

## Appendix 5B

### Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

**Name of entity**

**Lithium Power International Limited**

**ABN**

73 607 260 328

**Quarter ended ("current quarter")**

31 March 2017

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (9months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(234)	(686)
(b) development	-	-
(c) production	-	-
(d) staff costs	(173)	(469)
(e) administration and corporate costs	(231)	(701)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	8
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	27	83
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(610)</b>	<b>(1,765)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	(9,268)	(16,418)

For personal use only

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9months) \$A'000
(c) investments	-	-
(d) other non-current assets	-	(51)
<b>2.2</b> Proceeds from the disposal of:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-
<b>2.3</b> Cash flows from loans to other entities	3,547	-
<b>2.4</b> Dividends received (see note 3)	-	-
<b>2.5</b> Other (provide details if material)	-	-
<b>2.6</b> <b>Net cash from / (used in) investing activities</b>	<b>(5,721)</b>	<b>(16,469)</b>

<b>3.</b> <b>Cash flows from financing activities</b>		
3.1 Proceeds from issues of shares	-	13,500
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	20
3.4 Transaction costs related to issues of shares, convertible notes or options	(24)	(1,485)
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	(15)	(282)
<b>3.10</b> <b>Net cash from / (used in) financing activities</b>	<b>(39)</b>	<b>11,753</b>

<b>4.</b> <b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of period	7,120	7,231
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(610)	(1,765)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(5,721)	(16,469)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	(39)	11,753

For personal use only

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (9months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>750</b>	<b>750</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	750	7,120
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>750</b>	<b>7,120</b>

<b>6.</b>	<b>Payments to directors of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to these parties included in item 1.2	135
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3	Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

For personal use only

7. <b>Payments to related entities of the entity and their associates</b>	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3 – <b>NB Loan converted to equity from prior quarter.</b>	3,547
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

A loan provided to the Maricunga Joint Venture (“JV”), in the previous quarter of AU\$3.55m (US\$2.70m) was converted to equity in the JV at the completion of the JV transaction on 13 January 2017.

In addition, at completion a further AU\$5.72m (US\$4.22m) was also paid to the JV for equity as per the JV Investment Agreement.

Following the escalated exploration program for the Maricunga project, as announced thought-out the quarter, the JV had a bank balance of the funds remitted by LPI, of AU\$2.35m (US\$1.79m) as at 31 March 2017.

Therefore, at 31 March 2017, LPI had approximately **AU\$3.1m** at its disposal in Company or JV bank accounts.

The Company raised AU\$12m in capital in April 2017 to fund the exploration process, bringing the total funds available at the date of this Appendix 5B of approximately **AU\$15.2m**

8. <b>Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

For personal use only

## Mining exploration entity and oil and gas exploration entity quarterly report

<b>9. Estimated cash outflows for next quarter</b>		<b>\$A'000</b>
9.1	Exploration and evaluation	382
9.2	Development	-
9.3	Production	-
9.4	Staff costs	145
9.5	Administration and corporate costs	89
9.6	Other - Funding of the Maricunga JV USD\$3.5m bought forward to bring forward the exploration timeline as previously announced.	4,640
<b>9.7</b>	<b>Total estimated cash outflows</b>	<b>5,256</b>

<b>10.</b>	<b>Changes in tenements (items 2.1(b) and 2.2(b) above)</b>	<b>Tenement reference and location</b>	<b>Nature of interest</b>	<b>Interest at beginning of quarter</b>	<b>Interest at end of quarter</b>
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	-	-	-	-
10.2	Interests in mining tenements and petroleum tenements acquired or increased	Completion of the Maricunga JV, which includes the ownership of tenements, Litio, Cocina, Salamina, Despreciada & San Francisco.	100% owned tenements Salamina, Despreciada & San Francisco were vended into Maricunga JV. This along with the contribution of exploration funding provides the company with 50% of the JV.	0%	50%

**Compliance statement**

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here: .....  
(Director/Company secretary)

Date: **28 April 2017**

Print name: **Andrew G Phillips**

For personal use only

**Notes**

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

For personal use only