Lithium Power Consolidate Ownership of Maricunga

Lithium Power International (ASX: LPI)

Announced it has entered into definitive binding agreements to consolidate 100% ownership of the Maricunga Lithium Brine project in Chile via two all scrip mergers with its JV partners, Minera Salar Blanco SpA and Bearing Lithium Corp. (TSX.V: BRZ) […]

Lithium Power Intl.	**ASX : LPI**
Stage	**Exploration**
Metals	**Lithium**
Market cap	**A$134 m @ A$0.38.5**
Location	**Maricunga, Chile and Western Australia**

The Lithium triangle of northern Chile, Argentina, and southern Bolivia

LITHIUM POWER INTERNATIONAL TO CONSOLIDATE 100% OWNERSHIP OF MARICUNGA LITHIUM BRINE PROJECT

Lithium Power International Limited (ASX: LPI) ("LPI" or the "Company") is pleased to announce it has entered into definitive binding agreements to consolidate 100% ownership of the Maricunga Lithium Brine project in Chile ("Maricunga" or the "Project") via two all scrip mergers with its joint venture partners Minera Salar Blanco SpA ("MSB SpA") and Bearing Lithium Corp. (BRZ:TSXV) ("Bearing") (together the "JV Partners") (individually the "Transaction" or together the "Transactions").

HIGHLIGHTS

- LPI to consolidate 100% ownership of the Maricunga brine project, by way of a three-party all-scrip merger with its JV Partners MSB SpA (owner of 31.31% of Maricunga) and TSXV listed Bearing Lithium (17.14%)
- The Transactions increase the current LPI shareholders' proportionate interest in Maricunga from the current 51.55% to ~57.9%1
- LPI will consolidate the ~48.45% of the Project that it

does not currently own at a valuation which is a discount of ~17.1%[2] compared with LPI's current look through value of Maricunga

- LPI holding 100% ownership of the Project will simplify decision-making and provides the optimal structure to oversee the rapid development of Maricunga
- Consolidation of 100% of the Project's ownership will de-risk the funding pathway and enhance LPI's ability to source capital for the development of Maricunga from a wider range of providers when compared with the existing joint venture ownership structure
- Consideration will be paid in LPI shares thereby allowing the shareholders of the JV Partners to retain exposure to the NPV8 US$1.4b Project
- The Transactions have been unanimously endorsed by the Boards of LPI, Bearing and MSB SpA, with the LPI Board (other than Mr Martin Borda who abstained due to him being the ultimate controller of MSB SpA) recommending that LPI shareholders vote in favour of the Transactions at the upcoming shareholder meeting.

Lithium Power management comments

"We are extremely pleased to have reached an agreement with both MSB SpA and Bearing to consolidate 100% ownership of Maricunga.

"The updated DFS released on 20 January 2022 demonstrates that Maricunga could be one of the lowest cost producers of

lithium carbonate in the world, with the Project's strong economics underpinning a highly attractive asset.

"This transaction is a highly logical step for LPI. By assuming full control of the Project, LPI will create a strong platform from which to develop and fund Maricunga.

"We look forward to continuing to deliver long-term value for all LPI shareholders, including MSB SpA and the new Bearing shareholders."

Lithium Power Intl. Chairman, David Hannon

For brevity, this summary has been redacted, to read the full news release, please click HERE

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If you need clarification of any information contained in this note, or have any questions, I will be delighted to assist – Please email andrew@city-investors-circle.com

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