Lithium Power International updates on the disposal of their Argentinian assets

Lithium Power International {ASX: LPI}

Provided an update on the sale of its interest in the Argentinian lithium project situated in the Centenario salar to Centenario Lithium Limited and the potential disposal of its Western Australian and Argentinian assets.

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UPDATE ON CENTENARIO LITHIUM PROJECT SALE AND POTENTIAL DISPOSAL OF ASSETS

Lithium Power International Limited (ASX: LPI) is pleased to provide this update on the sale of its interest in the Argentinian lithium project situated in the Centenario salar to

Centenario Lithium Limited and the potential disposal of its Western Australian and
Argentinian assets.

Centenario Transaction

LPI entered into binding contracts on 4 December 2017 with the Purchaser to sell 100% of the shares in Lithium Power International Holdings (Argentina) Pty Ltd ("LPIH") (the "Transaction"). LPIH is a wholly owned Australian subsidiary that holds the Company's interest in the Centenario Project.

LPI granted the Purchaser two extensions to the completion date, which were announced to the ASX on 2 May 2018 and 16 May 2018. Completion of the Transaction was scheduled to occur on 14 June 2018. During this period, the Company advanced its exploration of the Centenario Project and continued to develop other aspects of the asset.

LPI now advises that the Purchaser was unable to complete the Transaction on 14 June 2018. Accordingly, pursuant to the terms of the Transaction documents, LPI will retain the approximately $1.15 million in cash received from the Purchaser, and it will transfer to the Purchaser shares representing 30% of the total issued capital of LPIH.

The Centenario Project will become a 70:30 joint venture between LPI and Centenario Lithium. LPI intends to continue discussions with the Purchaser regarding a potential transaction involving LPIH in the future, along with further advancement of the project.

Potential Disposal of Non-Chilean Assets

Further to LPI’s announcement of 12 April 2018, the Board is evaluating a range of options for its Pilbara and Greenbushes assets in Western Australian and its interest in the Centenario Joint Venture.