

MEDIA RELEASE

LPI.ASX

20 October 2016

LITHIUM POWER SECURES PILBARA PILGANGOORA FOOTPRINT WITH GRANTING OF KEY TENEMENT

Highlights:

- **Granting of 100% owned E45/4610 tenement positions Lithium Power as one of the largest landholders in the Pilbara Pilgangoora lithium province**
- **Pilgangoora tenement is located directly adjacent to lithium projects held by Pilbara Minerals Limited and Altura Mining Limited**
- **Aeromagnetic survey has been completed over LPI's entire Pilbara project area – follow up surface surveying activities to be completed this year, prior to commencement of exploration drilling program in Q1 2017**
- **Newly granted Pilbara Pilgangoora tenement strengthens LPI's position as a diversified pure-play lithium company, with assets in key jurisdictions of South America and Western Australia**

Lithium Power International Limited ("LPI" or "the Company") is pleased to advise that it has been granted exploration rights over its key Pilgangoora tenement in the Pilbara region of Western Australia (E45/4610). The tenement covers 75km², and positions the Company as one of the largest landholders in this hard rock lithium province.

The Pilgangoora tenement is 100% owned by Lithium Power, and is located approximately 3km west of the known lithium pegmatite resources discovered by Pilbara Minerals Limited (PLS.ASX) and Altura Mining Limited (AJM.ASX).

Lithium Power will now focus on commencing its Phase 1 exploration program over the Pilgangoora tenement area during Q4 2016, following the recent completion of a high resolution aeromagnetic survey and systematic field work.

The Company's Phase 1 exploration program at the Pilgangoora tenement will include extensive soil geochemical surveying, using the new aeromagnetic interpretations, to target possible pegmatite formations that sit under alluvial cover. The results of these soil surveys, along with final field observations, will lead to the identification of priority drill targets for the Company's planned Reverse Circulation (RC) drilling program due to commence in Q1 2017.

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Lithium Power International's Chief Executive Officer, Martin Holland, commented:

"We are pleased to have solidified our position in the lithium enriched Pilbara Pilgangoora region of Western Australia, as we view our landholding in this area as a significant growth opportunity for our shareholders in the near-term.

Lithium Power has been able to finalise the granting of this tenement by concluding negotiations of a Heritage Agreement with the Njamal People over an extended period. This has enabled the Company to secure a significant landholding in one of most highly sought after hard rock lithium jurisdictions in the world, further strengthening the Company's position as a pure-play and diversified lithium exploration and development company.

We would like to acknowledge and thank the Njamal for the manner in which they have engaged with the Company to finalise the Heritage Agreement, and we look forward to continuing this positive relationship into the future."

Pilgangoora Project Background

Lithium Power's Pilgangoora tenement (E45/4610) covers 75km² with a greenstone strike length of approximately 12km (interpreted). It is located approximately 120km from Port Hedland, and close to the Great Northern Highway for road access.

The tenement is adjacent to the lithium projects held by Pilbara Minerals and Altura Mining, which lie approximately 3km to the east.

In the Pilgangoora region of the Pilbara, specialty metals are typically found in pegmatites, and as alluvial and eluvial deposits, which have accumulated as a result of the erosion of the primary pegmatite host rocks. In terms of extraction, these pegmatites are mined using modern open pit hard rock methods, as evidenced by surrounding projects at Pilgangoora, Wodgina and Tabba Tabba.

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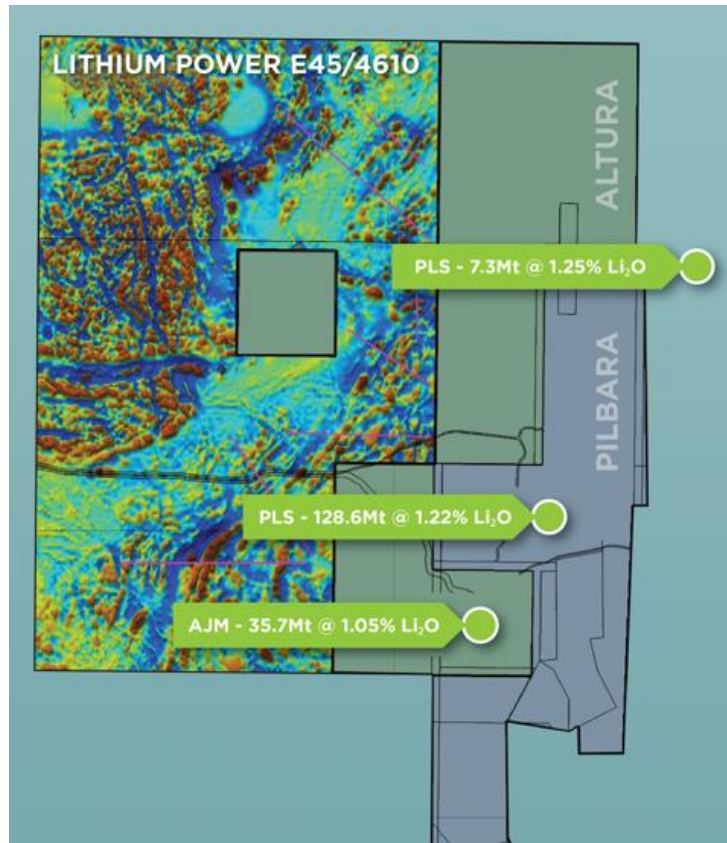


Figure 1: LPI Pilgangoora tenement location map

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