

31 October 2022

LPI CONSOLIDATES 100% OF THE MARICUNGA PROJECT

HIGHLIGHTS

- Final completion in sight for 100% consolidation of the Maricunga lithium brine project
 - LPI shareholders approve the issue of consideration shares under the SBD Transaction to acquire the remaining 31.31% interest in the project
 - Bearing shareholders approve the Bearing Transaction for LPI to acquire their 17.14% interest in the project
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Lithium Power International Limited (**ASX: LPI**) ("**LPI**" or the "**Company**") is pleased to provide an update on the progress of the consolidation of LPI's flagship Maricunga lithium brine project ("**Maricunga**" or "**Project**").

As announced on 22 June 2022, the Company currently holds a 51.55% interest in the Project. The Company entered into definitive binding agreements with its joint venture partners to acquire their interests and consolidate 100% ownership of the Project via two separate all-scrip merger transactions, (together the "**Consolidation Transaction**") with:

- a Delaware (USA) based merger with Salar Blanco, LLC ("**SBD**") and a concurrent Australian scheme of arrangement ("**Australian Scheme**") pursuant to which LPI will merge with SBD and consequently acquire its 31.31% interest in the Maricunga; and
- a Canadian based plan of arrangement ("**Arrangement**") with Bearing Lithium Corp. (**BRZ:TSXV**) ("**Bearing**") to acquire its 17.14% interest in the Maricunga ("**Bearing Transaction**").

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CHARGING THE FUTURE

Salar Blanco LLC (“SBD”) Transaction

This transaction has progressed significantly in recent weeks, with LPI shareholders approving the issue of consideration shares to SBD's parent company under the SBD Transaction. The Company's extraordinary general meeting, held on 28 October 2022, resulted in a significant majority of shareholders voting in favour of that resolution.

The remaining material conditions to complete the transaction include completion of the Australian Scheme. The Company is notifying shareholders that a second court hearing in relation to the Australian Scheme is currently scheduled for 17 November 2022, following which and subject to approval by the Australian Court of the Australian Scheme, the SBD transaction will become unconditional.

The Company anticipates that completion of the SBD transaction and the consolidation transaction as a whole will occur on or around 21 November 2022.

Bearing Lithium Corp. (“Bearing”) Transaction

A meeting of Bearing shareholders was held on Friday, 28 October 2022 at which it was resolved by an overwhelming majority to approve the arrangement and the Bearing transaction. Details relating to the results of that meeting are available on Bearing's profile at www.sedar.com.

The remaining conditions to completion of the transaction are for the Canadian Court to approve the arrangement at a final court hearing and for the completion of the SBD transaction ("**SBD Condition**").

Bearing and LPI are in discussions which may result in Bearing waiving the SBD Condition as a closing condition to the Bearing Transaction. If waived, and following approval by the Canadian Court, the that transaction will become unconditional and will proceed to completion regardless of the outcome of the SBD Transaction.

Once the Bearing Transaction becomes unconditional, it will be a matter of days for the administrative and logistical processes relating to the transfer of Bearing shares to LPI and the issue of LPI shares to Bearing shareholders to be completed. The Company anticipates that, if the SBD Condition is not waived by Bearing, final close of the Bearing Transaction will occur on or around 21 November as per the above timetable for the SBD Transaction. If the SBD Condition is waived, the company anticipates closing the Bearing Transaction on or around 7 November 2022 (in Canada).

These timeframes are indicative only and may be subject to change.



The Chairman of LPI, Mr David Hannon, said:

"It is pleasing to see that the shareholders of both LPI and Bearing wholeheartedly support the Consolidation Transaction as is evidenced by the strong shareholder turnout and the overwhelming number of votes in favour of the respective aspects of the Consolidation Transaction. The consolidation of the project is a crucial milestone for LPI and its shareholders. The LPI board is excited to lead the Company towards becoming a major global player. It will be a significant producer of high-grade lithium carbonate and deliver long-term value and sustainable growth for LPI's shareholders."

Transaction Advisors

Treadstone Resource Partners acted as a strategic and financial advisor to LPI in relation to the Consolidation Transaction. Ashurst acted as Australian legal advisor, Stikeman Elliott LLP acted as Canadian legal advisor, and Pillsbury Winthrop Shaw Pittman acted as US legal advisor to LPI in relation to the Consolidation Transaction.

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

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