

## 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 December 2017

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (6months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(267)	(476)
(b) development	-	-
(c) production	-	-
(d) staff costs	(186)	(312)
(e) administration and corporate costs	(604)	(979)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	15	16
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)	(2)	(59)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(1,044)</b>	<b>(1,810)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	(2,592)	(2,592)

For personal use only

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6months) \$A'000
(c) investments	-	-
(d) other non-current assets	(22)	(49)
<b>2.2</b> Proceeds from the disposal of:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	850	1,000
(c) investments	-	-
(d) other non-current assets	-	-
<b>2.3</b> Cash flows from loans to other entities	-	-
<b>2.4</b> Dividends received (see note 3)	-	-
<b>2.5</b> Other (provide details if material)	(21)	(21)
<b>2.6</b> <b>Net cash from / (used in) investing activities</b>	<b>(1,785)</b>	<b>(1,662)</b>

<b>3.</b> <b>Cash flows from financing activities</b>		
3.1 Proceeds from issues of shares	35,641	35,841
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	(1,733)	(1,838)
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)	-	-
<b>3.10</b> <b>Net cash from / (used in) financing activities</b>	<b>33,908</b>	<b>34,003</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	3,069	3,617
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(1,044)	(1,810)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(1,785)	(1,662)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	33,908	34,003

For personal use only

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6months) \$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>34,148</b>	<b>34,148</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	1,148	3,069
5.2	Call deposits	33,000	-
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>34,148</b>	<b>3,069</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	240
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.	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

As at 31 December 2017, the Company had at its disposal a total of **AU\$34.1m** in the parent and subsidiary bank accounts in Australia, Chile and Argentina as a result of a placement of AU\$15m (before costs) and the exercise and underwriting of LPIO Options totalling AU\$20.6m

The Maricunga Joint Venture (the "MJV") the Company's key asset in Chile held **US\$3.2m (AU\$4.1m)** as at 31 December 2017. This amount is the balance of amounts previously remitted by the Company to the MJV as per the MJV Investment Agreement. The next instalment due, under the MJV Investment Agreement, of US\$2m is due to be paid on or before 1 March 2018.

Therefore, the Company has the total funds available at the date of this Appendix 5B of approximately **AU\$38.2m**.

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.		

9. <b>Estimated cash outflows for next quarter</b>	\$A'000
9.1 Exploration and evaluation *	406
9.2 Development	-
9.3 Production	-
9.4 Staff costs	181
9.5 Administration and corporate costs	180
9.6 Other ~	2,500
<b>9.7 Total estimated cash outflows</b>	<b>3,267</b>

\* does not include exploration expenditure in the MJV

~ US\$2m instalment to MJV as per the JV Investment Agreement

For personal use only

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

10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	Centenaro lithium brine tenements – Argentina	Non-refundable Due Diligence deposit paid to the Company for the disposal of the Centenaro tenements	100%	100%
10.2	Interests in mining tenements and petroleum tenements acquired or increased	Maricunga lithium brine JV project - Chile	Further earn-in payment as per the JV Investment Agreement	50%	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: **25 January 2018**

Print name: **Andrew G Phillips**

**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