

ASX RELEASE

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COMPLETION OF THE ACQUISITION OF OPTION TENEMENTS

- Completion of the acquisition of the option tenements - San Francisco, Salamina & Despreciada
- Tenements to be vended into the NewCo JV entity to add exploration economies of scale
- Mr. Murray Brooker confirmed as LPI's local Project Manager for the Maricunga JV
- Correction of the P4 location on the Maricunga JV Tenement Map

Lithium Power International Limited (ASX: LPI) ("LPI" or "the Company") is pleased to announce, that further to the announcement dated 14 October 2016, the Company, via its wholly owned subsidiary Lithium Power Inversiones Chile SpA, has completed the acquisition of the San Francisco, Salamina and Despreciada tenements ("Option Tenements").

The Option Tenements comprising an area of 675 hectares, have been held by the same family group through four generations, and are granted under the "1932 old mining code", which allows for immediate exploitation of lithium.

These Option Tenements are a key scale component to the Maricunga JV and will be transferred into the JV NewCo.

LPI Directors, Mr. Martin C Holland and Dr. Luis Ignacio Silva, met with the vendors of the Option Tenements in Santiago, Chile on Friday 21 October (Chile time) to execute the transfer of the titles of the Option Tenements and exchange the payment of USD\$5.22m.

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

"We are pleased to complete the acquisition of the San Francisco, Salamina and Despreciada tenements from the Chilean family group. The family has owned these tenements since 1954, and the completion ceremony was a significant occasion for both LPI and the family. The Company is pleased to have completed this transaction, within the projected timeframe, which will be vended into the JV NewCo".



Figure 1:

Option Tenement title transfer ceremony with on left: **Juan Paulo Bambach** - LPI's Chilean Solicitor; 2nd left: **Cristóbal García-Huidobro** - CEO MSB; centre: **Martin C Holland** - CEO LPI and far right: **Luis Ignacio Silva** – LPI Non-Executive Director and Latin America Regional Manager **with members of the Chilean family group.**

Maricunga Group Technical and Exploration Advisor confirmed

Following on from the recent positive results from the 1st hole in the current drilling program and as part of the Maricunga project moving forward LPI has secured the ongoing consulting services of lithium exploration consultant Mr. Murray Brooker, who has extensive experience in the exploration and development of lithium brine projects in South America.

Mr Brooker is a geologist specialising in lithium, with 20 years' experience in lithium prospecting and exploration. He has led teams in Argentina, Chile and Australia throughout his career and is a well respected and connected lithium expert in South America. Most recently, Mr Brooker was the JORC Competent Person to Orocobre Limited for its lithium brine project in Argentina along with completing the initial reports for LPI's Argentina properties.

The company plans to advance the Maricunga project to the feasibility stage, followed by project development. Mr. Brooker brings valuable skills in hydrogeology, geology, environmental and project management to assist with this goal.



Figure 2:

LPI's Maricunga JV Project Manager – Mr. Murray Brooker on site July 2016

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

"We are delighted to secure the services of Mr. Brooker to represent LPI in the Maricunga JV. Seeing firsthand the respect shown to Mr. Brooker, by the JV Technical Team, provides us with the confidence that the project will progress according to the agreed project plan."

In recognition of the importance of Mr. Brooker's role in the Maricunga JV, the Company has provided suitable incentive to Mr. Brooker by way of a shareholding in the Company and participation in the Employee Share Option Plan, both of which are subject to Shareholder Approval at the upcoming Annual General Meeting."

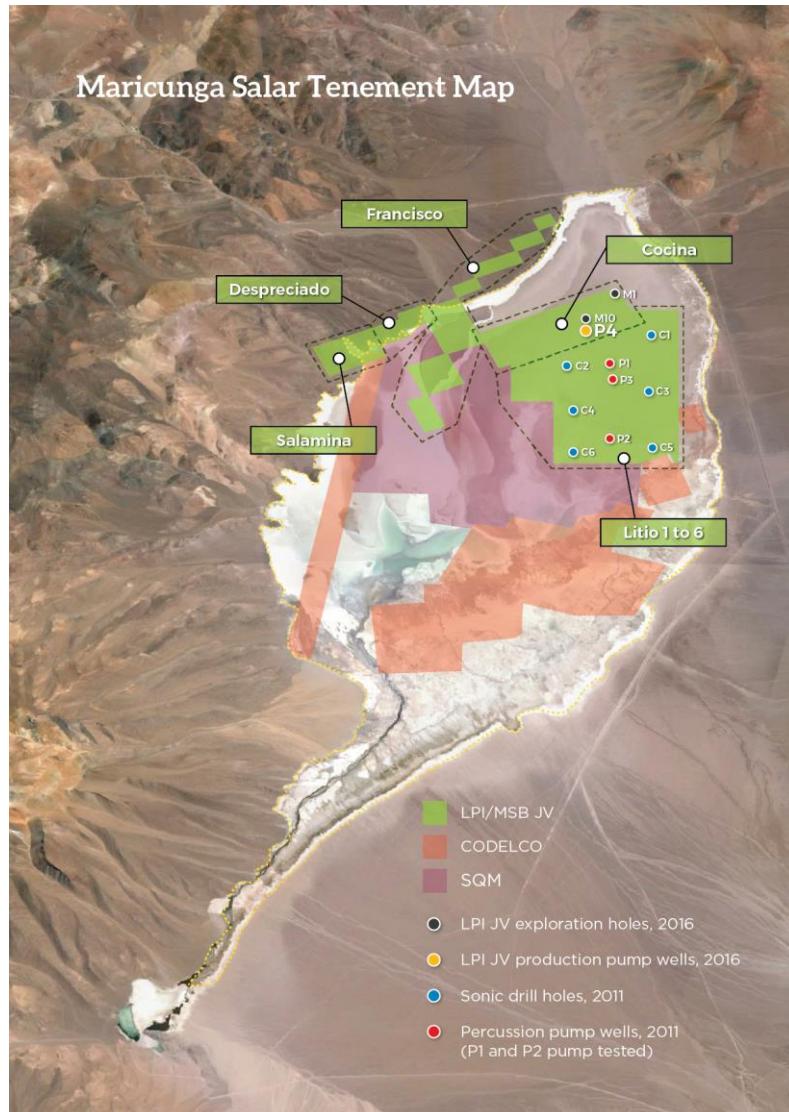
Update to Maricunga Tenement Map

Further to the map of the Maricunga JV previously released, the Company notes a graphical error in the map with the position of Pumping Well "P4".

P4 was correctly shown but a second reference to P4 was also incorrectly shown on the map.

Below the corrected tenement map with the "P4" pumping well clearly located within the Cocina tenement.

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For further information, please contact:

Martin C Holland – Chief Executive Officer

Lithium Power International

E: info@lithiumpowerinternational.com

Ph: +61 9276 1245

Media enquiries to Sam Burns, Six Degrees Investor Relations, M: +61 400 164 067

www.lithiumpowerinternational.com

@LithiumPowerLPI