

Capital Raising for Maricunga JV

Investor Presentation

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Past performance information, including past share price performance, should not be relied upon as an indication of future performance.

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Investment risk

An investment in LPI shares is subject to investment and other known and unknown risks, some of which are beyond the control of the Company. LPI does not guarantee any particular rate of return or the performance of the LPI shares.

Financial data

All references to dollars (\$) and cents are to Australian currency, unless otherwise stated.

Cautionary note regarding reserves and resources

You should be aware that as an Australian company with securities listed on the ASX, the Company is required to report reserves and resources in Australia in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (“JORC Code”). You should note that while the Company’s reserve and resource estimates may comply with the JORC Code, they may not comply with the relevant guidelines in other countries and, in particular, do not comply with Industry Guide 7, which governs disclosures of mineral reserves in registration statements filed with the U.S. Securities and Exchange Commission. The JORC Code differs in several significant respects from Industry Guide 7. In particular, Industry Guide 7 does not recognise classifications other than proven and probable reserves and, as a result, the SEC generally does not permit mining companies to disclose their mineral resources in SEC filings. Information contained in this presentation describing the Company’s mineral deposits may not be comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements of United States securities laws. You should not assume that quantities reported as “resources” will be converted to reserves under the JORC Code or any other reporting regime or that the Company will be able to legally and economically extract them.

References to Resource Estimate

The reader is referred to the previous announcement by LPI on 28 July 2016, which provided details of the Maricunga project resource and information regarding what may be considered by ASX to be a production target. With regards to the resource, LPI confirms that it is not in possession of any new information or data relating to the resource (which is considered by ASX to be a foreign estimate), that materially impacts on the reliability of the estimate or the mining entity’s ability to verify the foreign estimate as mineral resources in accordance with Appendix 5A (JORC Code). LPI confirms that all the material assumptions underpinning the production target provided in that announcement continue to apply. LPI confirms that the supporting information provided in the announcement by LPI on 28 July 2016 continues to apply and has not materially changed. LPI cautions the foreign estimate (NI43-101) was not reported in accordance with the JORC code. This work was completed three years before the JV was announced. A competent person has not done sufficient work to classify the foreign estimate as mineral resources or ore reserves in accordance with the JORC Code. It is uncertain that following evaluation and/or further exploration work that the foreign estimate will be able to be reported as mineral resources or ore reserves in accordance with the JORC Code. The resource refers to lithium carbonate equivalent (LCE), this is a conversion factor of 5.32x lithium metal. Future reporting will be under the JORC code.

Competent Person’s Statement

The information contained in this Presentation relating to Mineral Resources has been compiled by Mr Murray Brooker. Mr Brooker is a Geologist and Hydrogeologist and is a Member of the Australian Institute of Geoscientists and has sufficient relevant experience to qualify as a competent person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. He is also a “Qualified Person” as defined by Canadian Securities Administrators’ National Instrument 43-101. Murray Brooker consents to the inclusion in this announcement of this information in the form and context in which it appears. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement. The Company confirms that the form and context in which the Competent Person’s findings are presented have not been materially modified from the original market announcement.

Information regarding the lithium market

The information contained in this Presentation relating to the global lithium market and its expected outlook has been sourced from the Independent Consultant’s Industry Report by CRU International (Australia) Pty Ltd, which is contained in full in the Company’s replacement prospectus dated 23 May 2016. Please refer to the replacement prospectus, available at www.asx.com.au, for further details.

Lithium Power International – Executive Summary

Key attributes of LPI

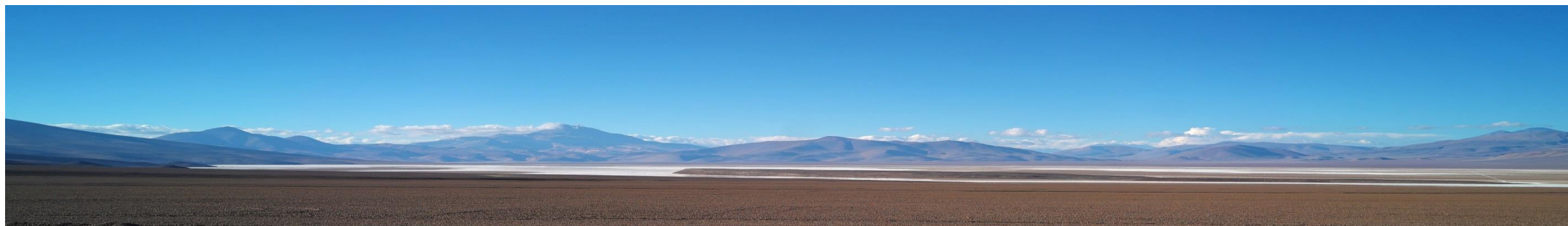
- Pure-play lithium explorer & developer, which is diversified by geography and deposit type (brine & hard rock).
- Exploration targets identified across our project regions in South America and Western Australia. All project areas are close to critical road, rail, and port infrastructure.
- An experienced Board with extensive mining and commercial experience, with highly-qualified technical experts in both Australia and South America.
- Strong lithium market fundamentals driven by worldwide battery demand.

Key points for Maricunga lithium brine project

- The Board considers that Maricunga is one of the highest quality lithium Salars in South America – with characteristics comparable to the world-leading Atacama deposit. Exploration drilling commenced in September 2016, aimed at expanding the existing lithium resource base.
- Maricunga is located within the “Lithium Triangle” in northern Chile, close to road & port infrastructure, and within the known pro-mining province of Copiapo.
- LPI owns 50% of the Maricunga JV. The majority of the Maricunga JV tenements are granted under the Chilean Mining Code of 1932, which allows immediate exploitation of lithium.

LPI WAS ESTABLISHED TO ACQUIRE
HIGH-QUALITY LITHIUM TENEMENTS
IN AUSTRALIA AND SOUTH AMERICA

THE COMPANY COMPLETED
A SUCCESSFUL IPO ON ASX IN JUNE
2016, FOLLOWING A HEAVILY
OVERSUBSCRIBED OFFER



Lithium Power International – Executive Summary (continued)

Maricunga JV – Tenement Consolidation

■ Recent progress:

- LPI has established a wholly-owned Chilean based subsidiary, which is a 50% shareholder of the newly formed Maricunga JV entity (“NewCo”).
- The tenements Cocina 19-27, Litio 1-6, Blanco and Camp1 have now been vended into the JV entity by our partners.
- LPI to acquire from MSB the options over the San Francisco, Salamina and Despreciada tenements (“Option Rights”), and LPI to issue 16 million ordinary shares to MSB as payment for the Option Rights, subject to LPI shareholder approval.
- LPI to exercise the Option Rights at an exercise price of USD\$5.22m, and then immediately transfer them into NewCo.

Maricunga JV – Earn-In and Timeline

■ Funding timeline:

- LPI to provide initial capital of USD\$8.38m to facilitate the Maricunga JV development program over the next 12 months.
- Milestones to be completed over this period include: 16 exploration wells, 2 pumping test wells, new JORC lithium resource report, construction of the lithium carbonate & potash pilot plants, construction of evaporation ponds, camp & other infrastructure, plus preparation work for the EIA and DFS.
- This initial payment of USD\$8.38m comprises:
 - a) Secured loan to NewCo of up to USD\$3.92m, drawn down as required until 30 November 2016, to fast-track early exploration activities. The loan will be converted to equity, forming part of LPI’s 50% interest in NewCo.
 - b) LPI to provide a further USD\$4.46m to NewCo, to fund ongoing operational activities & the project milestones listed above.
- A final earn-in payment of USD\$13.62m will be made in stages from November 2017 until December 2018, to fund final DFS and EIA approval.
- Any further funding required for the Maricunga JV beyond this final earn-in payment is to be provided on a pro-rata basis by the three JV partners.

■ Capital Raising

LPI has announced a successful capital raising of AUD\$14.0m in new capital at a price of \$0.38 per share by way of:

- A private placement of AUD\$12.0m worth of shares to sophisticated and professional investors, to be undertaken in two tranches.
- A share purchase plan of \$2.0m worth of shares to existing shareholders, to a maximum of AUD\$15,000 per shareholder.
- Shares issued under the capital raising will be offered with free attaching options (1:1 basis), which will have an exercise price of \$0.55 and will expire on 24 November 2017.
- Tranche 2 of the Placement, the underwriting of the Share Purchase Plan, and the offer of Options are all subject to LPI shareholder approval at the AGM on or around 28 November 2016.

Lithium Power - Board and Technical Team



Mr Ricky P Fertig

Chairman

Founding director and senior executive with 30yrs of international commercial experience across property, healthcare and mining services sectors.



Mr Murray Brooker

Group Technical & Exploration Adviser

Geologist specialising in lithium brine over the last 6yrs, with 25yrs total experience in mining and exploration. Most recently, he was the JORC Competent Person to Orocobre on their lithium brine project in Argentina.



Mr Martin C Holland

Chief Executive Officer

Founder and CEO with 11yrs management experience focused on the mining exploration sector. Previously CEO of gold explorer Stratum Metals from 2010 to 2014, which listed on ASX in 2011.



Mr Stuart Peterson

Exploration Manager – Hard Rock

Hard rock pegmatite geologist with spodumene lithium experience. Most recently, the Senior Geologist with Mineral Resources on their Mt Marion lithium project in Western Australia.



Dr Luis Ignacio Silva P

Director and Regional Manager Latin America

Mining geologist with 40yrs experience in Sth America, including the last 10yrs as a lithium specialist. He has worked with Talison, Freeport, Amax, Barrick, Homestake, Rio Tinto, Shell-Billiton, Pegasus, CNC, and SERNAGEOMIM.



Mr Todd Axford

Independent Expert – Hard Rock

Completed the IER in regards to all the Australian hard rock tenements and applications in LPI's prospects. Senior geologist with 21yrs experience. Previously held exploration positions at: Stratum Metals, Australasian Resources, Mt Gibson Iron, and Cliffs Natural Resources.



Mr Andrew G Phillips

CFO and Company Secretary

Over 25yrs of commercial experience. Company Secretary (and previous CFO) for Sequoia Financial, and Independent Director of Longreach Oil and Southern Cross Exploration. Held previous senior management roles with Aristocrat, a division of Allianz and Hoya Lens.



Dr Mark King

Independent Expert - Brine

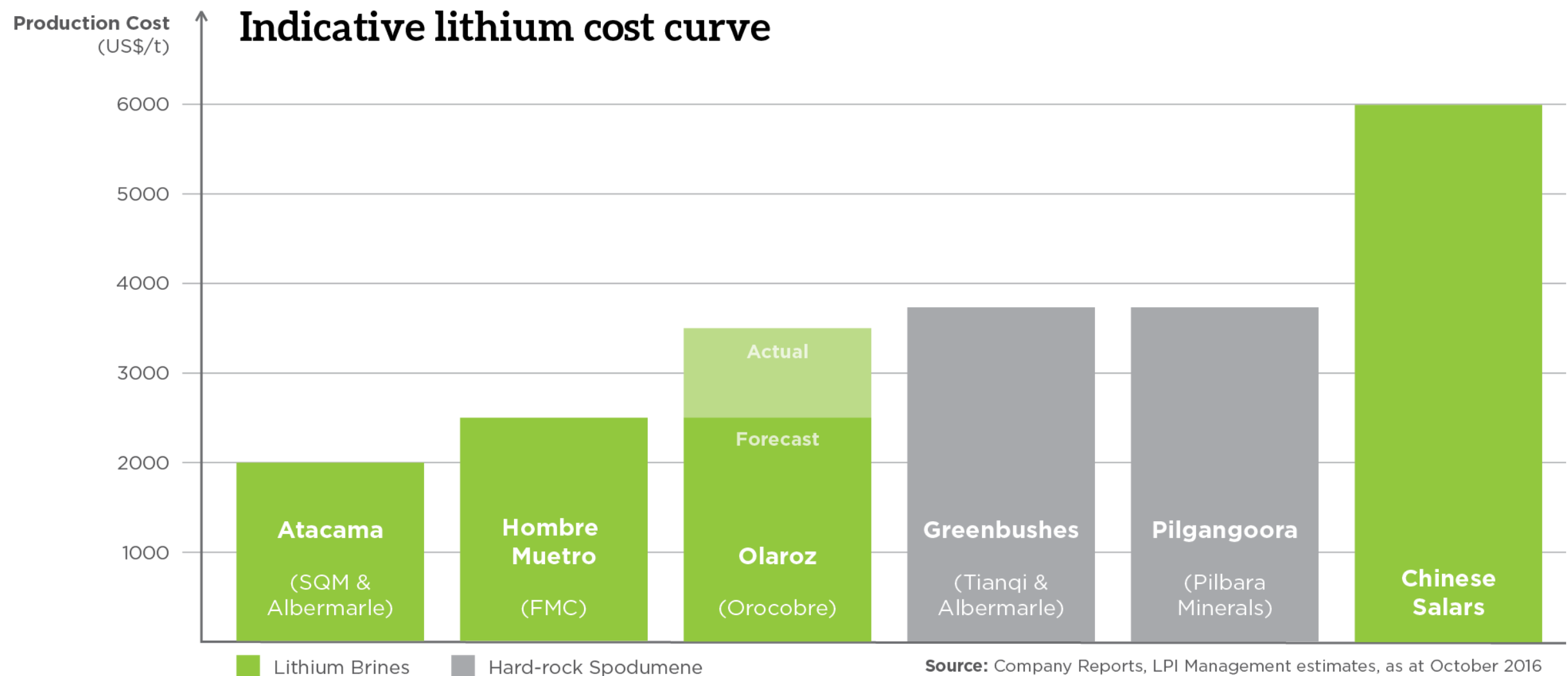
Completed the IER in regards to all the brine tenements in Chile and Argentina. In LPI's prospects. Expert in hydrogeology with technical advice provided on over 100 projects across the Americas.

A wide-angle landscape photograph of the Maricunga Lithium Project. The foreground is filled with tall, golden-brown grasses. In the middle ground, a large, dark brown body of water (likely a lithium brine pond) stretches across the frame. A prominent, irregularly shaped white salt flat or island is visible in the center of the pond. The background features a range of brown, arid mountains under a clear, deep blue sky.

Maricunga Lithium Project

Lithium Brines in South America – Lowest On The Cost Curve

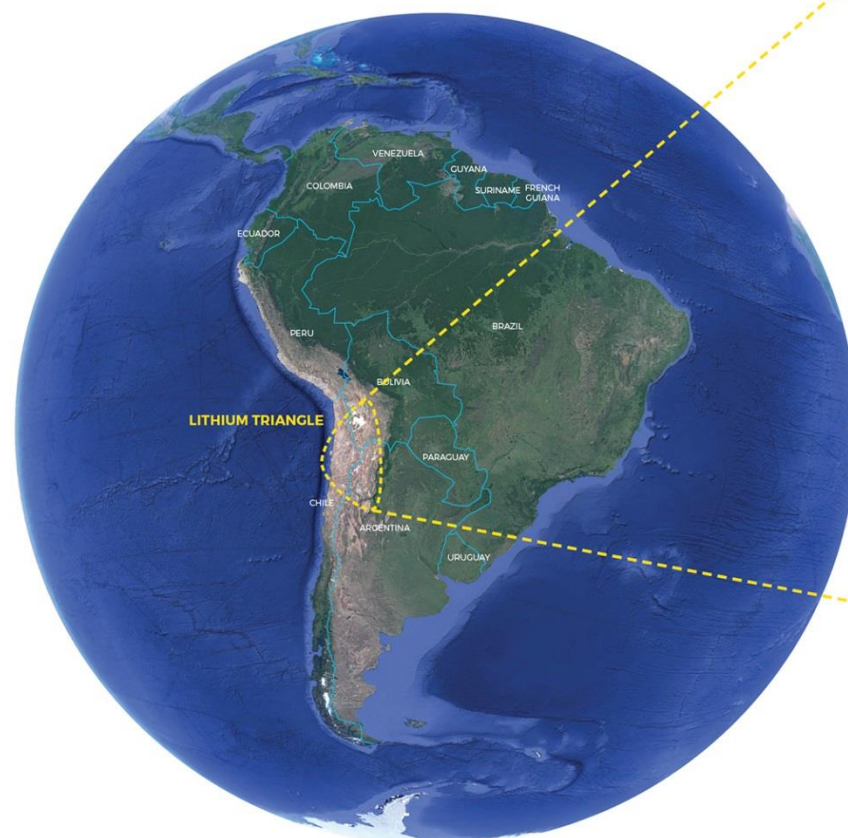
- While difficult to directly compare lithium brine vs hard-rock spodumene, the following observations generally apply:
 - ✓ Brines are typically easier & cheaper to explore.
 - ✓ Brines are typically cheaper & quicker to develop to production (depending on permits).
 - ✓ Brines require less opex once in production, and generally see less cost volatility.
 - ✓ Brines can be purified onsite to >99% lithium, while hard-rock production is sold as 6% beneficiated ore.
 - ✓ Brines have historically been preferred by battery manufacturers.
 - ✓ Brine operations are generally regarded as having less environmental impact over time.
- For the reasons above, South American lithium brine producers inhabit the bottom of the cost curve, as can be seen below:



Maricunga Lithium Brine JV – Project Overview

- The Maricunga Salar is located in northern Chile and sits within the “Lithium Triangle”, which contains the largest and highest quality lithium brine deposits in South America.
- Maricunga is regarded by as the highest quality pre-production lithium brine project in Chile, with characteristics comparable to the world-leading Atacama lithium brine deposit operated by SQM and Abermarle (which sits at the bottom of the global lithium cost curve).
- The Maricunga project has a foreign resource estimate* (from 2012) of 574,000 tonnes of lithium carbonate equivalent, with a very high average grade - lithium (1250mg/l) and potassium (8970mg/l).
- Maricunga is located in Region III of Atacama in northern Chile. It is approx 170km NE of the mining town of Copiapo. In terms of infrastructure access, Maricunga is directly adjacent to International Highway 31, which connects northern Chile and Argentina, and 250km from the Chilean coast.

Note: LPI cautions the foreign estimate (NI43-101) was not reported in accordance with the JORC code. This work was completed three years before the Maricunga JV was announced on 20 July 2016. A competent person has not done sufficient work to classify the foreign estimate as mineral resources or ore reserves in accordance with the JORC Code. It is uncertain that following evaluation and/or further exploration work that the foreign estimate will be able to be reported as mineral resources or ore reserves in accordance with the JORC Code.



* Refer to LPI announcement on 28 July 2016 and Important Notice of this presentation

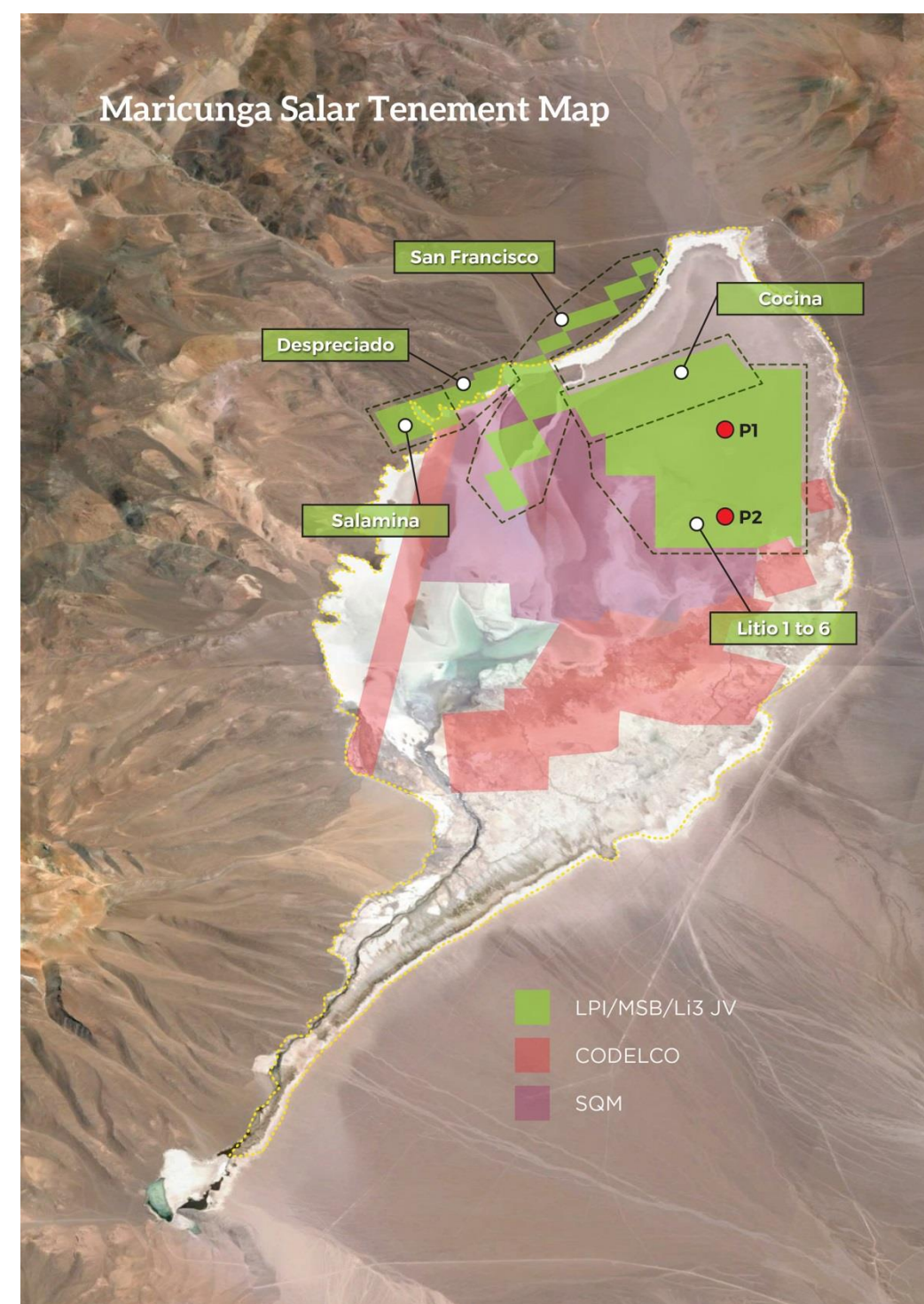
Maricunga Lithium Brine JV - Tenement Map

- The JV tenements consist of a collection of holdings in the northern (lithium-rich) section of the Maricunga salar:

Tenement	Code	Size	Vendor
San Fransisco	1932	425 Ha	LPI
Salamina	1932	150 Ha	LPI
Despreciada	1932	100 Ha	LPI
Cocina 19–27	1932	450 Ha	MSB/Li3
Litio 1–6	1982	1438 Ha	MSB/Li3
Blanco	n/a	1800 Ha	MSB/Li3
Camp1	n/a	100 Ha	MSB/Li3

- The Maricunga Salar has been subject to significant past exploration under the previous partners, MSB and Li3. More than US\$30m has been invested in these tenements over the past 4yrs, in order to generate the existing lithium resource.
- Pumping results from two test production wells (see P1 and P2 opposite) undertaken by MSB in 2015 indicated strong brine flow rate and high lithium grades.
- Under the new JV, the next phase of exploration will include the drilling of 16 diamond drill holes and 2 pumping test wells, which started in late September 2016. This drilling program is targeting an update of the existing lithium resource, with a new JORC report anticipated in 1H 2017.

Note: LPI will transfer its tenements to NewCo upon exercise of the Option Rights.



Maricunga – One of the highest quality lithium salars in South America

- Known foreign resource estimate of 574,000 tonnes of lithium carbonate equivalent, based on previous exploration. (refer to LPI's announcement of 28 July 2016 and the Important Notice of this presentation)
- An additional 1125 Ha of new tenements now under exploration.
- Second highest lithium grade* (1250mg/l) of the major salars in South America.
- Magnesium grade* below the Atacama deposit, with a similar Mg/Li ratio.
- High potash byproduct resulting in improved project economics.
- Close to critical road & port infrastructure.
- Recent study of 37 salars ranked Maricunga as #7 salar worldwide. (signumBOX Aug 2016)
- Chilean Geological Survey has classified Maricunga as a Category 1 deposit (one of only four in Chile).

	Salar de Maricunga¹	Salar de Atacama²	Salar de Centenario⁴	Salar Del Hombre Muerto²	Salar de Olaroz²	Salar de Cauchari³
Country	Chile	Chile	Argentina	Argentina	Argentina	Argentina
Owner	LPI/MSB/Li3	SQM/Albemarle	LPI/Eramet	FMC/Lithium One	Orocobre/Toyota	Orocobre/SQM/Lithium Americas
Lithium (g/l)	1.25	1.84	0.56	0.74	0.69	0.59
Potassium (g/l)	8.97	22.63	5.11	7.40	5.73	4.85
Magnesium (g/l)	8.28	11.74	3.26	1.02	1.66	1.42
Mg/Li	6.63	6.40	5.87	1.40	2.40	2.43
K/Li	7.18	12.33	9.20	9.95	8.30	8.30
K/Mg	1.08	1.93	1.57	7.26	3.46	3.58
Altitude (m) ⁵	3800	2300	3900	4000	3900	3900
Precipitation (mm/yr) ⁵	125	15	100	100	100	100
Evaporation Rate (mm/yr) ⁵	2400	3200	2600	2710	2600	2600

(1) NI 43-101 amended report prepared for Li3 Energy Inc. dated 23 May, 2012

(2) NI 43-101 report prepared for Orocobre Ltd. dated 13 May, 2011

(3) NI 43-101 report prepared for Lithium Americas Corp. dated 11 July, 2012

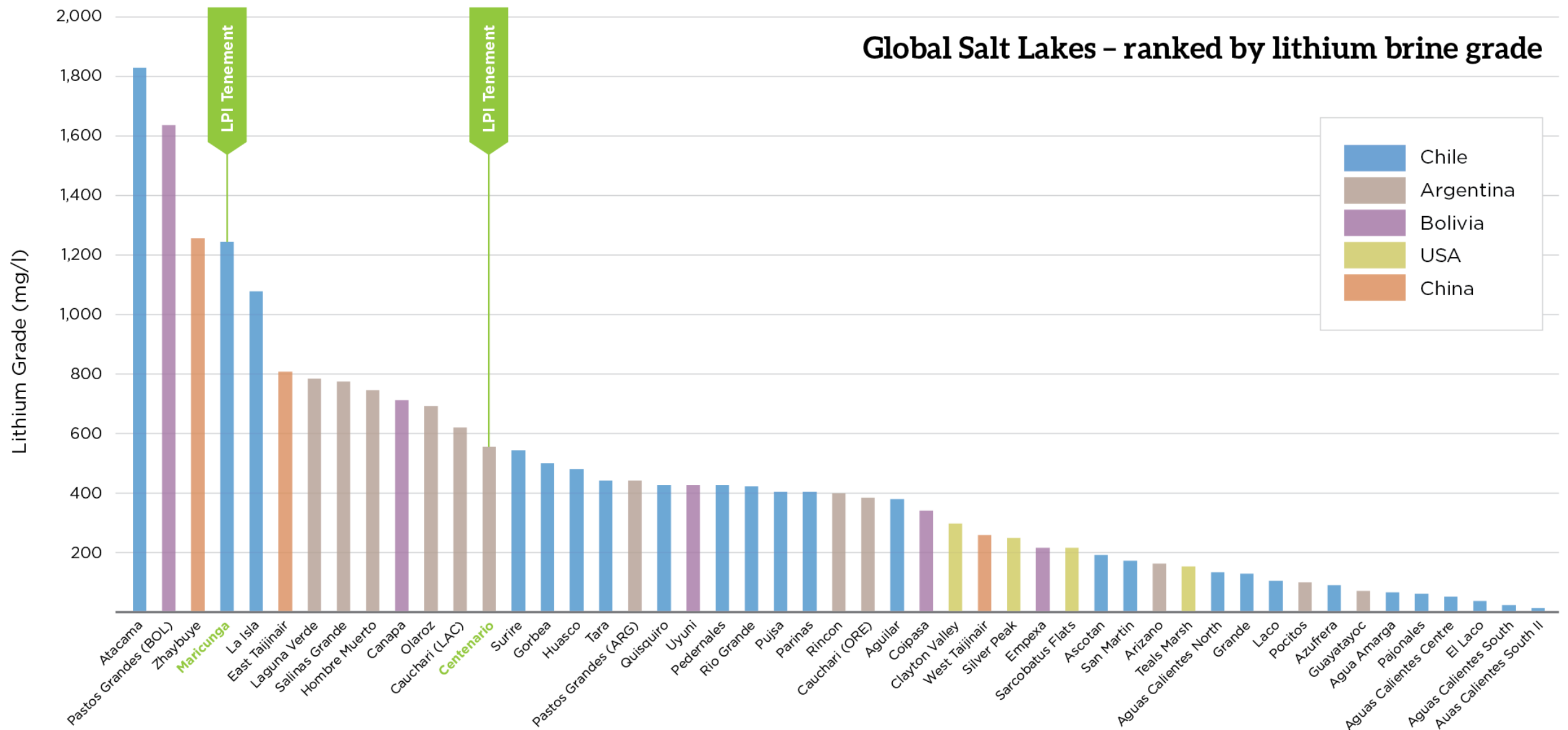
(4) S area – from Lacus preliminary resource estimate (which is outside of LPI tenements) dated Jan/Feb 2012

(5) Peter Ehren presentation at LSM Conference, dated 20–22 May, 2014

Note: LPI cautions the foreign estimate (NI43-101) was not reported in accordance with the JORC code. This work was completed three years before the JV was announced on 20 July 2016. A competent person has not done sufficient work to classify the foreign estimate as mineral resources or ore reserves in accordance with the JORC Code. It is uncertain that following evaluation and/or further exploration work that the foreign estimate will be able to be reported as mineral resources or ore reserves in accordance with the JORC Code.

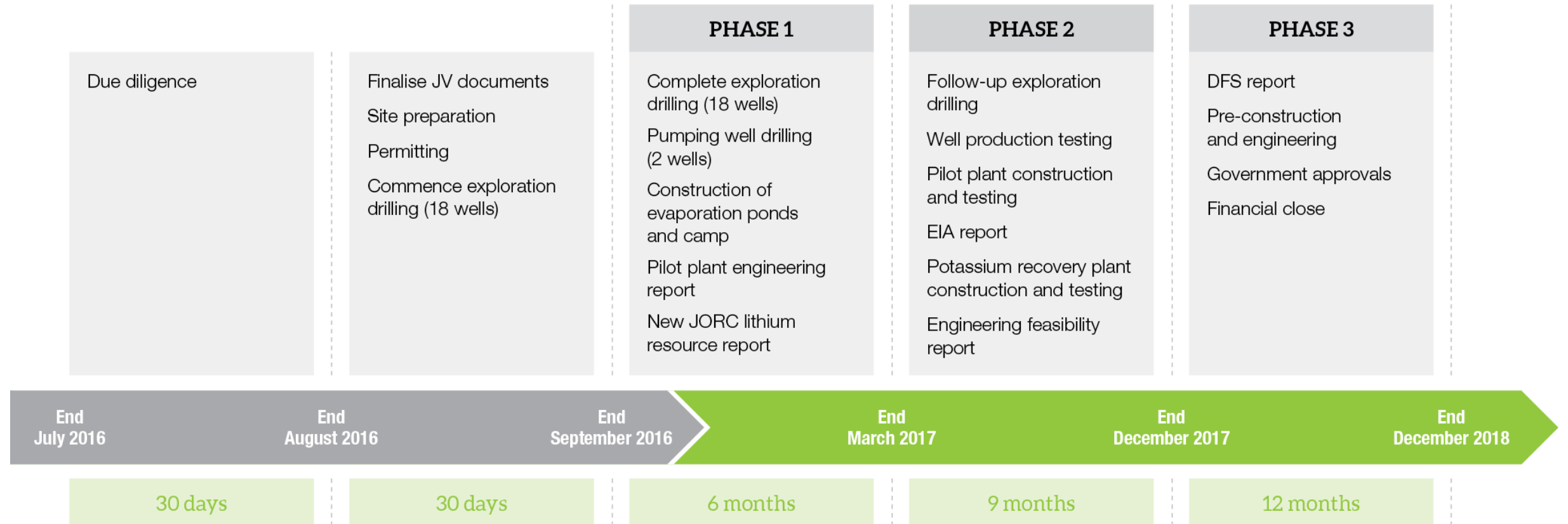
Maricunga - One of the highest grade salt lakes in the world

- As can be seen below, there are only 5 known salar globally with a lithium brine above >1,000mg/l.
- Further, 3 of the 5 highest grade salars are in Chile.
- On this measure, Maricunga ranks as the 4th highest lithium grade salar in the world, based on available public data.



Source: Company Reports, USGS, SERNAGEOMIM, Mark King IER, as at Oct 2016

Maricunga Lithium Brine JV – Development Timeline



Maricunga Lithium Brine JV – Structure & Ownership

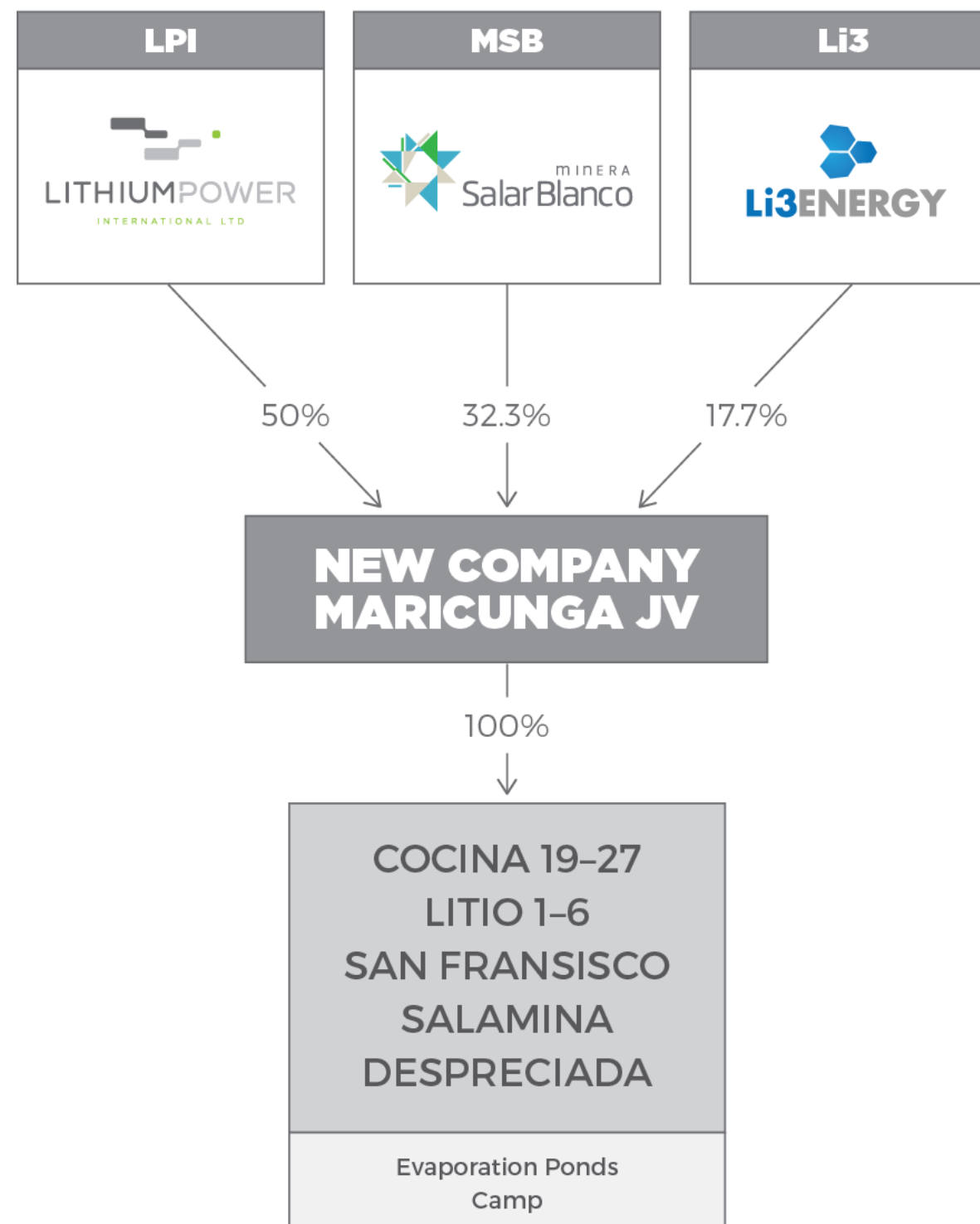
- LPI, MSB and Li3 have agreed the following ownership structure for the new Maricunga JV entity in Chile (“NewCo”):

Lithium Power - 50.0%

Minera Salar Blanco - 32.3%

Li3 Energy - 17.7%

- NewCo has now been incorporated in Chile, and the Cocina 19-27 and Litio 1-6 tenements have now been vended-in by MSB and MLI.
- LPI has established a wholly-owned Chilean subsidiary, Lithium Power Inversiones Chile SpA, which holds LPI’s 50% share in NewCo.
- MSB to sell to LPI options over the San Francisco, Salamina and Despreciada tenements (“Option Rights”) in exchange for 16 million ordinary shares in LPI, subject to LPI shareholder approval. The shares will be voluntarily escrowed until 24 June 2018.
- LPI to exercise the Option Rights for the exercise price of USD\$5.22m, and then immediately transfer these tenements into NewCo. It is noted that tenements are granted under the “1932 old mining code” which allows the immediate exploitation of lithium.
- Under the JV agreement, LPI holds 50% of the voting rights in NewCo from the outset. The Board will be split between LPI, MSB, Li3, based on each company’s respective shareholding in the JV. In addition, an expert Technical Committee will advise the Board during the development period.



Maricunga Lithium Brine JV – Earn-In & Timeline

- Under the JV agreement, LPI will fund the Maricunga project development costs over the next ~2yrs to complete the earn its 50% equity interest in NewCo.
- The earn-in payments and timeline for the Maricunga JV are as follows:
 - LPI to provide NewCo with initial capital of USD\$8.38m to facilitate Phase 1 and 2 of the Maricunga JV exploration & appraisal program over the next 12 months. This payment comprises:
 - a) Secured loan to NewCo of up to USD\$3.92m, drawn down as required until 30 November 2016, in order to fast-track the current lithium resource drilling program. This loan is funded from LPI's current cash reserves, and will be converted to equity in NewCo (forming part of LPI's 50% interest in NewCo), following completion of all other initial JV requirements.
 - b) LPI will provide a further USD\$4.46m to NewCo to cover other operating expenses required to meet the project milestones over the next 12 months, as listed below.
 - A final earn-in payment of USD\$13.62m to NewCo will be made in stages from November 2017 until December 2018, to fund a full Definitive Feasibility Study (“DFS”) report and the Environmental Impact Assessment (“EIA”) approval (Phase 3).
 - Any further funding required for the JV beyond this final earn-in payment is to be provided on a pro-rata basis by the three JV partners.
- Project milestones to be completed over the next 12mths:
 - 16 exploration wells
 - 2 pumping wells and production testing
 - new JORC lithium resource report
 - construction of the lithium carbonate & potash pilot plants
 - construction of evaporation ponds
 - construction of site camp, roads & other infrastructure
 - preparation work for the EIA and DFS
- The JV has a target date for completion of the EIA and DFS of late 2018.



Maricunga pump test (2015)



Maricunga drill hole #1 (Sept 2016)

Maricunga JV – Management & Technical Committee

Mr Christobal Garcia-Huidobro – Chief Executive Officer – NewCo

Civil Engineer with 18yrs experience developing & financing Mining, Energy, Infrastructure, Finance & Property projects. Formerly CIO of investment company CENTINELA. Board or committee member of a number of mining, property and agricultural funds in North & South America.

Mr Andrew Lafuente – Chief Operating Officer – NewCo

Senior Executive with 24yrs experience in Financial & Infrastructure companies. Previously, GM for Scotia Bank in Chile, and Corporate Manager of Compliance for Euroamerica Financial & Life Insurance.

Mr Tarek Halasa – Chief Development Officer – NewCo

Civil Engineer with 17yrs international experience, specialising in project & cost management, feasibility studies, and sub contractor management. Previously held the role of Construction Coordinator for Bechtel for the past 8 years, working on projects for BHP, Xstrata, Anglo, and BP.

Mr Don Hains – QP under TSX NI 43-101 – MSB

Professional Geoscientist with over 35yrs of experience in exploration, appraisal, development, and analysis of industrial minerals including lithium. Has prepared valuation reports for feasibility & market studies in Canada, USA, Europe, Africa and Asia. Author of CIM Best Practice Guidelines for Estimation of Lithium Brine Resources & Reserves.

Mr Frederick Reidel – QP under TSX NI 43-101 – MSB

Hydrogeologist with 25yrs experience in water, lithium brine and infrastructure projects in North & South America. Undertook the reserve evaluation & feasibility study for Orocobre at the Olaroz project. Technical advisor to Lithium Americas on the Cauchari project. Participated in the initial resource evaluation for FMC's Hombre Muerto project.

Mr Peter Ehren – QP under TSX NI 43-101 – MSB

Independent consultant, and industry expert in development processes and technical & economic assessment for new brine projects, especially relating to lithium and potassium. Currently also consulting to Orocobre on the Olaroz project. Previously designed & evaluated projects in Chile, Argentina, China, and Australia.

Dr Luis Ignacio Silva P – Board Member – LPI

Senior Geologist with over 40yrs experience, including the last 10yrs in lithium brine. Previously, Deputy Manager of Geology at SERNAGEOMIM (Chilean Geological Survey). Has project experience in Chile, Argentina, Panama, Bolivia, Costa Rica, and Peru. He has worked with a variety of mining companies including: Talison, Freeport, Amax, Barrick, Homestake, Rio Tinto, Shell-Billiton, Pegasus, and the Chilean Nuclear Energy Commission.

Mr Murray Brooker – QP/CP under TSX NI 43-101/JORC – LPI

Senior Geologist specialising in lithium brine over the last 6yrs, with 25yrs total experience in mining and exploration. Areas of expertise include: project management, project evaluation & feasibility, and geological interpretation & reporting. Has previously led teams in Chile, Argentina, and Australia. Was the JORC Competent Person to Orocobre on their Olaroz lithium project.

Dr Mark King – QP/CP under TSX NI 43-101/JORC – LPI

Independent consultant, and Professional Geoscientist & Hydrogeologist who has consulted on multiple lithium brine projects across North & South America. Experience includes: resource & reserve estimation, project due diligence, and numerical brine modelling. Completed the IER on the Centenario Salar in the LPI prospectus.



Maricunga Exploration 2011/2012

Sonic drilling (C-1 to C-6) and core samples



*Sonic Drilling Truck
at C-3*



*Sonic Drilling Truck
at C-3*



C-3 Core Samples



Core Sample



Sonic Drill Hole



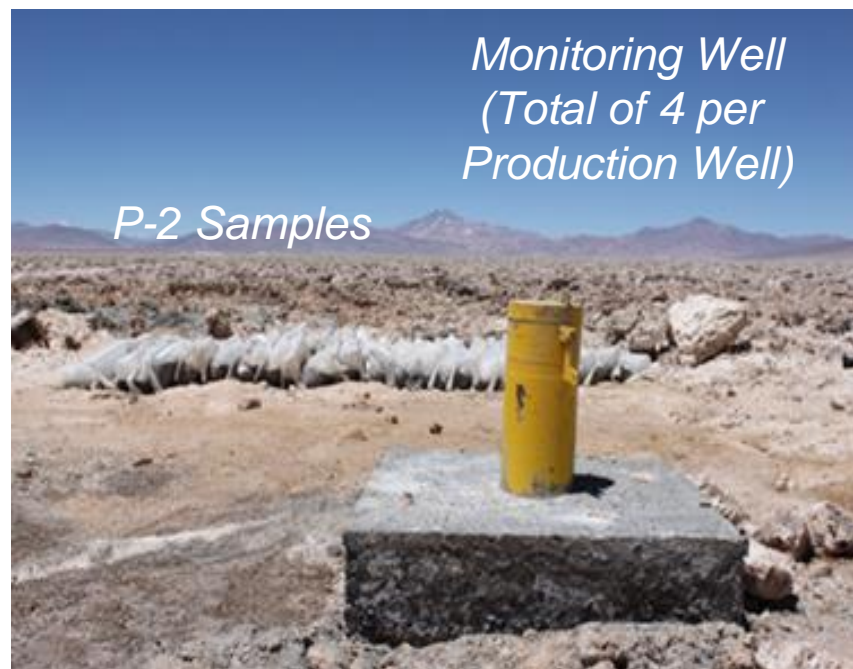
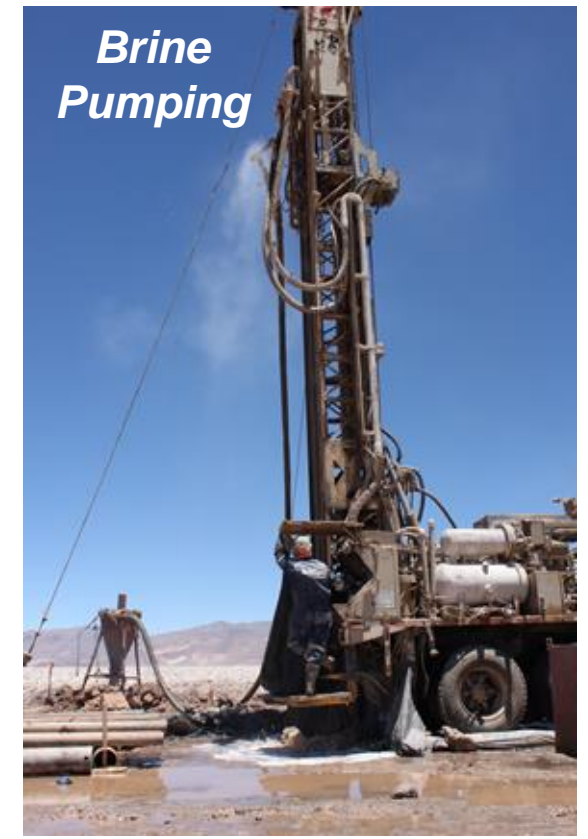
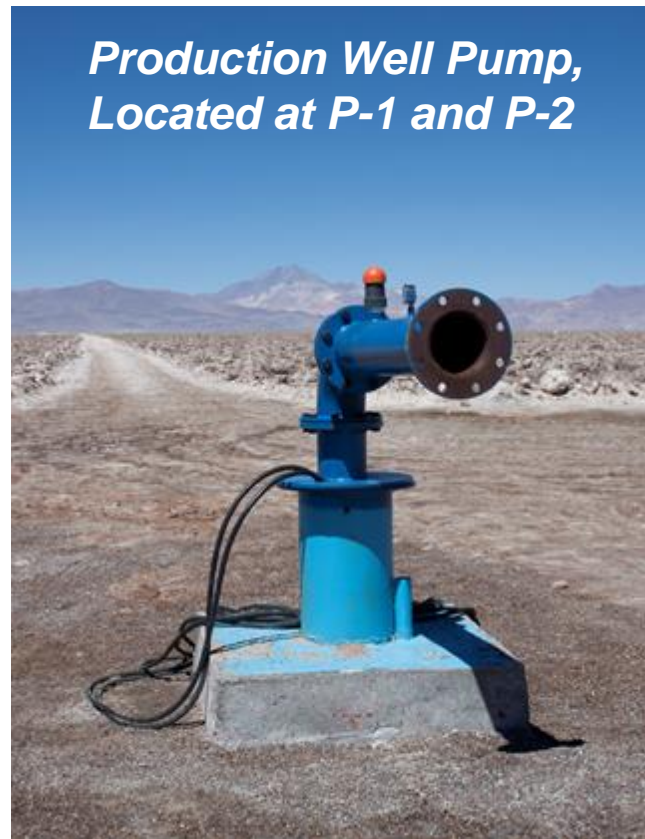
Lab Samples



C-3 Core Samples

Maricunga Exploration 2011/2012

P-1 and P-2 production wells





Our Other Lithium Projects

Lithium Power - Our Other Projects

- Apart from the Maricunga Salar JV, Lithium Power has three other distinct project areas - two spodumene hard rock projects in Western Australia, and one additional lithium brine project in Argentina.
- In summary:
 1. **Greenbushes** in southern Western Australia – Two granted exploration tenements adjacent to the world's largest hard-rock lithium spodumene mine owned by Talison / Tianqi. The tenements are 100% owned by LPI.
 2. **Pilbara** in northern Western Australia – Three pending exploration tenements, the largest of which is located at Pilgangoora, and adjacent to the lithium spodumene deposits discovered by PLS, AJM and DKO. The exploration tenements, once granted, will be 100% owned by LPI.
 3. **Centenario Salar** in northern Argentina – A collection of lithium brine exploration tenements within the central & northern section of the salar. In the same region as ORE, FMC and LAC. The tenements are 100% owned by LPI.

Greenbushes Mine



Pilbara Tenement

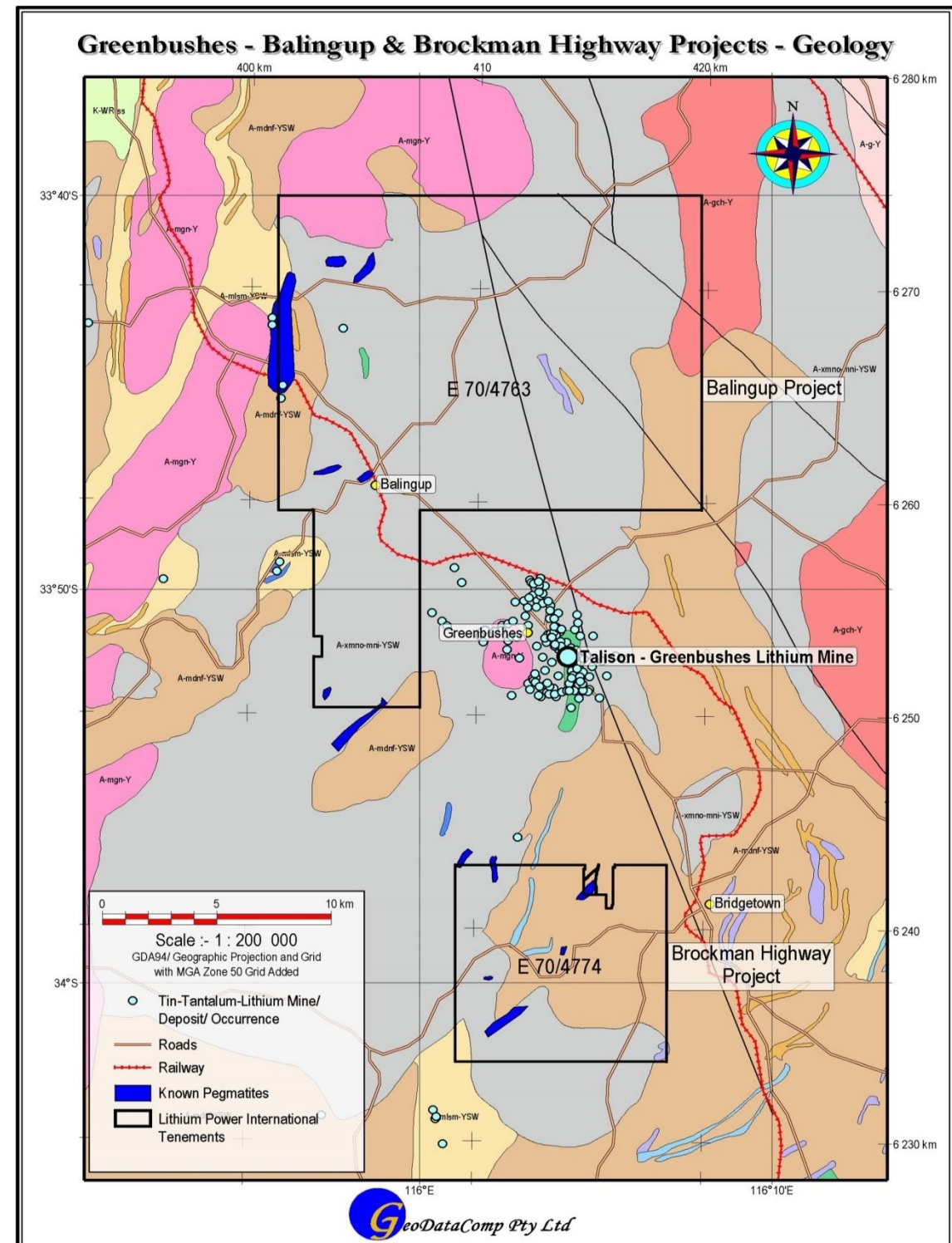


Centenario Salar



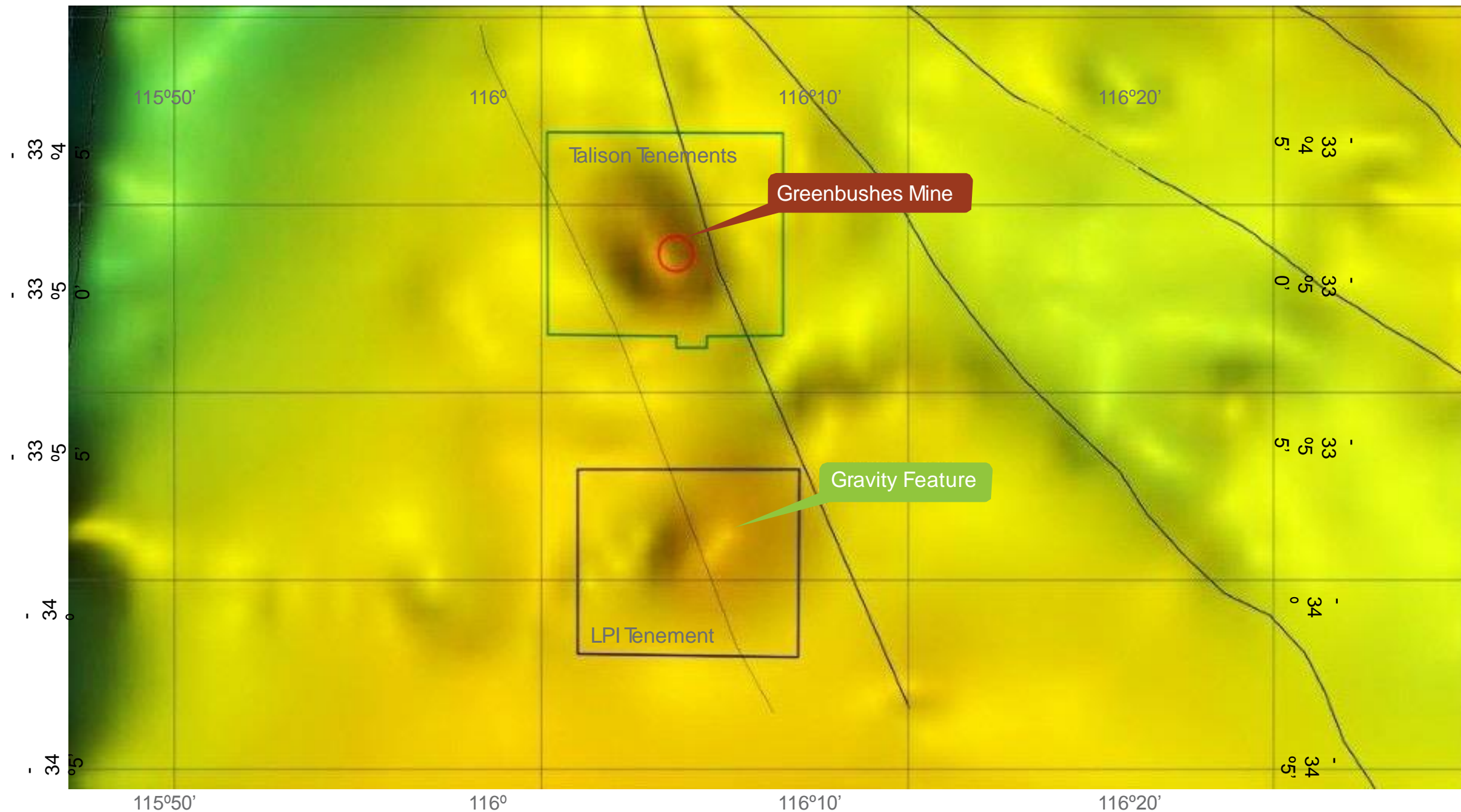
Greenbushes Project - adjacent to Talison's lithium mine

- LPI's tenements include two separate project areas in the Greenbushes region:
 1. **Balingup Project** - a large tenement extending north and west of Talison's Greenbushes mine.
 2. **Brockman Highway Project** - a second tenement extending south of the Greenbushes mine, and divided by the Brockman Highway.
- Only 1.5% of LPI's project areas have been explored for lithium mineral occurrences, despite their close proximity to the Talison mine.
- The next steps in terms of exploration of the Greenbushes area includes an aeromagnetic survey across both tenements in order to identify potential drill targets.

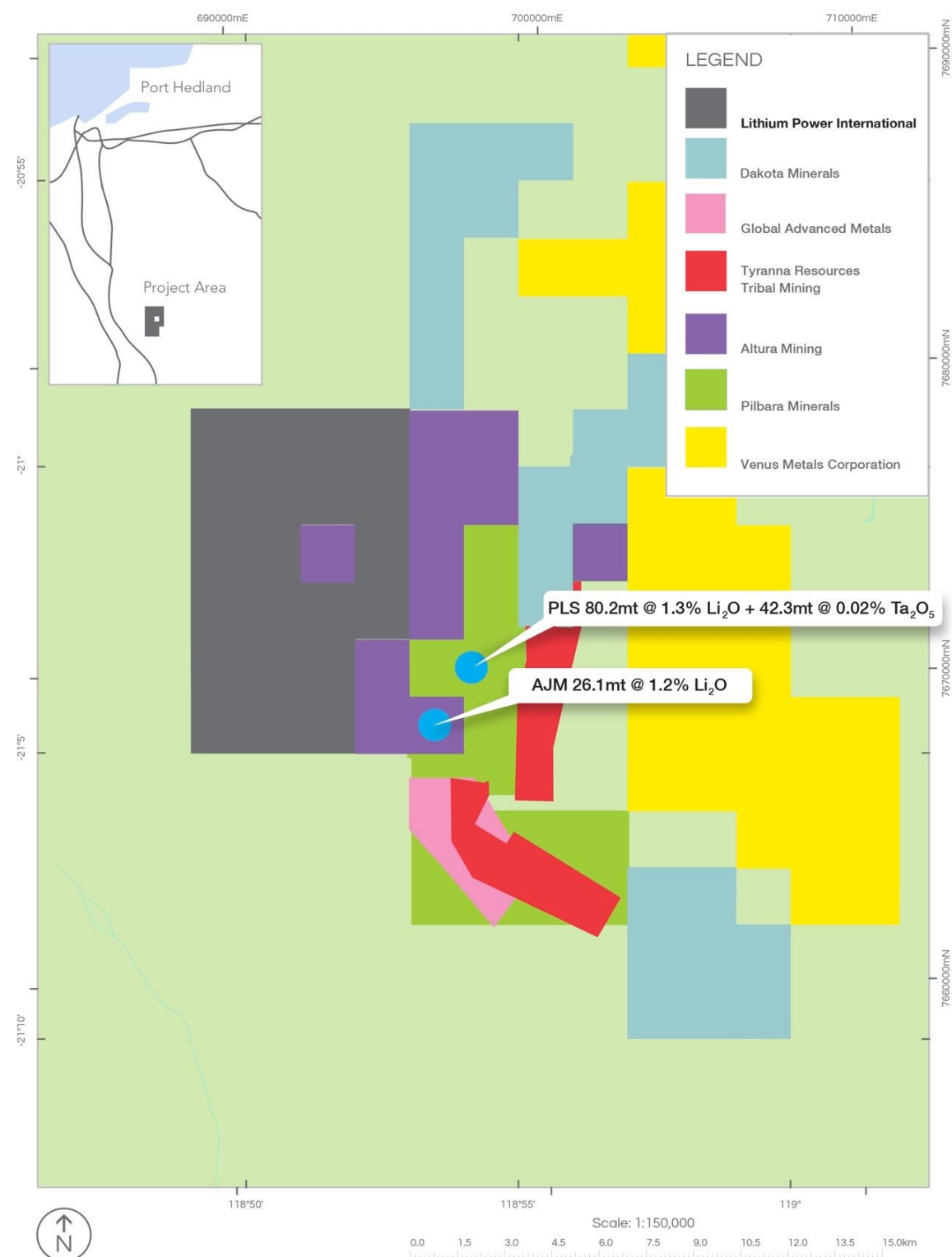


Greenbushes Project - similar gravity feature to Talison mine

- Open source gravity imagery shown below indicates two circular features in the Greenbushes area. One feature is coincident with the Talison mine, and the other is coincident with LPI's Brockman Highway project area.

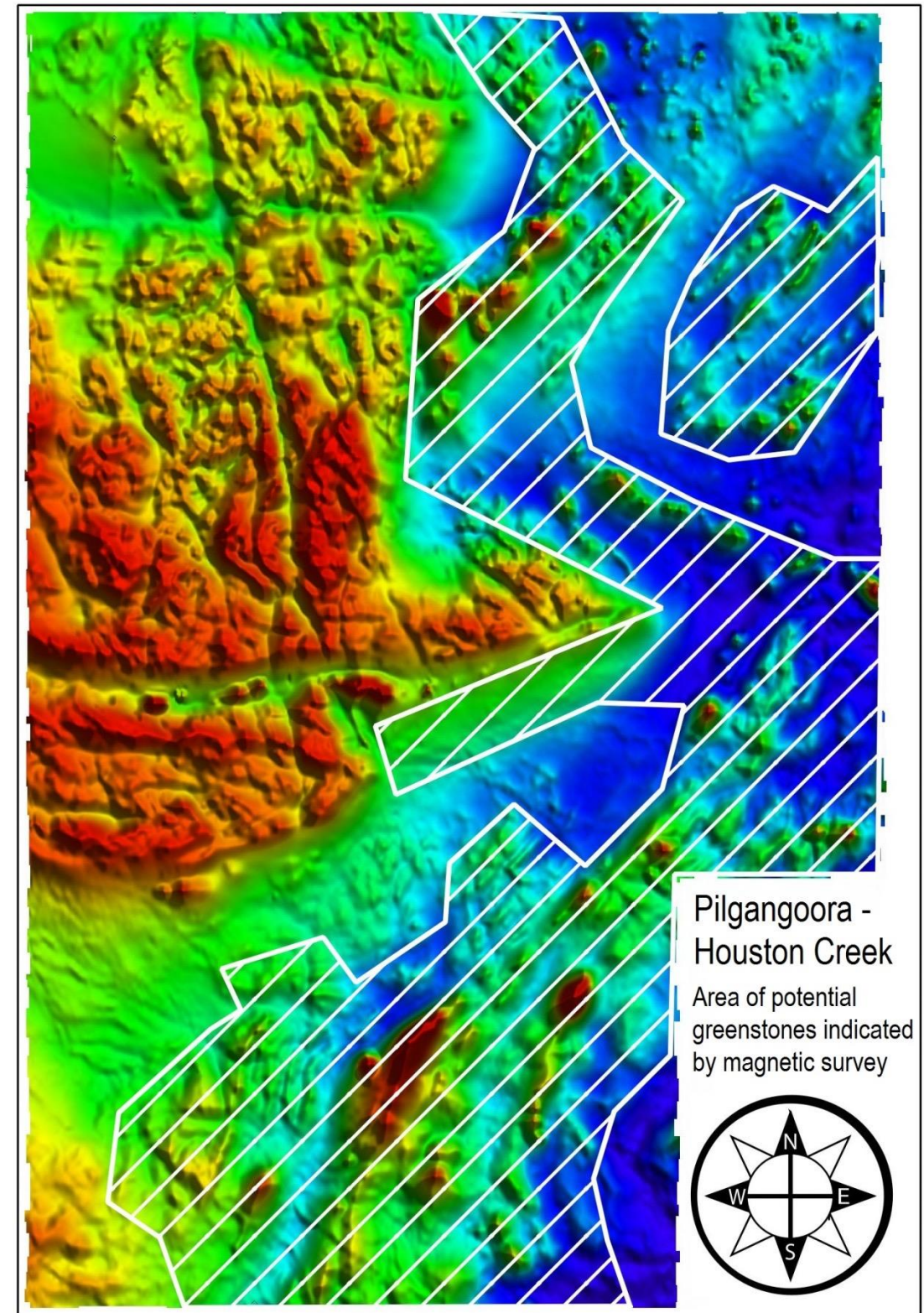


Pilgangoora Project - directly adjacent to known lithium deposits



Pilgangoora Project - local geology and lithium mineralisation

- In January 2016, LPI completed an aeromagnetic survey across the Pilgangoora-Houston Creek application area.
- The shaded area in the image opposite highlights a region of interpreted greenstones extending north to south across the tenement.
- It is likely that any greenstone in this area would be part of the neighbouring greenstone belt hosting the Pilgangoora lithium pegmatite deposits, according to our IER.
- The estimated strike length of the greenstone area is 12km on our tenement. This will represent a high priority target area for further exploration.
- We are awaiting granting of this tenement in order to undertake the next stage of exploration. This will involve geochem and other techniques in order to identify drilling targets.



Centenario Project - located in known lithium brine province

- In February 2016, LPI entered into an agreement to acquire a number of tenements in the Centenario salar within the province of Salta in north west Argentina.
- On 29th August 2016, the Company announced that it had acquired an additional tenement in the salar, Centenario 3. In total, the 7 properties (6 granted and 1 in application) comprise a total area of approximately 70km².
- The majority of the other tenements in the Centenario salar are owned by public French company Eramet.
- Centenario is in the same region as other lithium brine projects including:
 - Salar de Olaroz – Orocobre, Toyota
 - Salar de Cauchari – Orocobre, SQM, Lithium America
 - Salar de Salinas Grandes – Orocobre
 - Salar Del Hombre Muerto – FMC, Lithium One

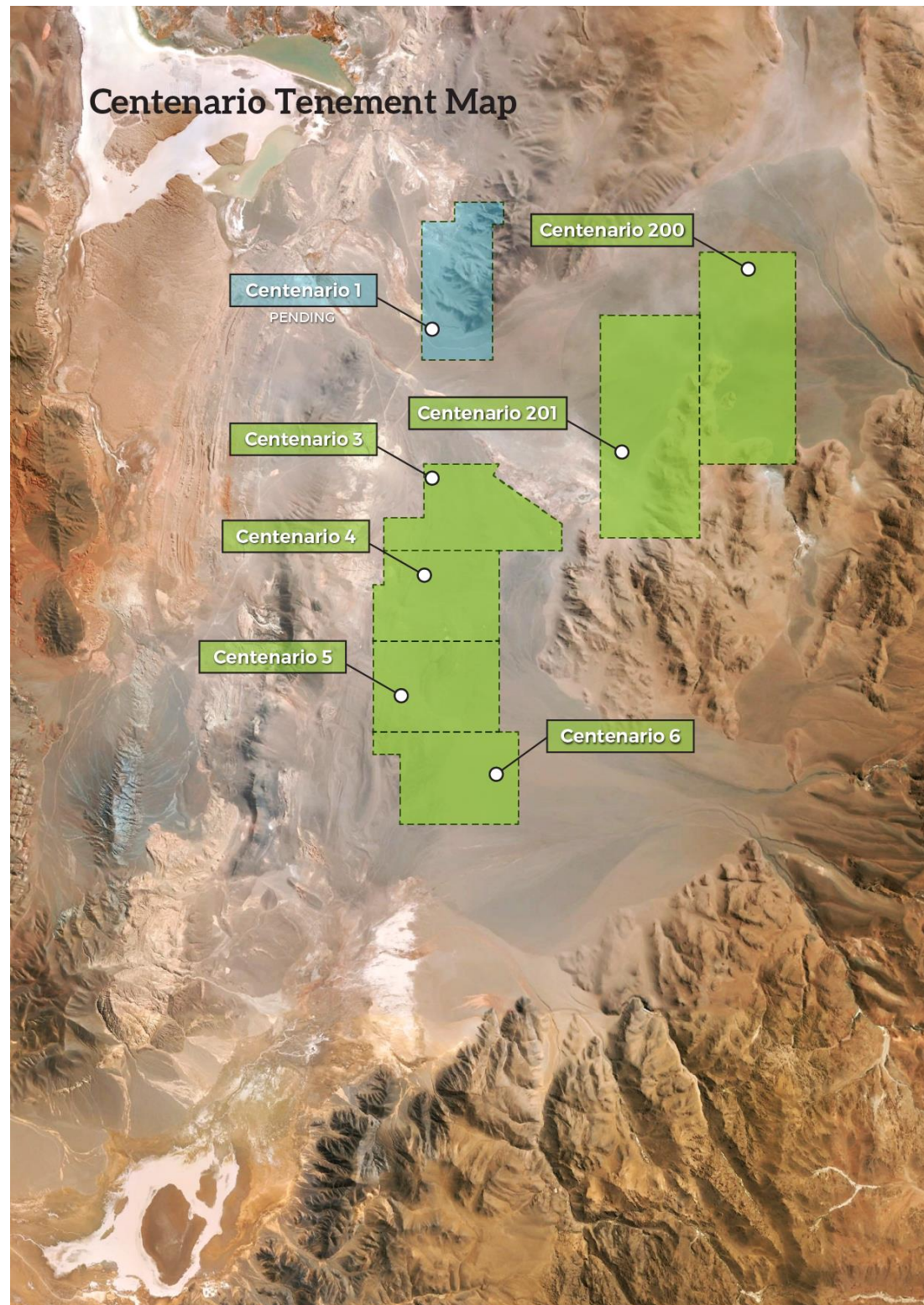


Eramet pump test at Centenario Salar (2015)



LPI tenements at Centenario Salar (2015)

Centenario Project – Tenement Map



- These properties are in the early stages of exploration, but have the potential to host economic concentrations of lithium in subsurface brine, according to the Independent Experts Report in our Prospectus of 23 May 2016.
- In terms of future exploration, the first stage will entail geophysical surveys to identify viable drilling targets. This will be followed by a series of diamond holes, and pumping tests.



Lithium Market & Outlook

Lithium is charging the future...

- Lithium-ion batteries are the preferred choice for portable energy storage given the combination of:
 - ✓ light weight
 - ✓ high energy density
 - ✓ slow self-discharge
 - ✓ low maintenance
 - ✓ low environmental risk

“Lithium is the new gasoline”

(2 Dec 2015)



“Lithium is now considered a key, strategic energy metal...”

(1 Dec 2010)



“...within 30 years, a majority of new cars made in the United States will be electric”

(25 Jul 2008)



“Given the continued growth in Electric Vehicles, lithium carbonate prices are expected to increase over the forecast period...”

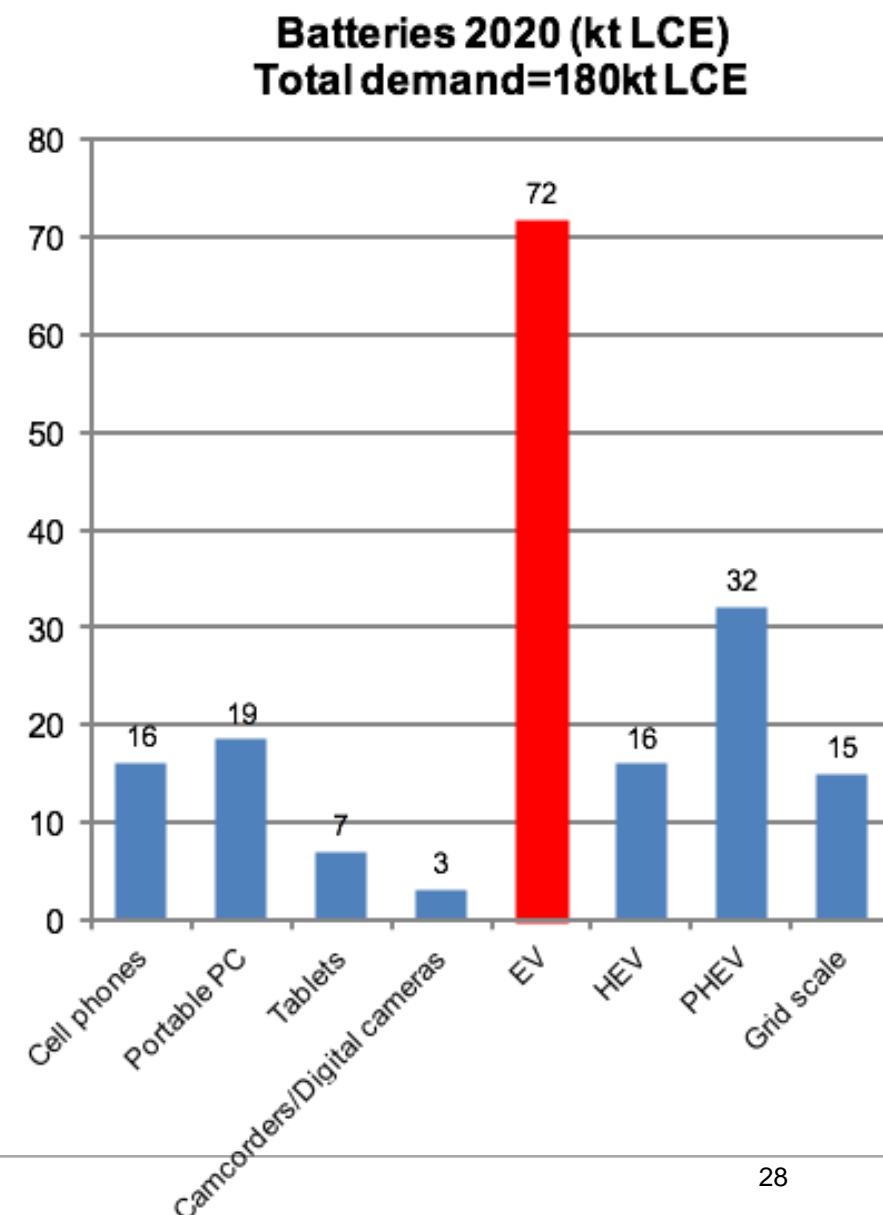
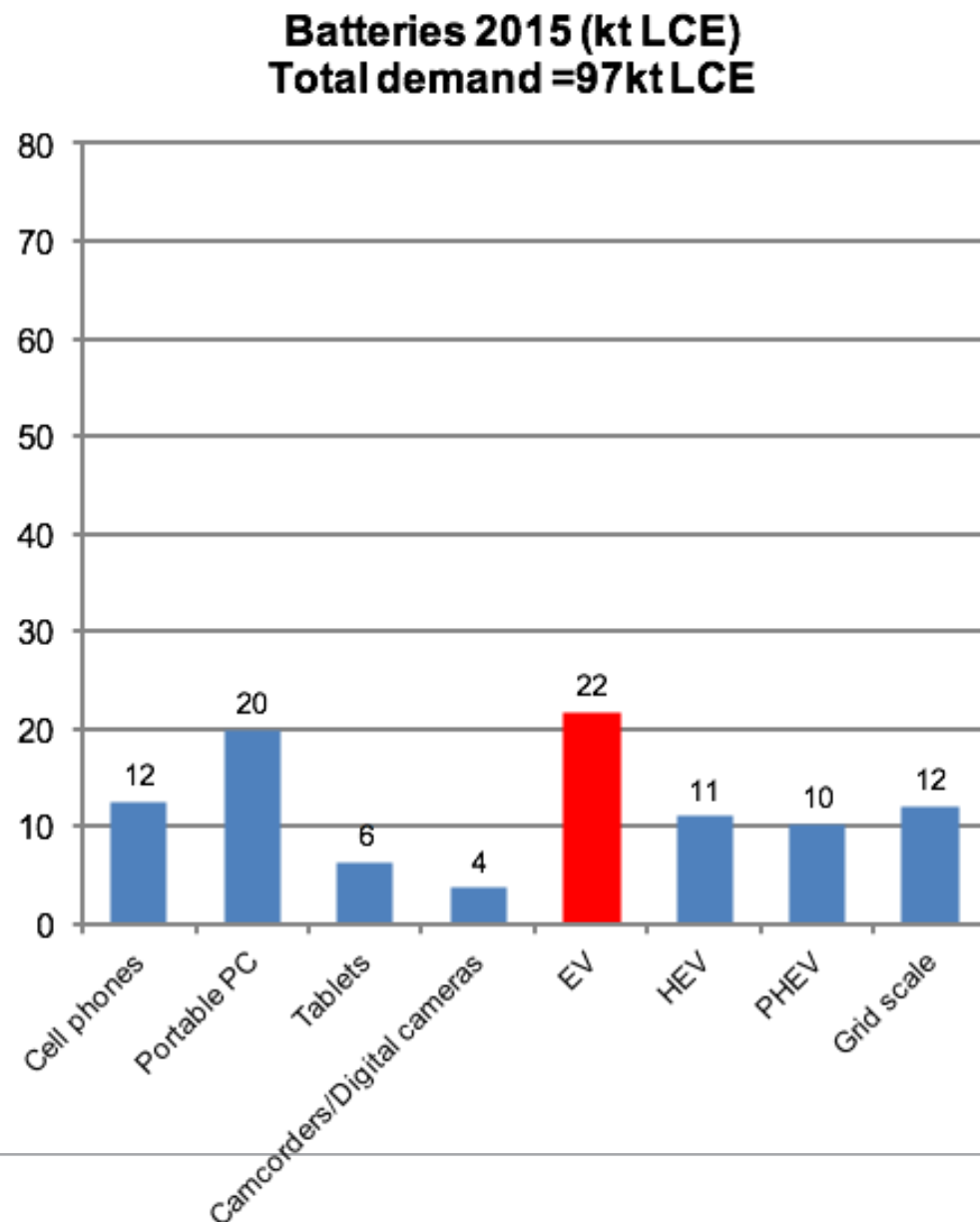
(LPI prospectus 23 May 2016)



The key expected growth for lithium is car batteries, particularly in China

- According to CRU, total global lithium demand across all applications is forecast to grow at +8% pa (CAGR) over the 5 years to 2020.
- Last year, 44% of global lithium consumption was for lithium-ion rechargeable batteries, with demand expected to grow at +13% pa in this segment over the next 5 years to 2020.
- Within battery demand, growth in electric & hybrid vehicle batteries is expected to grow at +23% pa over the next 5 years.
- The main driver of this EV/HEV/PHEV growth is China, which represents >50% of global battery production capacity.

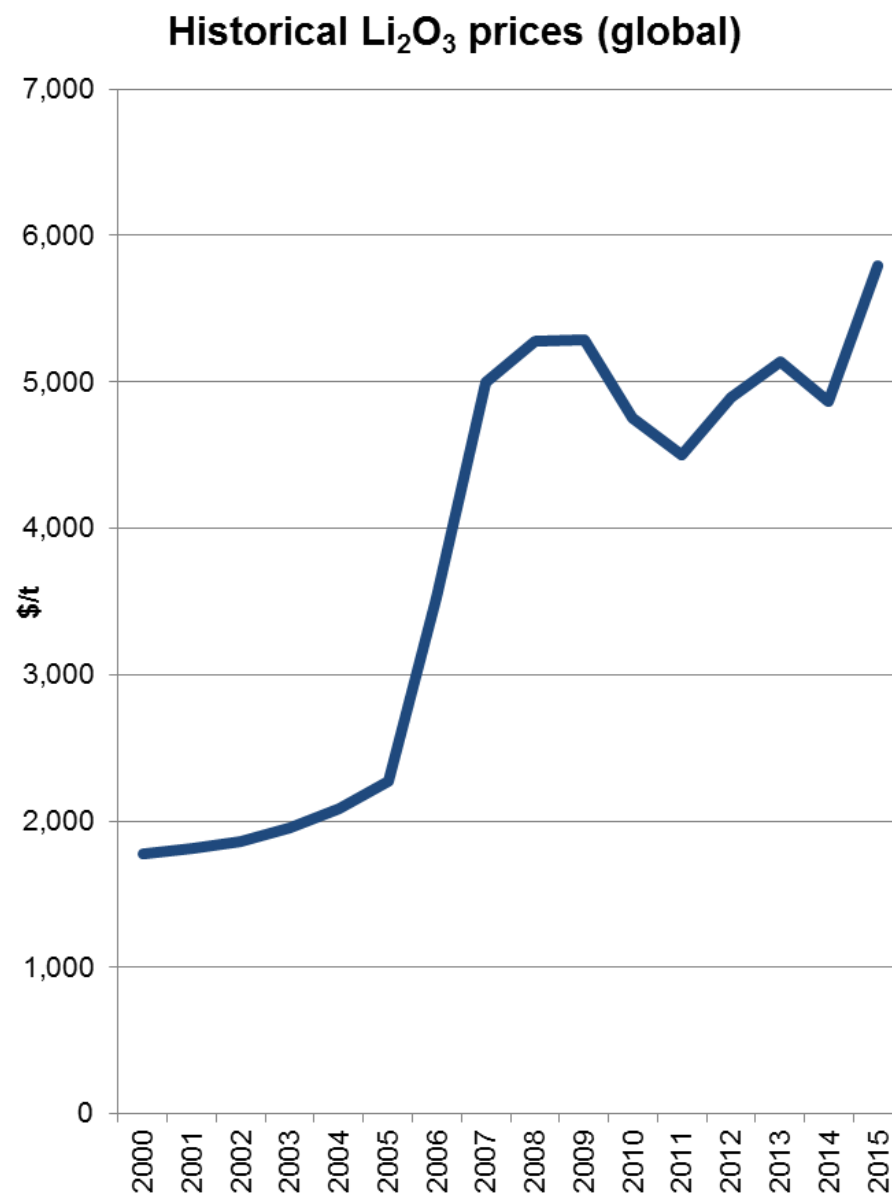
Note: Information in this slide is sourced from the CEO Report in LPI's prospectus dated 23 May 2016 and is available at www.lithiumpowerinternational.com



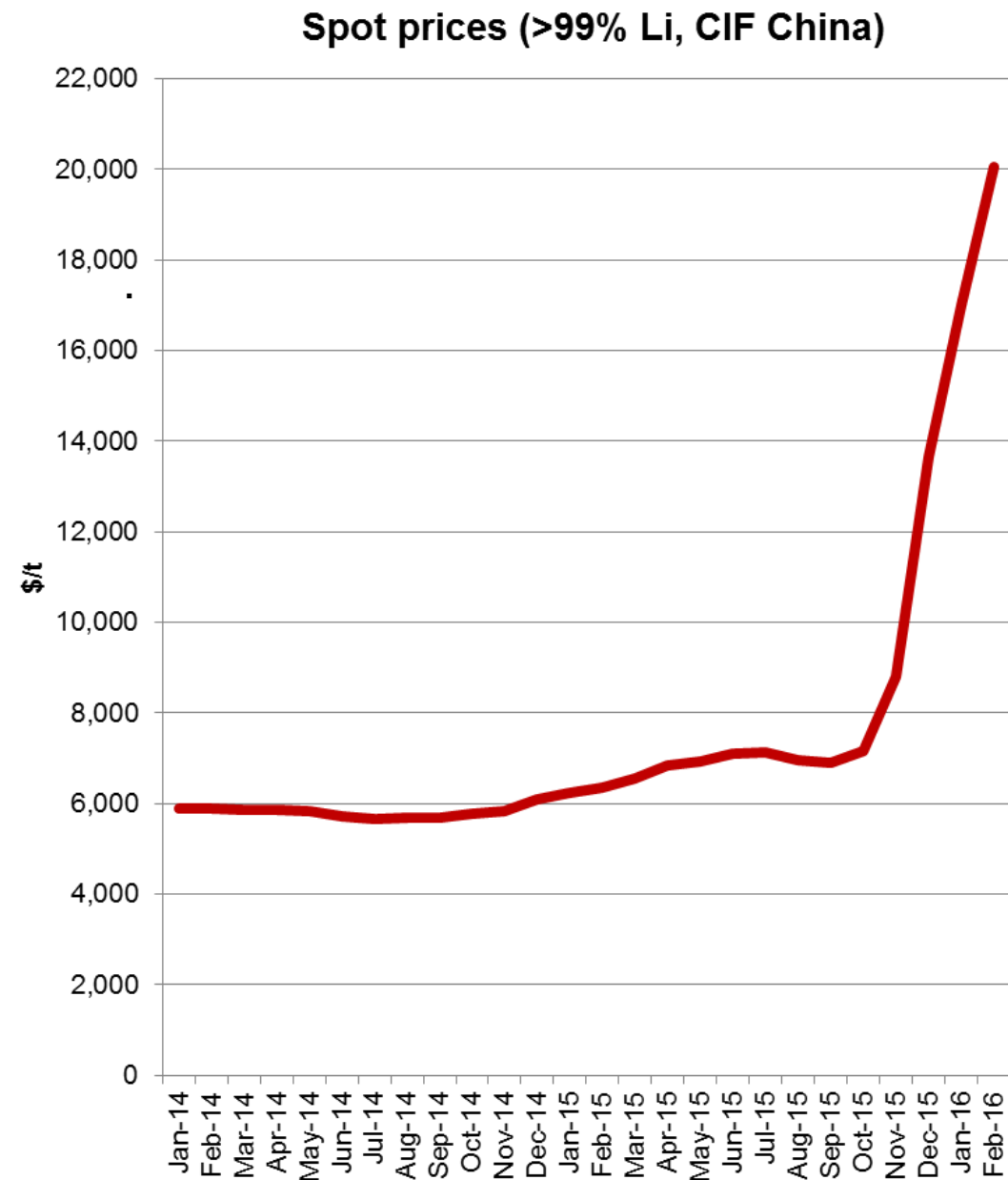
Source: CRU

Lithium prices have rallied, driven by strong demand

- A combination of strong demand and supply interruptions has resulted in the Chinese lithium price rallying from ~US\$5,000/t in mid 2015 (contract) to ~US\$20,000/t currently (spot). Please refer to LPI prospectus dated 23 May 2016 for more details.

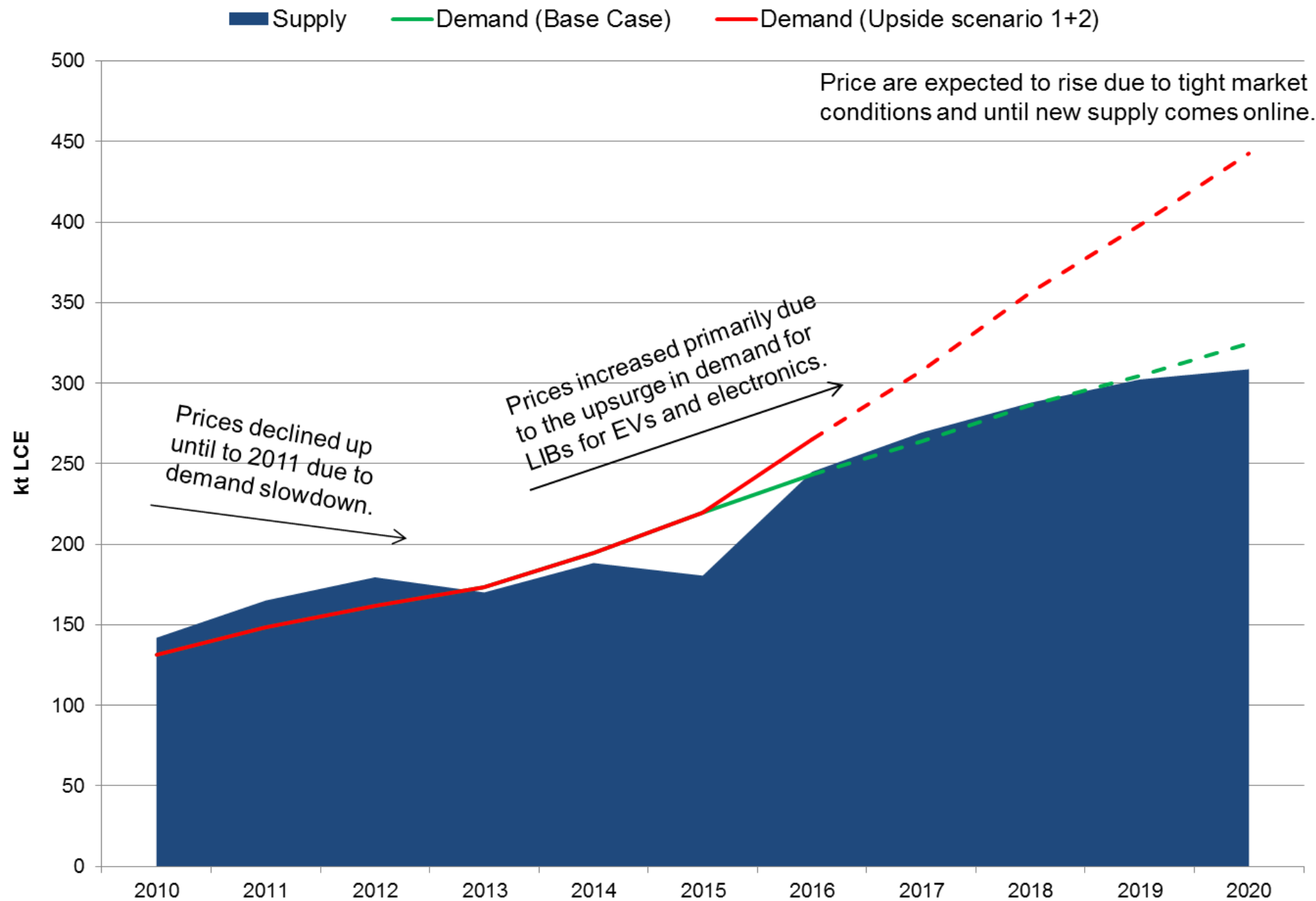


Source: CRU, GTIS, Asian Metal



The fundamentals for lithium are expected to be strong in the medium term...

- Based on CRU's forecasts (see LPI prospectus dated 23 May 2016), the supply/demand balance for lithium will continue to remain tight over the next 5 years as illustrated below.



Source: CRU

Recent lithium headlines & deals...

"Tianqi purchase of SQM stock sends lithium companies soaring"
(28 Sep 2016)

FINANCIAL POST

"Russian nuclear firm Rosatom eyes Chilean lithium"
(2 Oct 2016)

 REUTERS

"Tesla wins massive contract to help power the California grid"
(15 Sep 2016)

Bloomberg

"German Government votes to ban internal combustion engines by 2030"
(9 Oct 2016)

DER SPIEGEL

"China wants 3 million electric cars on road by 2025"
(15 Sep 2016)

 CCTV
AMERICA

"Chinese plan \$400m lithium plant at Kwinana"
(19 Aug 2016)

The West Australian

"Carmakers embrace an electric future at Paris motor show"
(30 Sep 2016)

FINANCIAL TIMES



Capital Raising and Indicative Timetable

Funding Summary

LPI's 50% share of the Maricunga JV will be financed via the institutional share placement and a Share Purchase Plan ("SPP"), both with a free attaching 1:1 Option

- Two Tranche \$12 million institutional placement at an issue price of \$0.38 per share.
- Tranche 1 of 16.8m Shares to be issued immediately using LPI's existing placement capacity.
- Tranche 2 of 14.8m Shares conditional on LPI shareholder approval at the AGM, to be held in Sydney on or around 28 November 2016.
- SPP for existing LPI shareholders as at 13 October 2016 at an issue price of \$0.38 per share, seeking to raise \$2m, of which the first \$1m is underwritten by Blue Ocean Equities Pty Limited.
- Shares issued under the Placement and SPP will be offered with a free attaching option on a 1 for 1 basis with a exercise price of \$0.55 and a expiry date of 24 November 2017. The offer of options is subject to shareholder approval at the AGM, and LPI intends to seek quotation of the options on ASX.
- In addition, 16m shares will be issued to MSB in consideration of the acquisition of the Option Rights, and 2m Options will be issued to Blue Ocean Equities Pty Limited in accordance with the terms of its mandate. These issuances are subject to shareholder approval at the AGM.

Source of Funds		Use of Funds	
Institutional share placement	\$12m	Maricunga Joint Venture commitments	\$14m
SPP *	\$2m		
Total Source of Funds	\$14m	Total Use of Funds	\$14m

*assumes \$2m is raised under the SPP

Institutional Placement, SPP and Options Summary

Key Offer Terms

Offer Size	<ul style="list-style-type: none">• An institutional share placement of approximately 31.6 million shares raising up to approximately \$12 million, and the issue of a further 5.3 million shares raising up to approximately \$2 million under the SPP.• Shares to be issued at an issue price of \$0.38 (38 cents) per share under both the placement and SPP.• Shares issued under the Placement and SPP will be offered with a free attaching option on a 1 for 1 basis, with a exercise price of \$0.55 and a expiry date of 24 November 2016. The offer of options is subject to LPI shareholder approval at the AGM, and LPI intend to seek quotation of the options on ASX.
Offer Pricing	<ul style="list-style-type: none">• Fixed price offering.• Offer pricing represents the following discounts:<ul style="list-style-type: none">• 18.3% discount to the close price on 11 October 2016 of \$0.465 per share• 14.8% discount to the 5-day VWAP to close of trade on 11 October 2016 of \$0.446 per share• 11.0% discount to the 10-day VWAP to close of trade on 11 October 2016 of \$0.427 per share
New Share Ranking	<ul style="list-style-type: none">• New shares rank pari passu with existing ordinary shares at the time of issue (other than in respect of the entitlement of each new share to subscribe for one free option on the terms described above).
Share Purchase Plan (SPP)	<ul style="list-style-type: none">• SPP allows each existing LPI shareholder to acquire up to \$15,000 of new shares at the institutional placement issue price, seeking to raise a total of \$2 million.• Record date of 13 October 2016.• SPP offer booklet and application form to be dispatched on or around 28 October 2016.• SPP underwritten by Blue Ocean Equities Pty Limited for the first \$1 million worth of shares (subject to shareholder approval at the AGM).

Indicative Timetable

Event	Date
SPP Record Date	Thursday, 13 October 2016
Announcement of Placement and SPP	Friday, 14 October 2016
Settlement of tranche 1 of Placement	Wednesday, 19 October 2016
Issue of Shares under tranche 1 of Placement	Thursday, 20 October 2016
Lodgment of prospectus in connection with offer of Options with ASIC	Friday, 28 October 2016
Dispatch of SPP offer booklet and Options prospectus	Friday, 28 October 2016
SPP offer opens	Friday, 28 October 2016
SPP offer closes	Friday, 18 November 2016
Last date for receipt of applications for Options from SPP participants	Friday, 18 November 2016
Annual General Meeting	Monday, 28 November 2016
Settlement of tranche 2 of Placement and SPP	Wednesday, 30 November 2016
Offer of Options under prospectus closes	Wednesday, 30 November 2016
Issue of Shares under tranche 2 of Placement and SPP and issue of Shares to MSB	Thursday, 1 December 2016
Issue of Options	Thursday, 1 December 2016
Trading of all Shares and Options	Monday, 5 December 2016

* These dates are indicative only and subject to change. The Company reserves the right, subject to the Corporations Act, the ASX Listing Rules and other applicable laws, to vary the above dates, either generally or in particular cases.

Lithium Power - Capital Structure

Capital Structure (as at 12 October 2016)

ASX Code	LPI
Shares on issue	111.7m*
Share price	A\$0.465
Market Capitalisation (undiluted)	A\$51.9m
Options	31.4m^

* 51m shares (45% of total) are escrowed until 24 June 2018

^ 95% of options on issue are escrowed until 24 June 2018

Substantial Shareholders (as at 12 October 2016)

FOUNDERS & DIRECTORS*	48.0%
JP MORGAN NOMINEES	5.6%

Indicative Capital Structure (after completion of the Capital Raising)

Shares on issue	111.7m
Placement - Tranche 1	16.8m
Placement - Tranche 2	14.8m
Placement - SPP	5.3m
Shares issued to MSB ~	16.0m
Total Shares on Issue	164.6m
Options on issue	31.4m
Options issued with Placement and SPP# (to be quoted on ASX)	38.9m

~ MSB shares will be escrowed until 24 June 2018.

assuming all investors in the Placement and SPP take up the offer of 1 free Option for 1 share issued under the Placement and SPP.

Lithium Power – Proforma Balance Sheet

Balance Sheet as at 30 June 2016 (Audited) (\$'000)

Assets

Current Assets

Cash & cash equivalents	7,237
GST receivable	103
Other	4

Total Current Assets **7,344**

Non-current assets

Exploration & evaluation	1,056
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Total non-current assets **1,056**

Total Assets **8,400**

Current Liabilities

Trade & other payables	956
------------------------	-----

Total current liabilities **956**

Net Assets **7,444**

Equity

Issued and paid up capital	8,921
Share based payment reserve	400
Options reserve	-
Accumulated losses	(1,877)

Total Equity **7,444**

Pro forma Adjustments comprise:

Issued and paid up capital - \$14m share capital plus MSB placement less placement fees & fee options
Options reserve – Placement and SPP Options issued, valued as per Black-Scholes
Share based payment reserve – Blue Ocean Fee options, valued as per Black-Scholes
Exploration & evaluation – value of shares issued to MSB for Option Rights
Cash & cash equivalents – total cash raised in placement less fees & costs

Proforma Balance Sheet as at 30 June 2016 (\$'000)

Assets

Current Assets

Cash & cash equivalents	20,467
GST receivable	103
Other	4

Total Current Assets **20,574**

Non-current assets

Exploration & evaluation	7,136
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Total non-current assets **7,136**

Total Assets **27,710**

Current Liabilities

Trade & other payables	956
------------------------	-----

Total current liabilities **956**

Net Assets **26,754**

Equity

Issued and paid up capital	20,447
Share based payment reserve	801
Options reserve	7,383
Accumulated losses	(1,877)

Total Equity **26,754**



Key Risks

Risks Statement

The business activities of the Company are subject to risks, which if realised may impact on the Company's future performance. Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, but many are outside of the control of the Company and cannot be mitigated. There are also general risks associated with any investment. Investors should consider all of these risks before they make a decision whether or not to deal in Shares. In addition, investors should consult their financial, legal or other adviser about these risks before making a decision to deal in Shares. The principal risk factors associated with an investment in the Company include, but are not limited to, the following:

1. Environmental Approvals Risk

The Company is reliant on environmental approvals in Chile, Western Australia and Argentina to enable it to proceed and develop its Projects. There is no guarantee that the required approvals will be granted in order to allow the Company to proceed and develop and operate the Projects. Failure by the Company to obtain the relevant approvals, or any delay in the award or transfer of the approvals, may materially and adversely affect the ability of the Company to develop and operate one or more of the Projects.

2. Exploration and evaluation risk

The business of exploration, project development and mining contains risks by its very nature. To prosper, it depends on the successful exploration and/or acquisition of reserves, design and construction of efficient production/processing facilities (including funding significant capex requirements) competent operation and managerial performance and proficient marketing of the product. In particular, exploration is a speculative endeavour and force majeure circumstances, cost over runs and other unforeseen circumstances can hamper mining operations.

Whilst the Company has attempted to reduce these risks by selecting projects that have identified mineral targets, there is no guarantee of success. There can be no assurance that exploration of the Projects or other exploration properties that may be acquired by the Company in the future will result in the discovery of an economic resource. Even if an apparently viable deposit or economic resource is identified, there is no guarantee that it can be viably or commercially exploited.

3. Changes in Commodity Price

The Company's possible future revenues will be mainly derived from the sale of lithium and by-products associated with the production of lithium, such as potash or tantalum (**Commodities**) and/or from royalties gained from potential joint ventures or from mineral projects sold. Consequently, the Company's potential future earnings could be closely related to the price of the Commodities.

The prices of the Commodities fluctuate and are affected by numerous industry factors including demand for the Commodities, forward selling by producers, production cost levels in major producing regions and macroeconomic factors (e.g. inflation, interest rates, currency exchange rates and global and regional demand for, and supply of, the Commodities). If the market price of the Commodities to be sold by the Company were to fall below the costs of production and remain at such a level for any sustained period, the Company would experience losses and would have to curtail or suspend some or all of its proposed mining activities. In such circumstances, the Company would also have to assess the economic impact of any sustained lower commodity prices on recoverability.

4. Competition risk

The lithium mining industry internationally is competitive. The actions of an existing competitor or the entry of new competitors into the lithium mining industry may make it difficult for the Company to establish the Projects. If the Company is successful in developing the Projects, the actions of an existing competitor, or the entry of a new competitor, may make it difficult for the Company to grow or maintain its revenues, which in turn, may have a material adverse effect on the Company's profitability. These actions could include, for example, blocking of access to the tenements, sufficient supply of exploration hardware and sufficient supply to labour resources

5. Technical risk

The results of future exploration may not reflect the Company's current understanding of the potential lithium mineralisation at each of the Projects. Whilst the Company has engaged independent experts to provide geological and technical information, there is insufficient information to establish whether further exploration will result in the determination of a mineral resource.

6. Geological risk

A portion of the proposed civil works will be underground and therefore subject to faulting, rock stability and other geotechnical issues which may impact construction costs and safe operation of any infrastructure required for the Projects. Any geological issue which impacts the construction or operations of the Projects could adversely impact LPI.

7. Limited Operating History

The Company has only completed limited due diligence on the Projects and has only limited historical operating data and financial information available upon which Investors can base their evaluation of the Company's business and prospects. As a result, the Company may not have sufficient experience to address the risks frequently encountered by companies with a limited operating history, including the Company's potential failure to:

- establish and develop the Projects;
- conduct profitable mining operations;
- anticipate and adapt to any changes in relation to government regulation, mergers and acquisitions involving the Company's competitors and other significant competitive and market dynamics; or
- maintain adequate control over the Company's costs and expenses.

The prospects of the Company must be considered in light of the risks, expenses and difficulties frequently encountered by companies in their early stage of feasibility, which have a high level of inherent uncertainty.

Risks Statement (continued)

8. Key personnel risk

The Directors' and senior managers' ability to successfully manage the Company's performance and the opportunities identified in this Document will directly affect the success of the Company. The Company may be adversely affected if any of the Directors or senior management leave the Company. The Company may not be able to replace its Directors or key employees with persons of equivalent expertise and experience within a reasonable period of time or at all and the Company may incur additional expenses to recruit, train and retain personnel. Loss of such personnel may also have an adverse effect on the performance of the Company pending replacements being identified and retained by, or appointed to, the Board of the Company

9. Future financing

Future financing will be required by the Company to support its proposed construction and development plans. There can be no assurance that such funding will be available on satisfactory terms or at all. Inability to obtain funding will adversely affect the Company and may result in some or all of the Projects not proceeding or defaults in licences or permits which, if not remedied, could result in forfeiture.

10. Contractual risks

As a party to contracts, the Company will have various contractual rights in the event of non-compliance by a contracting party. However, no assurance can be given that all contracts will be fully performed by all contracting parties and that the Company will be successful in securing compliance with the terms of each contract by the relevant third party.

11. Operational Risk

If the Company is successful in developing the Projects, the Company's proposed activities will be subject to numerous operational risks, many of which are beyond the Company's control. The Company's operations may be curtailed, delayed or cancelled as a result of factors such as adverse weather conditions, mechanical difficulties, shortages in or increases in the costs of consumables, spare parts, plant and equipment, external services failure (such including energy and water supply), industrial disputes and action, difficulties in commissioning and operating plant and equipment, IT system failures, mechanical failure or plant breakdown, and compliance with governmental requirements.

12. Exchange Rate Risk

The expenditure of the Company is and will be in Australian, United States, Chilean and Argentinian currencies, exposing the Company to fluctuations and volatility of the rates of exchange between the Australian dollar and the United States dollar, Chilean peso and Argentinian peso as determined in international markets.

13. Chilean Risks and Chilean Government Policy

The Company holds its interest in the Maricunga JV through its wholly-owned Chilean subsidiary, Lithium Power Inversiones SpA, located in Chile (who in turn has a 50% share in NewCo). This structure is subject to risks normally associated with the conduct of business in foreign countries along with external Joint Venture partnerships. Risks pertaining to a Chilean mining project may include, among other things, earthquakes and severe weather conditions, labour disputes, corruption, uncertain political and economic environments, civil disturbances and crime, arbitrary changes in law or policies, opposition to mining from environmental or other non-governmental organisations or changes in political attitudes towards mining activities, infrastructure and increased financing costs.

14. Argentinian Risks and Argentinian Government Policy

The Company holds its Argentinian properties through its wholly-owned Argentinian subsidiary, Lithium Power SA, located in Argentina and is subject to risks normally associated with the conduct of business in foreign countries. Risks pertaining to Argentina may include, among other things, earthquakes and severe weather conditions, labour disputes, corruption, uncertain political and economic environments, civil disturbances and crime, arbitrary changes in law or policies, opposition to mining from environmental or other non-governmental organisations or changes in political attitudes towards mining activities, infrastructure and increased financing costs.



Investment Summary

LPI – Maricunga Lithium Brine JV Highlights

Lithium is the new growth commodity ✓

Lithium brines are at the bottom of the global cost curve ✓

Lithium brines produce 99%-grade lithium carbonate feedstock ✓

Highest grade lithium brine deposits & largest producers are found in the Atacama region of Chile ✓

Old code mining tenements, which allow immediate exploitation of lithium ✓

Capex already spent to consolidate salar & prove high-grade lithium resource ✓

Close to existing road & port infrastructure ✓

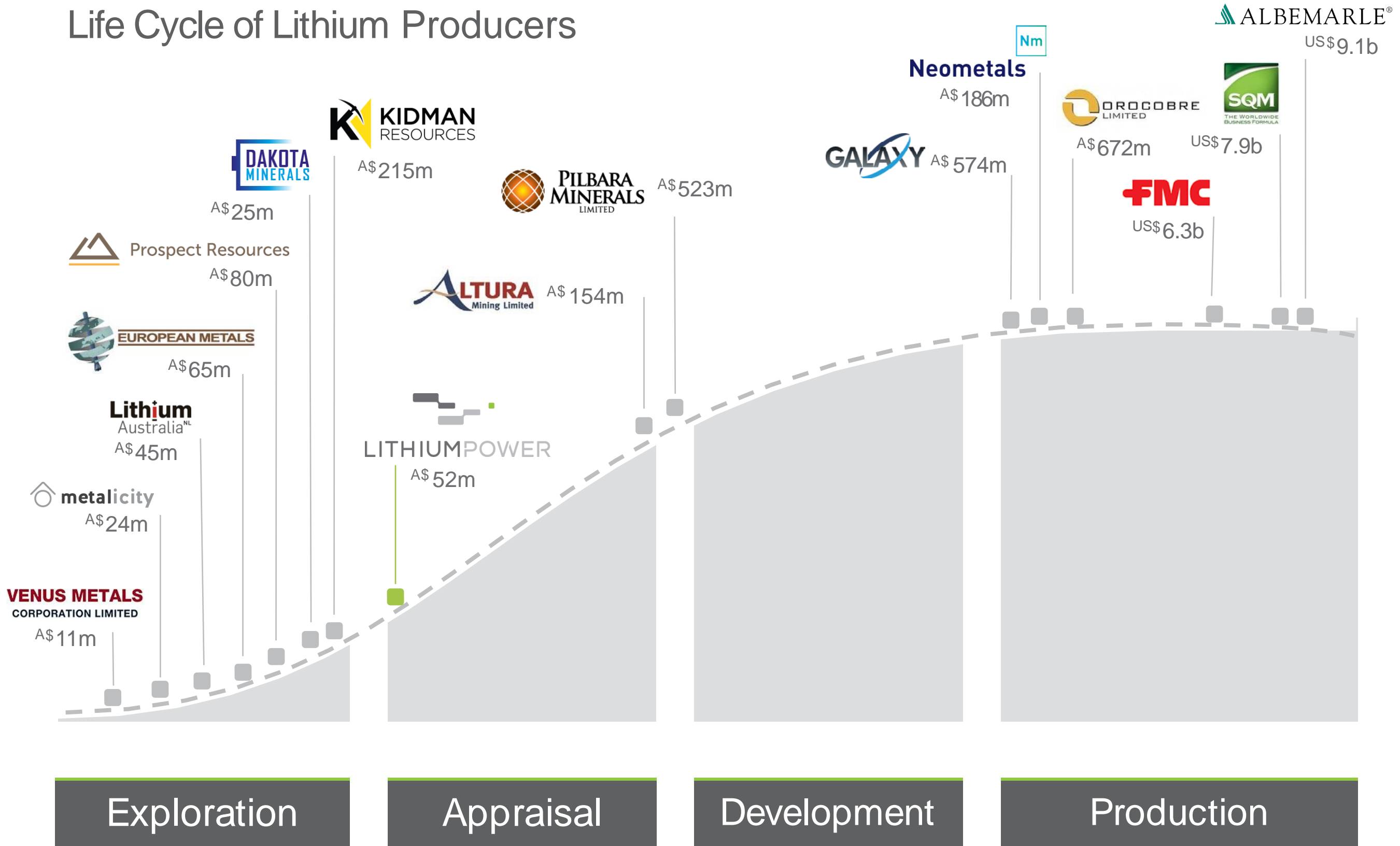
Final drilling program has commenced, to update current lithium resource ✓

All Government permits to DFS completed ✓

50% ownership of the asset, with Chilean corporate partner ✓

LPI = the only ASX-listed company with exposure to a high-grade Chilean lithium brine resource

Life Cycle of Lithium Producers



Source: Bloomberg

Market capitalisations as at 12/10/16



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Avenue El Golf 40, Piso 20, Las Condes, Santiago, Chile
Avenue Santa Fe 1592 - 4º piso (C1060 ABO), Buenos Aires, Argentina
ACN 607 260 328

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