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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.

Information regarding the lithium market
The information contained in this presentation relating to the global lithium market and its expected outlook as 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.

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Competent Person’s Statement
The information contained in this ASX release relating to Mineral Resources has been compiled by Mr Murray Brokerer. Mr Brokerer 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 Brokerer 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.

Reference to Resource Estimate
The reader is referred to the previous announcement by LPI on the 28 July 2016, which provided details of the Maricunga project resource and information regarding what is considered by ASX as 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 the 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 on 20/07/1. 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.

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 resources 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 resources and/or reserves has been made 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.
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.
- In October 2016, LPI acquired from MSB the options over the San Francisco, Salamina and Despreciada tenements (“Option Rights”), and LPI has issued 16 million ordinary shares to MSB as payment, as approved by shareholders at the recent AGM.
- LPI has subsequently exercised the Option Rights at an exercise price of USD$5.22m, and these tenements will now be transferred into NewCo.

Maricunga JV – Earn-In and Timeline

Funding timeline:
- LPI to provide initial capital of USD$8.38m to facilitate the Maricunga JV exploration & development program over the next 12 months.
- Milestones to be completed over this period include: completion of resource drilling, brine pump & flow testing, new JORC lithium resource report, construction of evaporation test ponds & lithium carbonate pilot plant, site 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 JV finalisation, 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

In October 2016, LPI completed a successful capital raising of AUD$13.5m 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, in two tranches.
- A share purchase plan of $1.0m worth of shares to existing shareholders (the underwritten portion of SPP).
- A placement to Directors of AUD$0.5m worth of shares on the same terms as above, following shareholder approval at the recent AGM.
- All shares issued under the capital raising included a free attaching option (1:1 basis), with an exercise price of $0.55 and expiry of 24 November 2017, as approved at the recent AGM.
# Lithium Power - Capital Structure

## Capital Structure (as at 6 December 2016)

<table>
<thead>
<tr>
<th>Description</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>ASX Code</td>
<td>LPI</td>
</tr>
<tr>
<td>Shares on issue</td>
<td>164.2m*</td>
</tr>
<tr>
<td>Share price</td>
<td>A$0.265</td>
</tr>
<tr>
<td><strong>Market Capitalisation (undiluted)</strong></td>
<td><strong>A$43.5m</strong></td>
</tr>
<tr>
<td>Listed Options</td>
<td>37.5m#</td>
</tr>
<tr>
<td>Unlisted Options</td>
<td>31.4m^</td>
</tr>
</tbody>
</table>

## Substantial Shareholders (as at 6 December 2016)

<table>
<thead>
<tr>
<th>Shareholder</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Founders &amp; Directors*</td>
<td>37.3%</td>
</tr>
<tr>
<td>Chilean Joint Venture Partner</td>
<td>9.7%</td>
</tr>
<tr>
<td>JP Morgan Nominees</td>
<td>4.4%</td>
</tr>
</tbody>
</table>

## Capital Raised in October/November 2016 (at A$0.38)

<table>
<thead>
<tr>
<th>Source of Capital</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sophisticated &amp; Institutional Placement</td>
<td>$12.0m</td>
</tr>
<tr>
<td>Underwritten Share Purchase Plan</td>
<td>$1.0m</td>
</tr>
<tr>
<td>Placement to Directors~</td>
<td>$0.5m</td>
</tr>
</tbody>
</table>

---

* 68m shares (41.5% of total) are escrowed until 24 June 2018 or later

# listed options issued as part of the capital raise in October/November 2016

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

~ on the same terms as the Sophisticated & Institutional Placement
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 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.

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 Andrew G Phillips
CFO and Company Secretary
Over 25yrs of commercial and financial experience internationally. Previously held senior management roles with Aristocrat, Allianz, Hoya Lens, and Sequoia, with additional Board experience in the small cap resources sector.

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 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.

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.

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.
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:

![Indicative lithium cost curve](image-url)
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 – 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.

<table>
<thead>
<tr>
<th>Salar de Maricunga</th>
<th>Salar de Atacama</th>
<th>Salar de Centenario</th>
<th>Salar Del Hombre Muerto</th>
<th>Salar de Olaroz</th>
<th>Salar de Cauchari</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country</td>
<td>Chile</td>
<td>Argentina</td>
<td>Argentina</td>
<td>Argentina</td>
<td>Argentina</td>
</tr>
<tr>
<td>Owner</td>
<td>LPI/MSB/LI3</td>
<td>SOM/Albemarle</td>
<td>LPI/Eramet</td>
<td>FMC/Lithium</td>
<td>Orocobre/Toyota</td>
</tr>
<tr>
<td>Lithium (g/l)</td>
<td>1.25</td>
<td>1.84</td>
<td>0.56</td>
<td>0.74</td>
<td>0.69</td>
</tr>
<tr>
<td>Potassium (g/l)</td>
<td>8.97</td>
<td>22.63</td>
<td>5.11</td>
<td>7.40</td>
<td>5.73</td>
</tr>
<tr>
<td>Magnesium (g/l)</td>
<td>8.28</td>
<td>11.74</td>
<td>3.26</td>
<td>1.02</td>
<td>1.66</td>
</tr>
<tr>
<td>Mg/Li</td>
<td>6.63</td>
<td>6.40</td>
<td>5.87</td>
<td>1.40</td>
<td>2.40</td>
</tr>
<tr>
<td>K/LI</td>
<td>7.18</td>
<td>12.33</td>
<td>9.20</td>
<td>9.95</td>
<td>8.30</td>
</tr>
<tr>
<td>K/Mg</td>
<td>1.08</td>
<td>1.93</td>
<td>1.57</td>
<td>7.26</td>
<td>3.46</td>
</tr>
<tr>
<td>Altitude (m)</td>
<td>3800</td>
<td>2300</td>
<td>3900</td>
<td>4000</td>
<td>3900</td>
</tr>
<tr>
<td>Precipitation (mm/yr)</td>
<td>125</td>
<td>15</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>Evaporation Rate (mm/yr)</td>
<td>2400ность</td>
<td>3200</td>
<td>2600</td>
<td>2710</td>
<td>2600</td>
</tr>
</tbody>
</table>

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 grade 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, SERNAGEOMIN, Mark King IER, as at Oct 2016
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:

<table>
<thead>
<tr>
<th>Tenement</th>
<th>Code</th>
<th>Size</th>
<th>Vendor</th>
</tr>
</thead>
<tbody>
<tr>
<td>San Francisco</td>
<td>1932</td>
<td>425 Ha</td>
<td>LPI</td>
</tr>
<tr>
<td>Salamina</td>
<td>1932</td>
<td>150 Ha</td>
<td>LPI</td>
</tr>
<tr>
<td>Despreciada</td>
<td>1932</td>
<td>100 Ha</td>
<td>LPI</td>
</tr>
<tr>
<td>Cocina 19–27</td>
<td>1932</td>
<td>450 Ha</td>
<td>MSB/Li3</td>
</tr>
<tr>
<td>Litio 1–6</td>
<td>1982</td>
<td>1438 Ha</td>
<td>MSB/Li3</td>
</tr>
<tr>
<td>Blanco</td>
<td>n/a</td>
<td>1800 Ha</td>
<td>MSB/Li3</td>
</tr>
<tr>
<td>Camp1</td>
<td>n/a</td>
<td>100 Ha</td>
<td>MSB/Li3</td>
</tr>
</tbody>
</table>

- 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 5yrs, in order to generate the existing lithium resource.

- The current phase of exploration will include the drilling of new rotary & sonic holes, as well as new pumping test wells, within the “old code” tenements. These tenements were consolidated in the last 3yrs, and have not been previously explored for lithium.

- The drilling program commenced in late September 2016, and is expected to be completed by end January 2017. LPI is targeting an update of the existing lithium resource, with a new JORC report anticipated in 1H 2017.
Maricunga Lithium Brine JV – Drilling Update

- The resource & exploration drilling program at Maricunga is well underway*:

<table>
<thead>
<tr>
<th>Drill Hole</th>
<th>Location</th>
<th>Depth</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>M10</td>
<td>Cocina</td>
<td>200m</td>
<td>1,239 mg/l of Li over 150–190m 8,611 mg/l of K over 150–190m</td>
</tr>
<tr>
<td>M1</td>
<td>Cocina</td>
<td>77m</td>
<td>1,447 mg/l of Li over 0–75m 9,903 mg/l of K over 0–75m</td>
</tr>
<tr>
<td>M2</td>
<td>San Francisco</td>
<td>198m</td>
<td>931 mg/l of Li over 0–198m 6,605 mg/l of K over 0–198m</td>
</tr>
<tr>
<td>P4</td>
<td>Cocina</td>
<td>180m</td>
<td>30 day brine flow test underway</td>
</tr>
<tr>
<td>S5</td>
<td>Salamina</td>
<td>200m</td>
<td>completed, assays pending</td>
</tr>
<tr>
<td>S3</td>
<td>San Francisco</td>
<td>200m</td>
<td>completed, assays pending</td>
</tr>
<tr>
<td>S13</td>
<td>San Francisco</td>
<td></td>
<td>underway</td>
</tr>
</tbody>
</table>

- Assay results from the first three drill holes (M10, M1, M2) produced high grades of both lithium and potassium over their test intervals. A further two drill holes have now been completed, with assay results due shortly.

- A new pumping test well (P4) has been completed as a twin hole to the first exploration hole in Cocina, with a 30-day brine flow test now underway. Historical results from other pumping test wells (P1 and P2) in 2015 indicated strong brine flow rate and high lithium grades within the Litio tenement.

- A number of monitoring wells have also been drilled, to start the data collection for the upcoming Environmental Impact Assessment (EIA) on the salar.

* see Appendix for full details on the drilling results to date
# Maricunga Lithium Brine JV – Development Timeline

<table>
<thead>
<tr>
<th>Phase 1</th>
<th>Phase 2</th>
<th>Phase 3</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Lithium Resource Estimation</strong></td>
<td>Exploration and Resource Drilling</td>
<td>Pilot Plant Operation</td>
</tr>
<tr>
<td></td>
<td>Pumping Well Drilling and Testing</td>
<td>Brine Sampling and Testing</td>
</tr>
<tr>
<td></td>
<td>Resource Update</td>
<td>Brine Sampling and Testing</td>
</tr>
<tr>
<td><strong>Lithium Processing Test Work</strong></td>
<td>Evaporation Pond Construction</td>
<td>Environmental Monitoring</td>
</tr>
<tr>
<td></td>
<td>Brine Sampling and Testing</td>
<td>EIA Submission</td>
</tr>
<tr>
<td></td>
<td>Pilot Plant Design</td>
<td>Pre-Feasibility Study</td>
</tr>
<tr>
<td><strong>Environmental Impact Assessment</strong></td>
<td>Monitoring Well Installation</td>
<td>Environmental Monitoring</td>
</tr>
<tr>
<td></td>
<td>Weather Station Construction</td>
<td>Government Approval</td>
</tr>
<tr>
<td><strong>Feasibility Study and Engineering Plan</strong></td>
<td>Infrastructure Plan</td>
<td>Definitive Feasibility Study</td>
</tr>
</tbody>
</table>

- **End September 2016**: Underway
- **End March 2017**: Completed
- **End December 2017**: 6 months
- **End December 2018**: 9 months

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![Drilling Rig](image1.png)

![Lithium Field](image2.png)
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 our JV partners.

- LPI has established a wholly-owned Chilean subsidiary, Lithium Power Inversiones Chile SpA, which holds LPI’s 50% share in NewCo.

- LPI has acquired & exercised the Option Rights over the San Francisco, Salamina and Despreciada tenements, and will transfer these tenements into NewCo upon JV finalisation. The Option Rights were acquired from MSB in return for 16m shares (voluntarily escrowed until 24 June 2018) as approved at the recent AGM. The exercise price was USD$5.22m, paid in cash by LPI. It is noted that these 3 tenements are all 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 100% of the Maricunga project development costs over the next ~2yrs to 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 12mths until December 2017. This payment comprises:
    a) Secured loan to NewCo of up to USD$3.92m, drawn down as required until JV finalisation, 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 the full Definitive Feasibility Study (“DFS”) and the Environmental Impact Assessment (“EIA”) approval.
  - 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:
  - exploration wells & resource drilling
  - pumping wells & brine flow testing
  - new JORC lithium resource report
  - construction of evaporation test ponds
  - construction of the lithium carbonate pilot plant
  - construction of site camp, roads & other infrastructure
  - preparation work for the EIA and DFS

- The JV has a target date for completion of the DFS and approval of the EIA of late 2018.
Maricunga JV – Management & Technical Committee

Mr Christobal Garcia-Huidobro – Chief Executive Officer – NewCo
Civil Engineer with 18yrs experience developing & financing of 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 Andres 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 lithium brine project. Technical advisor to Lithium Americas on the Cauchari lithium brine project. Participated in the initial resource evaluation for FMC’s Hombre Muerto lithium brine 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 SERNAGEOMIN (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 brine 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 JV technical team on site (2016)
Maricunga JV - Exploration Program 2016

Pump Well Drilling

Drill Cuttings

Brine Samples

Resource Drilling
Maricunga JV - Exploration Program 2016

Test Ponds and Camp

Pump Test Pipeline

Pump Well Preparation

Drillers and LPI Board
Maricunga JV - Exploration Program 2016

International Highway 31

Weather Station

Maricunga Salar

Site Access Road
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 05/12/16
LPI’s 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 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 rock sample (2016)

LPI exploration manager on site (2016)
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.

This tenement was granted for exploration on 18th October 2016. Soil survey work has already been completed, with assay results due shortly. These results will assist in identifying drill targets, with a campaign scheduled for 1H17.
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 northwest 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, Galaxy

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 drill 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…”
(LP prospectus 23 May 2016)
Recent lithium headlines & deals…

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

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

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

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

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

“Chinese plan $400m lithium plant at Kwinana”
(19 Aug 2016)

“Carmakers embrace an electric future at Paris motor show”
(30 Sep 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 sounded from the CEO Report in LPI’s prospectus dated 23 May 2016 and is available at www.lithiumpowerinternational.com*
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.

**Supply** | **Demand (Base Case)** | **Demand (Upside scenario 1+2)**

Price are expected to rise due to tight market conditions and until new supply comes online.

Prices declined up until 2011 due to demand slowdown.
Prices increased primarily due to the upsurge in demand for LIBs for EVs and electronics.

Source: CRU
## Maricunga – Drilling Details To Date

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### Hole M10

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