

Shareholder Update – Sepeda Status

Novo Lítio (“Company” or “NLI”) advises that the Company is continuing discussions with Lusorecursos Lda (“Lusorecursos”), a Portuguese company, regarding the Sepeda granted exploration licence in Northern Portugal.

Novo Lítio has a binding agreement to acquire 100% rights to the tenement package known as Sepeda held by Lusorecursos, the vendor. However, the completed transfer of the tenements is being frustrated by the vendor.

On 26 June 2017, Novo Lítio advised shareholders that the Company had requested suspension of trading in its shares on ASX whilst Directors worked with lawyers to conclude the transfer of the project. At this time, NLI was also engaging constructively with the vendor, to confirm the Company’s rights.

Directors are working towards resolving the issue on a commercial basis, however, the Company considers that it has binding and enforceable legal rights and will pursue the matter in the courts of Portugal, should it be considered necessary to do so.

Directors remain committed to growing a quality lithium portfolio via strategic acquisitions in prospective jurisdictions, and the Company’s operational results at Sepeda in Portugal during the past 12 months have confirmed the board’s original view of the country as a high priority destination for lithium. These results include the discovery of a significant JORC lithium pegmatite resource at the Sepeda project, as well as exceptional drill results and growing the resource.

Accordingly, directors continue to enforce the Company’s rights to the dominant exploration tenement position Sepeda represents. This substantial holding, and other prospective areas in Portugal, currently under evaluation by the Company, position Novo Lítio to become a sustainable supplier to industry in Europe. The Company is focused on delivering ultra-low impurity petalite concentrate and lithium carbonate/hydroxide to the high-tech glass and ceramics industry in the immediate term, and potentially to the European electric vehicle and stationary storage battery markets.

The Company will update the market when its position has been determined, at which time the Company will request re-instatement to quotation on ASX. Directors believe it is in the interests of all shareholders for the Company to remain in voluntary suspension pending a determination on the matter. The voluntary suspension is expected to last until on or before Monday 7th August 2017.

In addition to work in Portugal, the Company is currently undertaking work on its highly prospective Swedish projects and looks forward to updating shareholders on progress in the near future.

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CORPORATE DIRECTORY

Non-Executive Chair
John Fitzgerald

President & CEO
David J Frances

Executive Technical Director
Francis Wedin

Non-Executive Director
Dudley J Kingsnorth

FAST FACTS

Issued Capital:	370.4m
Options Issued:	31.1m
Market Cap:	\$18.5m
Cash:	\$14.4m

CONTACT DETAILS

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