

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 interest in its Argentinian lithium project situated in the Centenario salar to Centenario Lithium Limited ("the Purchaser").

As announced on 4 December 2017, the Company has entered into binding contracts with the Purchaser to dispose of 100% of the shares in Lithium Power International Holdings (Argentina) Pty Ltd ("LPIH"). LPIH is the Company's wholly-owned Australian subsidiary that holds the Company's interest in the Centenario project (the "Transaction").

The Transaction was scheduled for completion on or before 30 April 2018, however through no fault of the Company the Transaction has not yet completed. The parties have therefore agreed to extend the completion date to 14 May 2018.

The Purchaser has already advanced the Company an amount of \$1 million to complete its initial payment obligations. At completion, the Purchaser will be required to pay an additional A\$3M in cash to the Company. This cash price will be reduced by \$250,000 in the event that a specified tenement is not transferred to the LPIH group.

In addition, the Purchaser is required to:

- pay to LPI a success fee of \$375,000 on announcement of a maiden JORC resource above of at least 250,000 tonnes of lithium carbonate equivalent; and
- grant to LPI a royalty of 1.5% on gross revenues earned from Centenario for a period of 20 years commencing on the date of finalisation of a definitive feasibility study.

In the event that the Transaction does not complete by 14 May 2018, the Company will retain the \$1 million already received from the Purchaser and will transfer to the Purchaser shares representing 30% of the total issued capital of LPIH.

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