Lithium Power International submits EIA to the Chilean government for the Maricunga project

Lithium Power International Ltd. {ASX: LPI}

Announced that through its JV Company, Minera Salar Blanco , advises that it has submitted the environmental Impact Assessment Report (“EIA”) for the Maricunga Lithium Brine Project to the Chilean Environmental Authority.

Final approval of the EIA is expected to be obtained by the end of 2019, and if approved a construction decision made by Q1 2020.



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MAJOR MARICUNGA PROJECT MILESTONE: ENVIRONMENTAL IMPACT ASSESSMENT ("EIA") SUBMITTED TO CHILEAN AUTHORITIES

Highlights

✓ Major milestone achieved with the submission of the Maricunga Project's Environmental Impact Assessment ("EIA") to the Chilean Environmental Authority, Servicio de Evaluación Ambiental ("SEA"), after more than 2 years of preparation.

✓ During the EIA evaluation process, priorities will shift to secure finance for the Project and offtake agreements for the high-purity lithium carbonate output.

✓ The Project will provide significant economic and social benefits for Chile and the Atacama Region. The Company expects to continue working closely with the Chilean authorities and contribute to strengthen the country's position on the global lithium industry.

✓ The EIA submission follows completion of a Resource Report and Preliminary Economic Assessment ("PEA") in 2017 and granting of a Nuclear Commission ("CCHEN") permit in 2018.

✓ The Definitive Feasibility Study ("DFS") is expected to be

finalised and released by the end of 2018 which will continue to demonstrate the outstanding value of the Maricunga Project.

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Lithium Power International Ltd. {ASX: LPI} through its JV Company, Minera Salar Blanco (“MSB”), advises that it has submitted the environmental Impact Assessment Report (“EIA”) for the Maricunga Lithium Brine Project (the “Project”) to the Chilean Environmental Authority, Servicio de Evaluación Ambiental (“SEA”).

The EIA is the culmination of more than two years of exhaustive work. The process involved in-depth data gathering, a variety of environmental and engineering studies and monitoring campaigns carried out by experienced company management and consulting experts, including MWH-Stantec, WorleyParsons and Flo Solutions.

The result is a comprehensive 11,400-page document, which includes complete environmental baseline studies, hydrological and hydrogeological modelling, human, archaeological and fauna and flora characterisation, and impact evaluation.

The EIA also included a lengthy process of social engagement with the Colla indigenous communities in the area. In addition, significant consultation took place with regional authorities and local organisations, which are all interested parties in the EIA process.

The EIA under Chilean law, requires the SEA to provide within 40 days of submission a notification of any major deficiencies. These include, but are not limited to, observations, comments, requests for clarification and/or modification, before advancing to the formal assessment process. Final approval of the EIA is expected to be obtained by the end of 2019 once the SEA has comprehensively reviewed each section of the EIA. *The Company would expect to receive a construction sanction decision as early as the first quarter of 2020.*

The EIA submission follows the JORC Resource Report, NI 43-101 and Preliminary Economic Assessment ("PEA"), which were completed in 2017, as well as the Nuclear Commission ("CCHEN") permit obtained in 2018. These documents demonstrated robust economics for the Project.

The Maricunga Definitive Feasibility Study ("DFS") is being prepared by WorleyParsons and is expected to be finalised and released by the end of December 2018. Remaining activities on reserve modelling, as well as engineering for the production plants being executed by GEA Messo in Germany, are also near completion. This confirms the Maricunga Project as one of the most advanced pre-production lithium brine projects in Chile and in South America.

In addition, discussions have commenced with major Chilean and international institutions to finalise a letter of intent during the second half of 2019 for financing the Project. International companies have also approached both LPI and MSB regarding off-take agreements and future participations.

Discussions will continue in parallel with the finalisation of the development activities of the Project. MSB's CEO & newly appointed LPI Non-Executive Director, Mr Cristobal Garcia-Huidobro, said: The EIA assessment is an extremely involved and time-consuming process. We took a position to commit to extra studies and comprehensive reviews to ensure that the EIA submitted was of the highest standard possible.

The critically important and extremely technically complicated hydrological
and hydrogeological modelling has provided us with very positive outcomes, which are documented in the EIA and will also be included in the DFS to be released by the end of the year. Social engagement with the local communities has enabled the Project development to be welcomed in the Maricunga area, and we anticipate positive outcomes from the EIA review process.

LPI 's Chairman, David Hannon, said: *"As the majority shareholder in Minera Salar Blanco, LPI is delighted with the quality of the Report produced by MSB's team. LPI's independent discussions with the Company's legal advisors commended the quality of the Report. Completion of a 11,400-page EIA Report of this standard is no
small feat and we acknowledge and thank Cristobal Garcia-Huidobro and his team for their diligent work. The submission of the EIA further demonstrates the advanced development and the outstanding value of the Project and constitutes a key step for the Company on its way to become one of the global suppliers for the lithium industry. The submission of the EIA will further attract interested parties to engage in an off-take and funding relationship as we move further ahead in*

the development of the Project".

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For further information, please contact:

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Contributing Specialist Consultants
There are many rigorous technical studies which serve as references to the EIA. These have been conducted by carefully selected and well-known international experts. Lithium Power International Ltd and Minera Salar Blanco S.A are appreciative of the efforts of its internal management team and the following independent consultants who prepared and contributed to the EIA.

A copy of the report, which is written in Spanish, can be found at **www.sea.gob.cl**