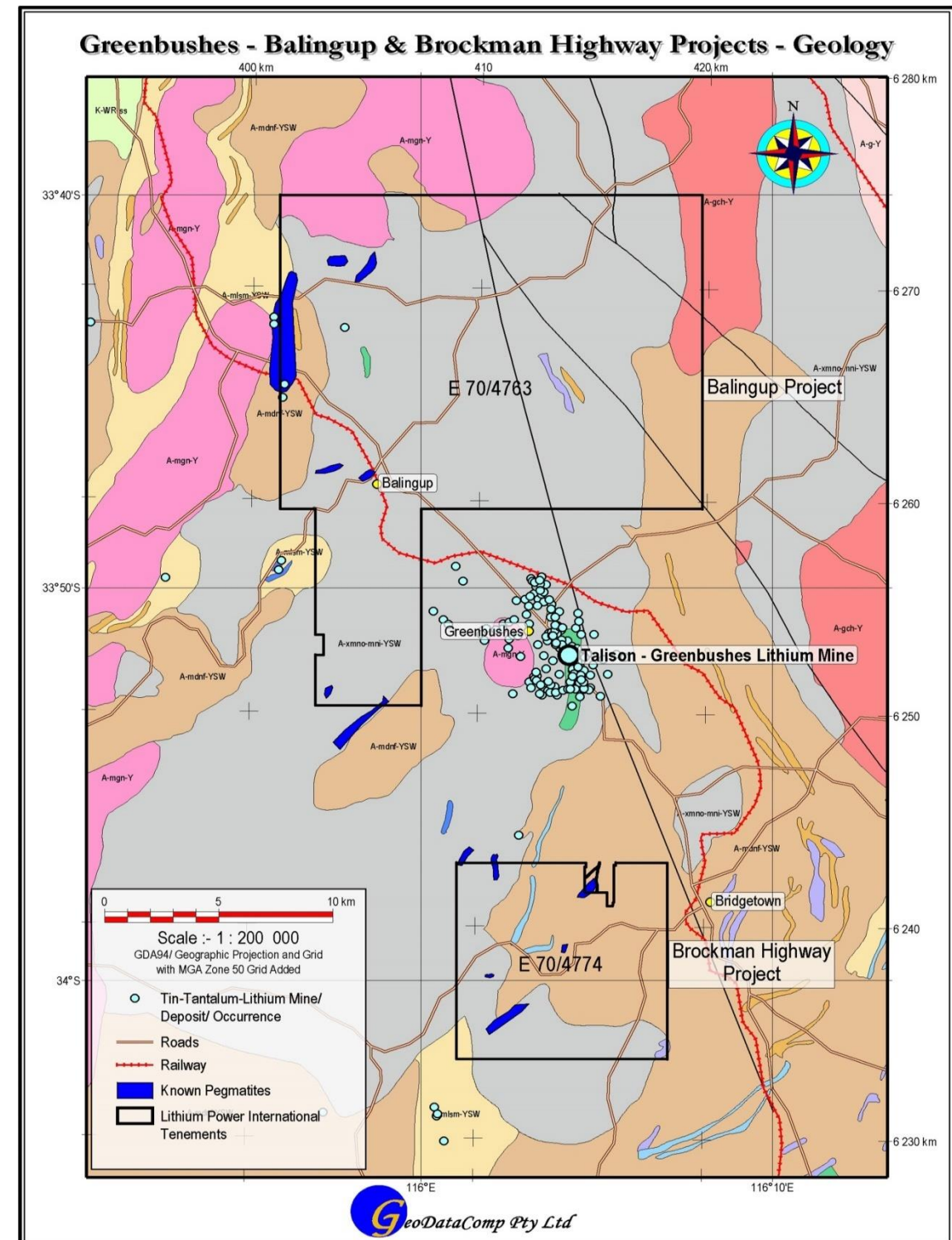
*Centenario Salar*





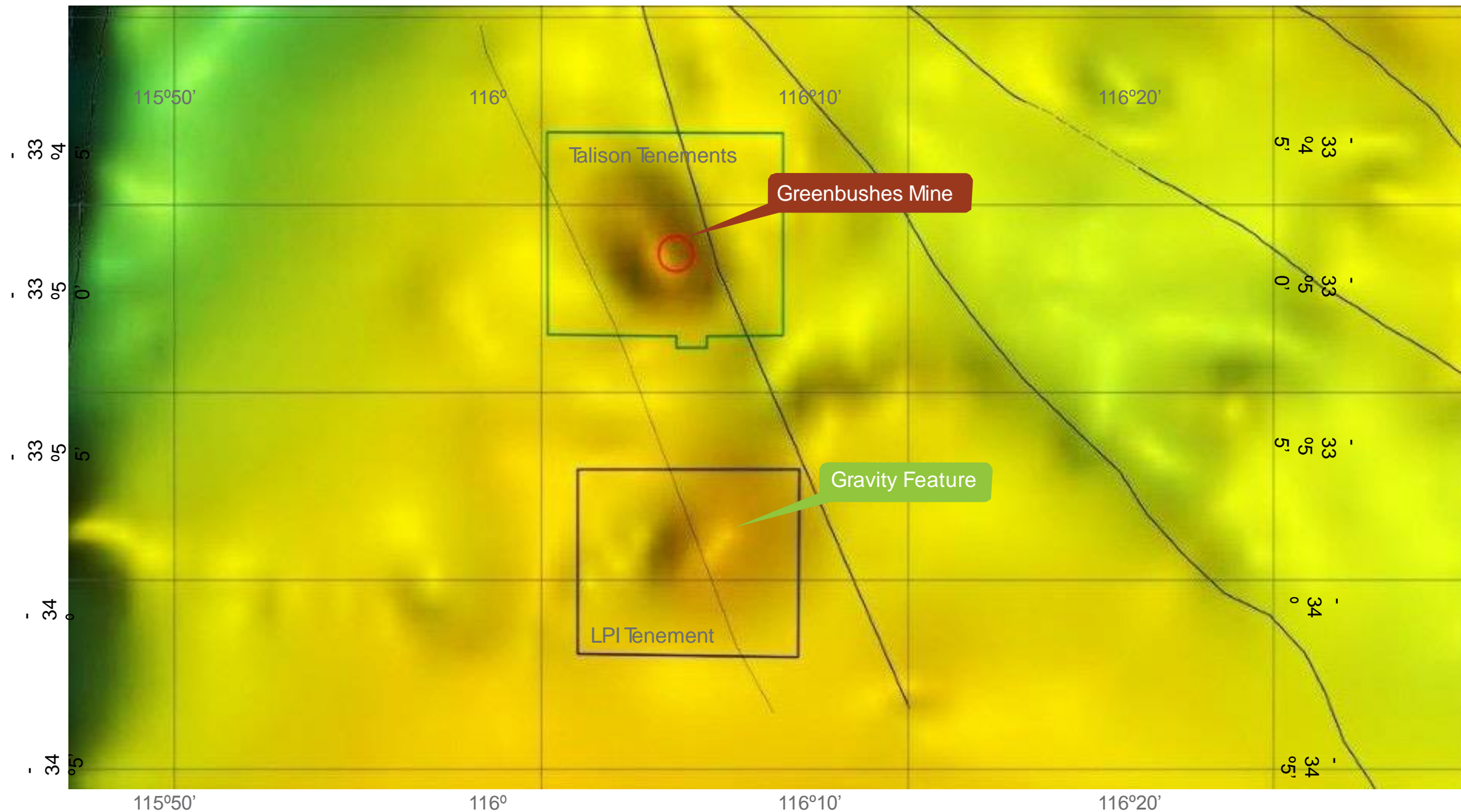
# Greenbushes Project - adjacent to Talison's lithium mine

- LPI's tenements include two separate project areas in the Greenbushes region:
  1. **Balingup Project** - a large tenement extending north and west of Talison's Greenbushes mine.
  2. **Brockman Highway Project** - a second tenement extending south of the Greenbushes mine, and divided by the Brockman Highway.
- Only 1.5% of LPI's project areas have been explored for lithium mineral occurrences, despite their close proximity to the Talison mine.
- The next steps in terms of exploration of the Greenbushes area includes an aeromagnetic survey across both tenements in order to identify potential drill targets.



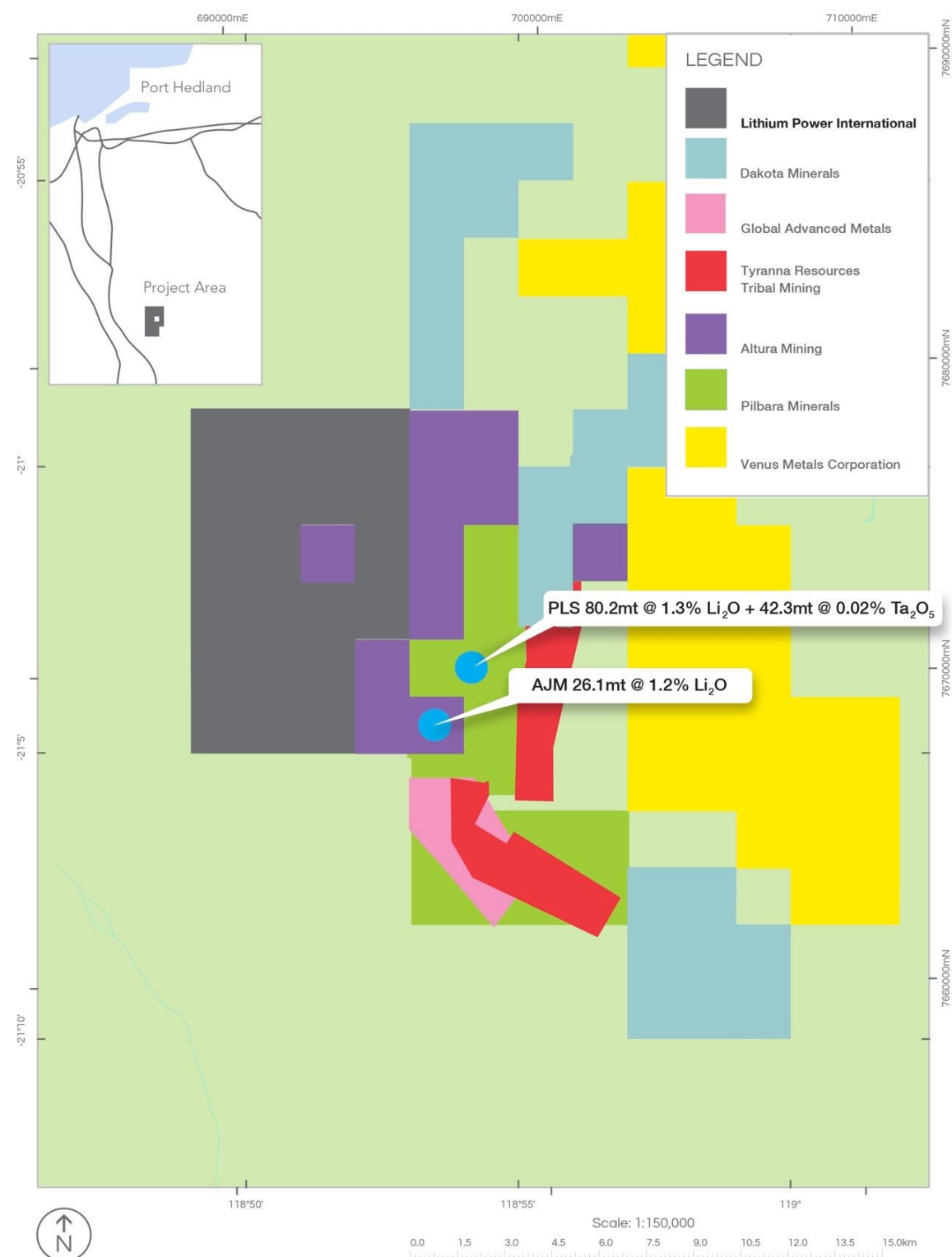
# Greenbushes Project - similar gravity feature to Talison mine

- Open source gravity imagery shown below indicates two circular features in the Greenbushes area. One feature is coincident with the Talison mine, and the other is coincident with LPI's Brockman Highway project area.





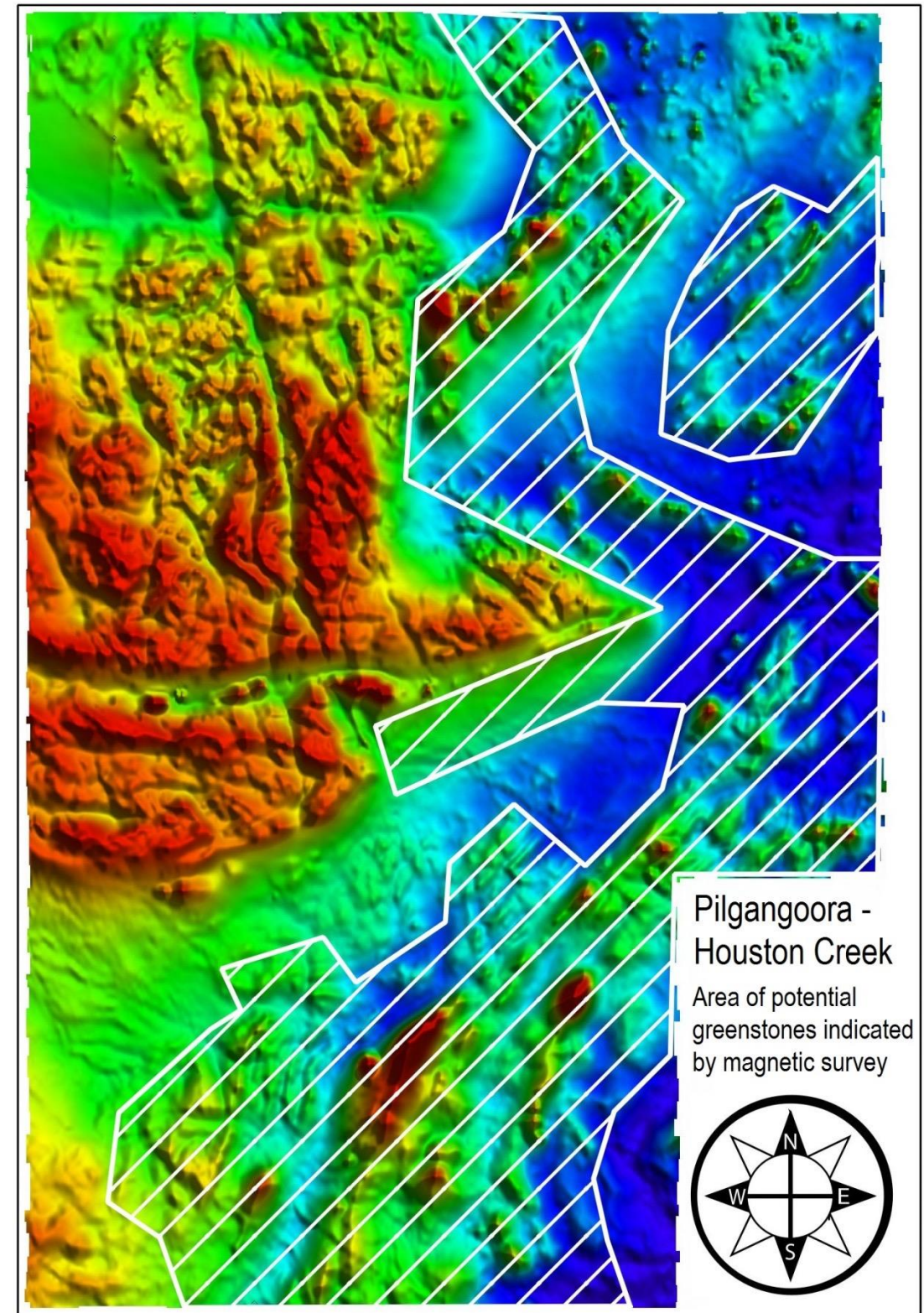
# Pilgangoora Project - directly adjacent to known lithium deposits





# Pilgangoora Project - local geology and lithium mineralisation

- In January 2016, LPI completed an aeromagnetic survey across the Pilgangoora-Houston Creek application area.
- The shaded area in the image opposite highlights a region of interpreted greenstones extending north to south across the tenement.
- It is likely that any greenstone in this area would be part of the neighbouring greenstone belt hosting the Pilgangoora lithium pegmatite deposits, according to our IER.
- The estimated strike length of the greenstone area is 12km on our tenement. This will represent a high priority target area for further exploration.
- This tenement was granted for exploration on 18<sup>th</sup> October 2016. Soil survey work has already been completed, with assay results due shortly. These results will assist in identifying drill targets, with a campaign scheduled for 1H17.





# Centenario Project - located in known lithium brine province

- In February 2016, LPI entered into an agreement to acquire a number of tenements in the Centenario salar within the province of Salta in north west Argentina.
- On 29<sup>th</sup> August 2016, the Company announced that it had acquired an additional tenement in the salar, Centenario 3. In total, the 7 properties (6 granted and 1 in application) comprise a total area of approximately 70km<sup>2</sup>.
- The majority of the other tenements in the Centenario salar are owned by public French company Eramet.
- Centenario is in the same region as other lithium brine projects including:
  - Salar de Olaroz – Orocobre, Toyota
  - Salar de Cauchari – Orocobre, SQM, Lithium America
  - Salar de Salinas Grandes – Orocobre
  - Salar Del Hombre Muerto – FMC, Galaxy



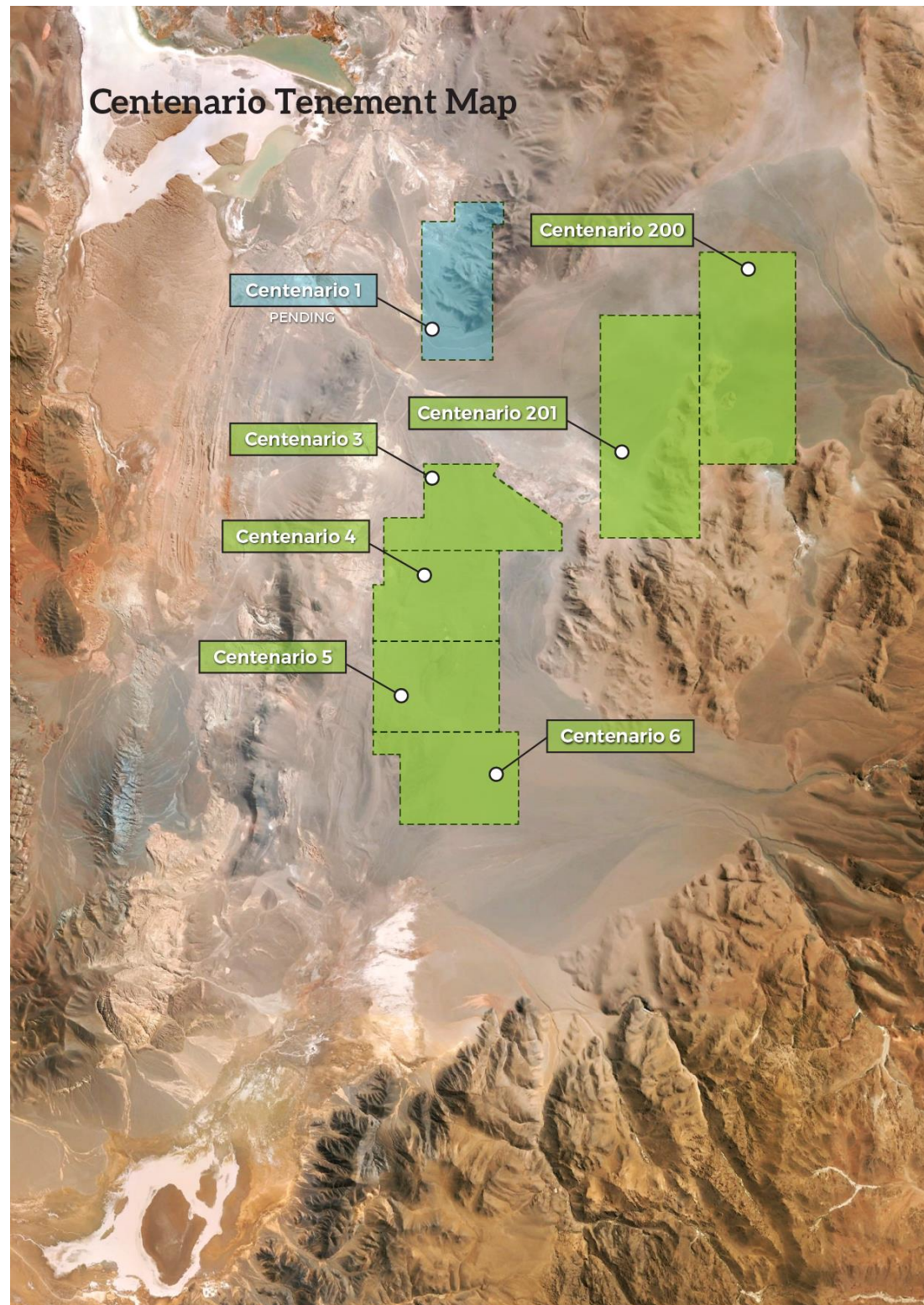
*Eramet pump test at Centenario Salar (2015)*



*LPI tenements at Centenario Salar (2015)*




# Centenario Project – Tenement Map



- These properties are in the early stages of exploration, but have the potential to host economic concentrations of lithium in subsurface brine, according to the Independent Experts Report in our Prospectus of 23 May 2016.
- In terms of future exploration, the first stage will entail geophysical surveys to identify viable drilling targets. This will be followed by a series of drill holes and pumping tests.



A photograph of a Tesla Supercharger station. In the foreground, a white charging station with a red cable is visible. The word "TESLA" is printed in red on the top of the station. A dark blue Tesla car is parked at the station, with the charging cable plugged into its rear. The background shows a modern building with a white roof and some greenery.

TESLA

---

## Lithium Market & Outlook

# Lithium is charging the future...

- Lithium-ion batteries are the preferred choice for portable energy storage given the combination of:

- ✓ light weight
- ✓ high energy density
- ✓ slow self-discharge
- ✓ low maintenance
- ✓ low environmental risk

*“Lithium is the new gasoline”*

(2 Dec 2015)



*“Lithium is now considered a key, strategic energy metal...”*

(1 Dec 2010)



*“...within 30 years, a majority of new cars made in the United States will be electric”*

(25 Jul 2008)



*“Given the continued growth in Electric Vehicles, lithium carbonate prices are expected to increase over the forecast period...”*

(LPI prospectus 23 May 2016)





---

## Recent lithium headlines & deals...

*"Tianqi purchase of SQM stock sends lithium companies soaring"*  
(28 Sep 2016)

FINANCIAL POST

*"Russian nuclear firm Rosatom eyes Chilean lithium"*  
(2 Oct 2016)

 REUTERS

*"Tesla wins massive contract to help power the California grid"*  
(15 Sep 2016)

Bloomberg

*"German Government votes to ban internal combustion engines by 2030"*  
(9 Oct 2016)

DER SPIEGEL

*"China wants 3 million electric cars on road by 2025"*  
(15 Sep 2016)

CCTV  
AMERICA

*"Chinese plan \$400m lithium plant at Kwinana"*  
(19 Aug 2016)

The West Australian

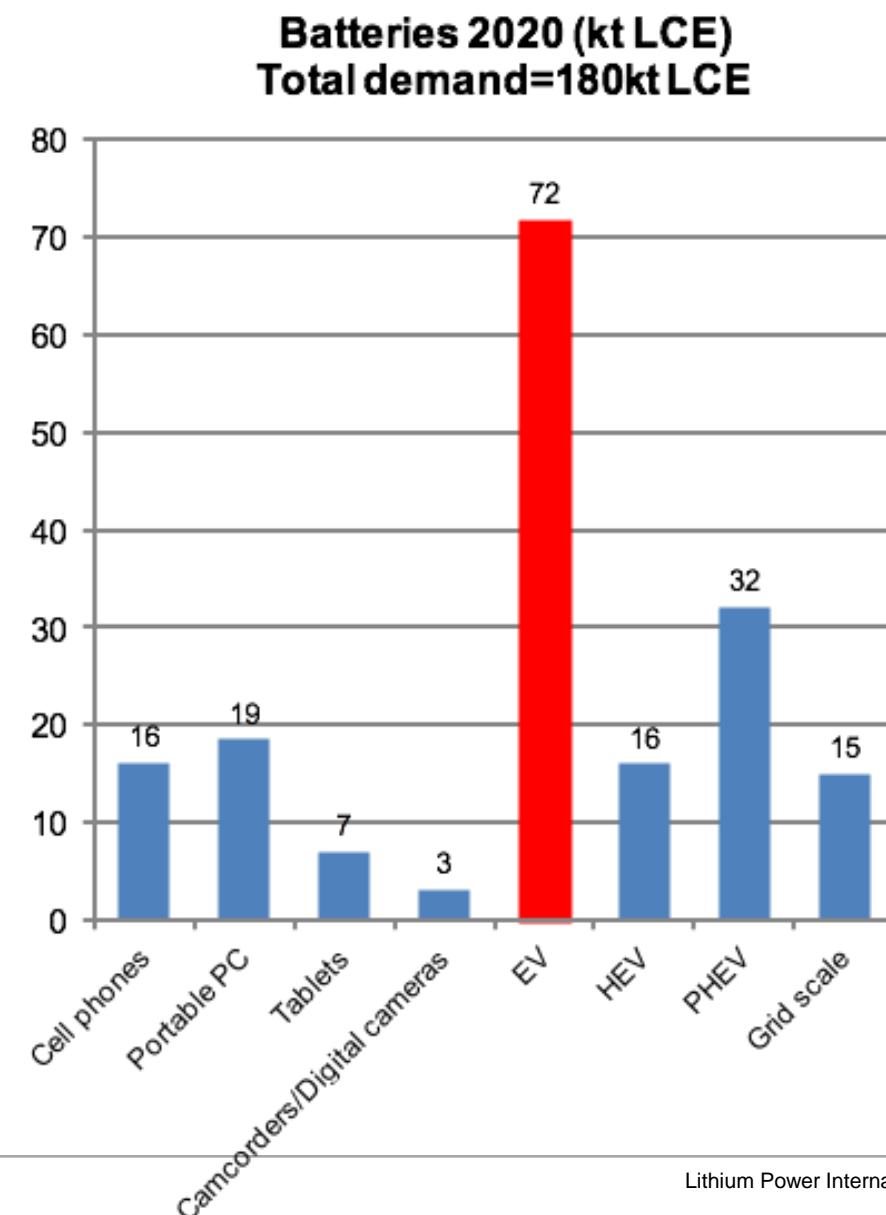
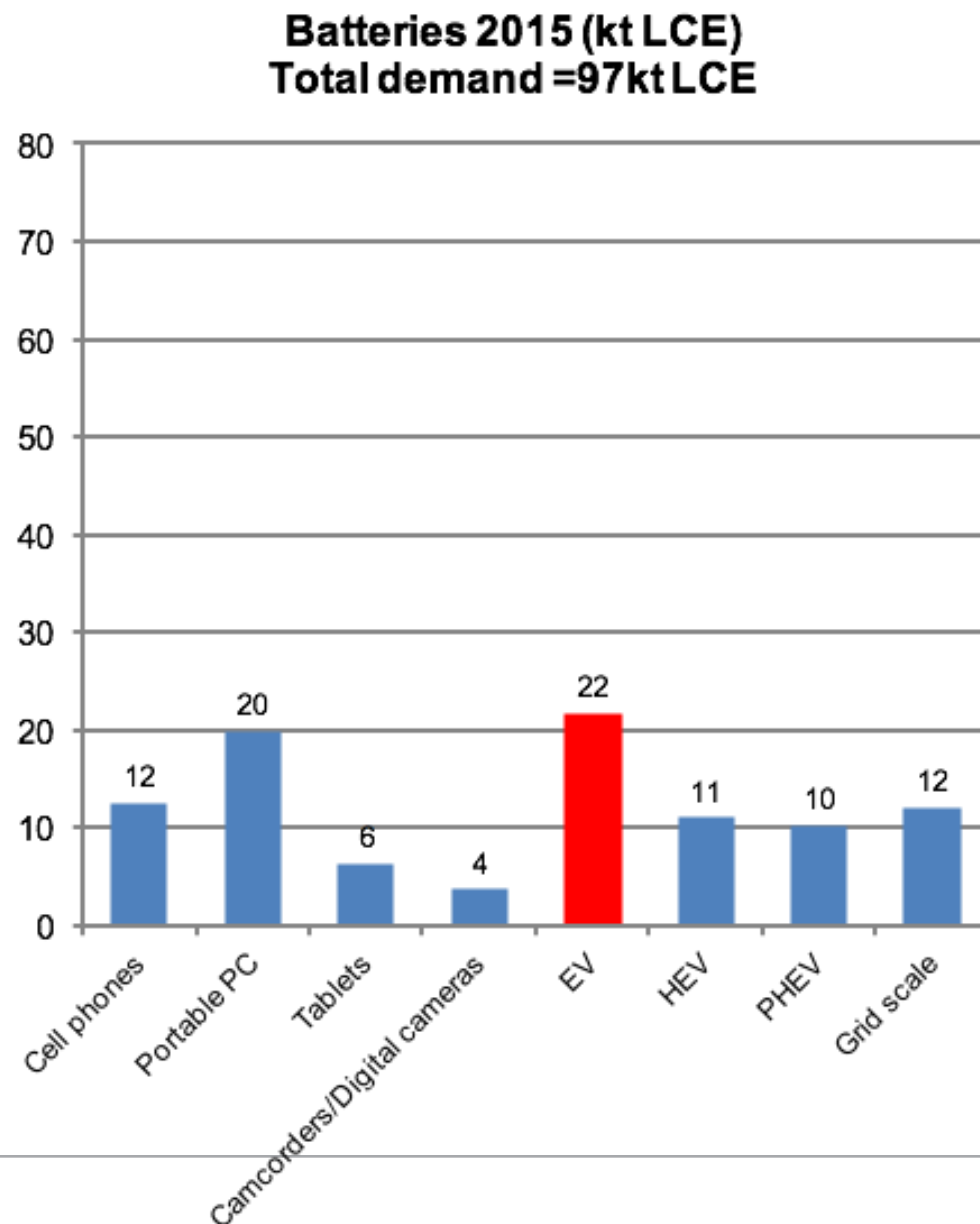
*"Carmakers embrace an electric future at Paris motor show"*  
(30 Sep 2016)

FINANCIAL TIMES

# The key expected growth for lithium is car batteries, particularly in China

- According to CRU, total global lithium demand across all applications is forecast to grow at +8% pa (CAGR) over the 5 years to 2020.
- Last year, 44% of global lithium consumption was for lithium-ion rechargeable batteries, with demand expected to grow at +13% pa in this segment over the next 5 years to 2020.
- Within battery demand, growth in electric & hybrid vehicle batteries is expected to grow at +23% pa over the next 5 years.
- The main driver of this EV/HEV/PHEV growth is China, which represents >50% of global battery production capacity.

Note: Information in this slide is sourced from the CEO Report in LPI's prospectus dated 23 May 2016 and is available at [www.lithiumpowerinternational.com](http://www.lithiumpowerinternational.com)

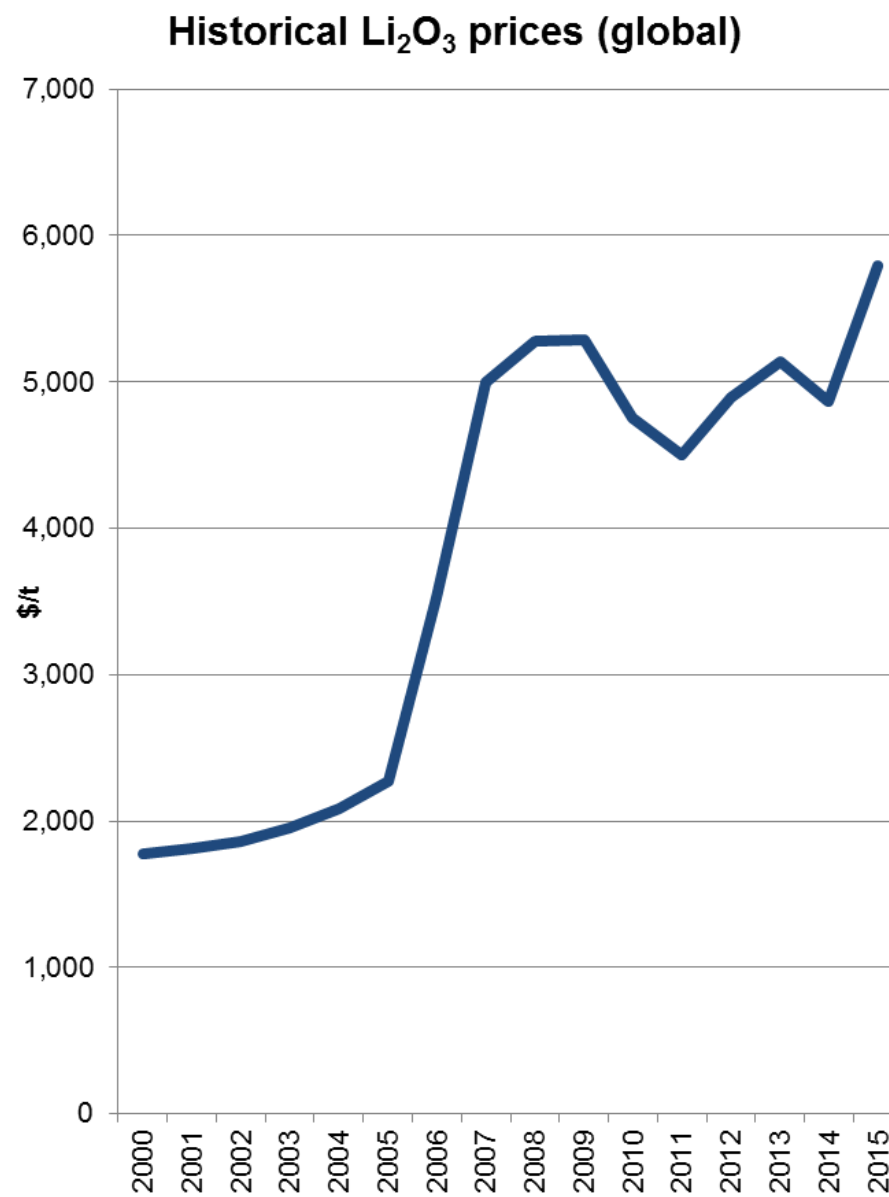


Source: CRU

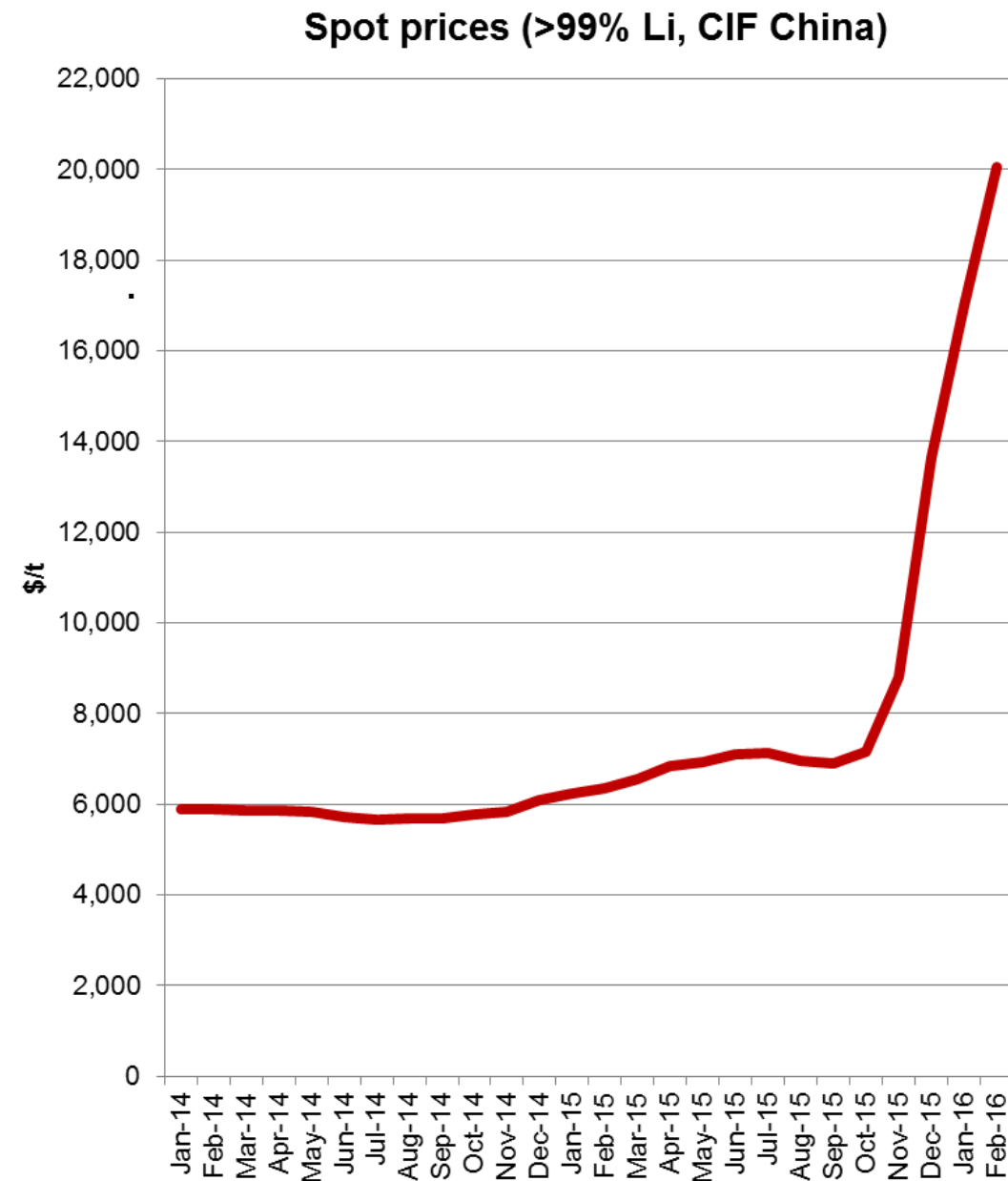


# Lithium prices have rallied, driven by strong demand

- A combination of strong demand and supply interruptions has resulted in the Chinese lithium price rallying from ~US\$5,000/t in mid 2015 (contract) to ~US\$20,000/t currently (spot). Please refer to LPI prospectus dated 23 May 2016 for more details.

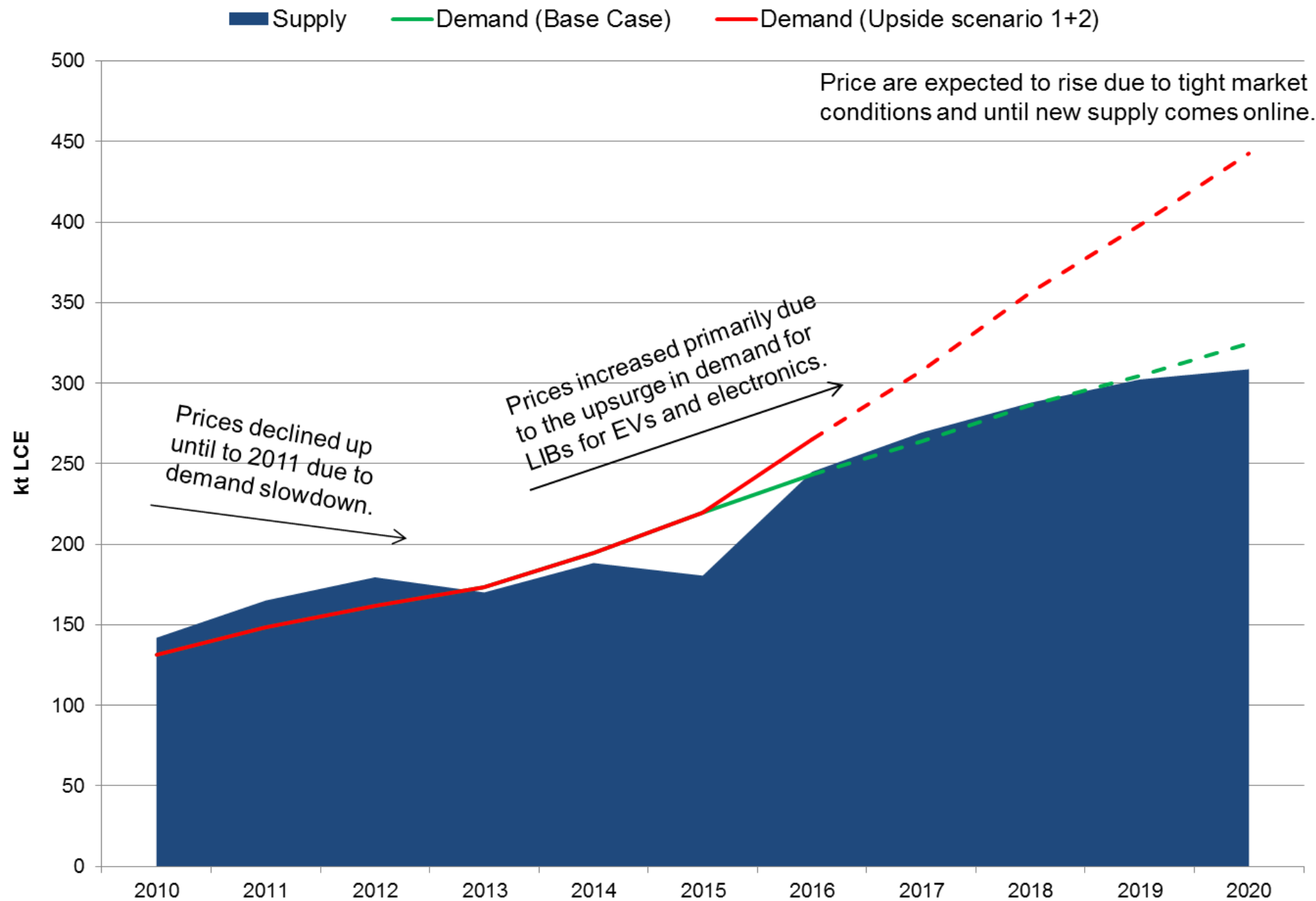


Source: CRU, GTIS, Asian Metal



# The fundamentals for lithium are expected to be strong in the medium term...

- Based on CRU's forecasts (see LPI prospectus dated 23 May 2016), the supply/demand balance for lithium will continue to remain tight over the next 5 years as illustrated below.



Source: CRU





Appendix



# Maricunga – Drilling Details To Date

Hole No	Coordinates (WGS 84 zone 19S)		Elevation m above mean sea level	Total Depth (m)	Azimuth	Dip	Drilling method
	UTM mN	UTM mE					
M1	7,028,190	494,270	3,760	77	0	-90	Core/Rotary
M2	7,028,210	490,570	3,765	198	0	-90	Core/Rotary
P4	7,027,180	493,440	3,760	180	0	-90	Rotary
M10	7,027,170	493,450	3,760	200	0	-90	Rotary
S3	7,026,300	490,560	3,765	200	0	-90	Rotary
S5	7,026,390	488,540	3,765	200	0	-90	Rotary
S13	7,030,020	492,310	3,765	underway	0	-90	Rotary

Hole M10	150 m	160 m	170 m	180 m	190 m	Average 150-190 m
Li mg/l	990	1,571	1,450	1,033	1,150	<b>1,239</b>
K mg/l	7,500	11,090	10,097	7,120	7,250	<b>8,611</b>

Hole M1		
Depth	Li mg/l	K mg/l
9	1500	10630
12	1914	12410
15	1946	12610
30	1650	11240
36	1130	8320
42	863	6740
54	1170	7960
60	1263	8270
75	1583	10950
<b>Average</b>	<b>1447</b>	<b>9903</b>
Hole M2		
8.6	1700	11820
12	1697	11960
18	860	6090
24	707	4870
30	1313	9430
36	1480	10880
42	1110	8440
48	1290	9620
54	1130	8490
60	1165	8520
66	1193	8810
72	883	6370
78	830	6020
84	1040	7540
90	1017	7250
96	930	6590
102	890	6240
108	810	5700
114	837	5700
120	733	5050
126	777	5230
132	780	5360
138	750	5070
144	740	5940
150	643	4270
156	700	4490
162	660	4520
168	707	4710
174	700	4810
180	707	5110
186	707	5020
192	637	4250
198	590	3810
<b>Average</b>	<b>931</b>	<b>6605</b>





7/151 Macquarie Street, Sydney, Australia  
Avenue El Golf 40, Piso 20, Las Condes, Santiago, Chile  
Avenue Santa Fe 1592 - 4º piso (C1060 ABO), Buenos Aires, Argentina  
ACN 607 260 328

[lithiumpowerinternational.com](http://lithiumpowerinternational.com)