

ASX RELEASE

LPI: ASX

5 July 2022

## LPI BECOMES LARGEST TENEMENT HOLDER IN GREENBUSHES REGION & BUYS HOLDING IN EASTERN GOLDFIELDS

### HIGHLIGHTS

- Lithium Power has bought CMC Lithium and its Greenbushes Project in Western Australia, adding an extra 365km<sup>2</sup> of prospective ground around Talison Lithium's Greenbushes Mine, the world's largest hard-rock spodumene operation
- Lithium Power has also acquired two tenements in the mineral rich Eastern Goldfields of WA, from private company Lysander Lithium
- In the Eastern Goldfields, prolific gold and nickel endowment is often complimented by large lithium spodumene pegmatite deposits, such as Neometals' Mt Marion mine
- The properties were acquired for a combination of cash and LPI stock
- Lithium Power now has tenements in each of the three major WA hard rock lithium areas - Greenbushes, the Pilbara Craton and the Eastern Goldfields

Lithium Power International Limited (**ASX:LPI**) ("**LPI**" or "**the Company**") is pleased to announce that it has signed agreements to significantly increase its tenement holdings in Western Australia.

The acquisitions significantly increase its ground position in the Greenbushes Area, making it the largest holder of ground along the Donnybrook-Bridgetown Shear Zone. The acquisitions also diversify its geographic footprint in WA, by obtaining tenements in the Eastern Goldfields region.

These acquisitions support the Company's ability to demerge its WA assets into a separate company, Western Lithium Ltd (announced on 12 January 2022). The Company's strategy is focused on unlocking the value of these assets, most likely through an ASX listing in Q4 2022.

This strategy and the timing of the potential demerger and listing of Western Lithium Ltd will allow LPI to focus in Q3 2022 on the consolidation of ownership of its flagship Chilean joint venture company, Minera Salar Blanco S.A. (announced on the ASX on 22 June 2022), and the continued development of the Maricunga Lithium Project in Chile.

The demerger and listing process of Western Lithium is being targeted for completion in Q4 2022, subject to market conditions and final approvals from ASX, ASIC, ATO and LPI shareholders.

**Figure 1: Location of LPI’s properties in the Greenbushes region, Pilbara Craton and Eastern Goldfields of Western Australia**



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## Greenbushes Acquisition – CMC Lithium 365km<sup>2</sup>

LPI has acquired 100% of CMC Lithium (“CMC”) and its Greenbushes Project.

CMC’s properties are the Nannup Project made up of two tenements, one granted and one under application, covering 224km<sup>2</sup> and the Wilga Project made up of two tenements, one granted and one under application, covering 143km<sup>2</sup>.

**Table 1: CMC Lithium Tenements**

Tenement	Project	Status	Min Exp	Holder	Area km2
E70/5684	Nannup	Pending	\$77,000	CMCL	77
E70/4845	Nannup	13/10/2016	\$15,000	CMCL	1
E70/4846	Wilga	10/04/2017	\$50,000	CMCL	24
E70/5281	Wilga	Pending	\$26,000	CMCL	26

On E70/4845, CMC has completed soil and laterite sampling and other exploration techniques for LCT pegmatites and identified lithium-in-soil anomalies associated with outcropping pegmatites. While drilling targets have been generated, the necessary permits have not yet been obtained.

Some 140 laterite samples were taken within E70/4846, and a PEG4\* anomaly was defined on a linear NNW trend in the eastern part of E70/4846 which extends northwards into E70/5281. The trend is also anomalous in tin (Sn) and tantalum (Ta). LPI will follow up CMCs shallow air core drilling, average depth of 21m, with deeper RC drilling to establish the stratigraphy and targets for undercover pegmatites.

Sampling conducted by CSIRO has demonstrated that there is a pronounced +100ppm arsenic (As) anomaly over a 2km length in the far northern part of the E70/5684. LPI intends to complete whole rock analysis on the pegmatites that outcrop in both this tenement and the rest of the Greenbushes package to determine the age and degree of fractionation. This non-ground disturbing work will focus further exploration activities.

The tenements increase the scale of the LPI tenement package in WA and are of strategic importance in the Greenbushes exploration program. The granted tenements have all necessary heritage and native title agreements in place, with the Conservation Management Plan (CMP) in application. It is intended to add these tenements to the Company’s existing approved CMP, which would allow for exploration on this land under the same conditions as LPI’s existing tenements.

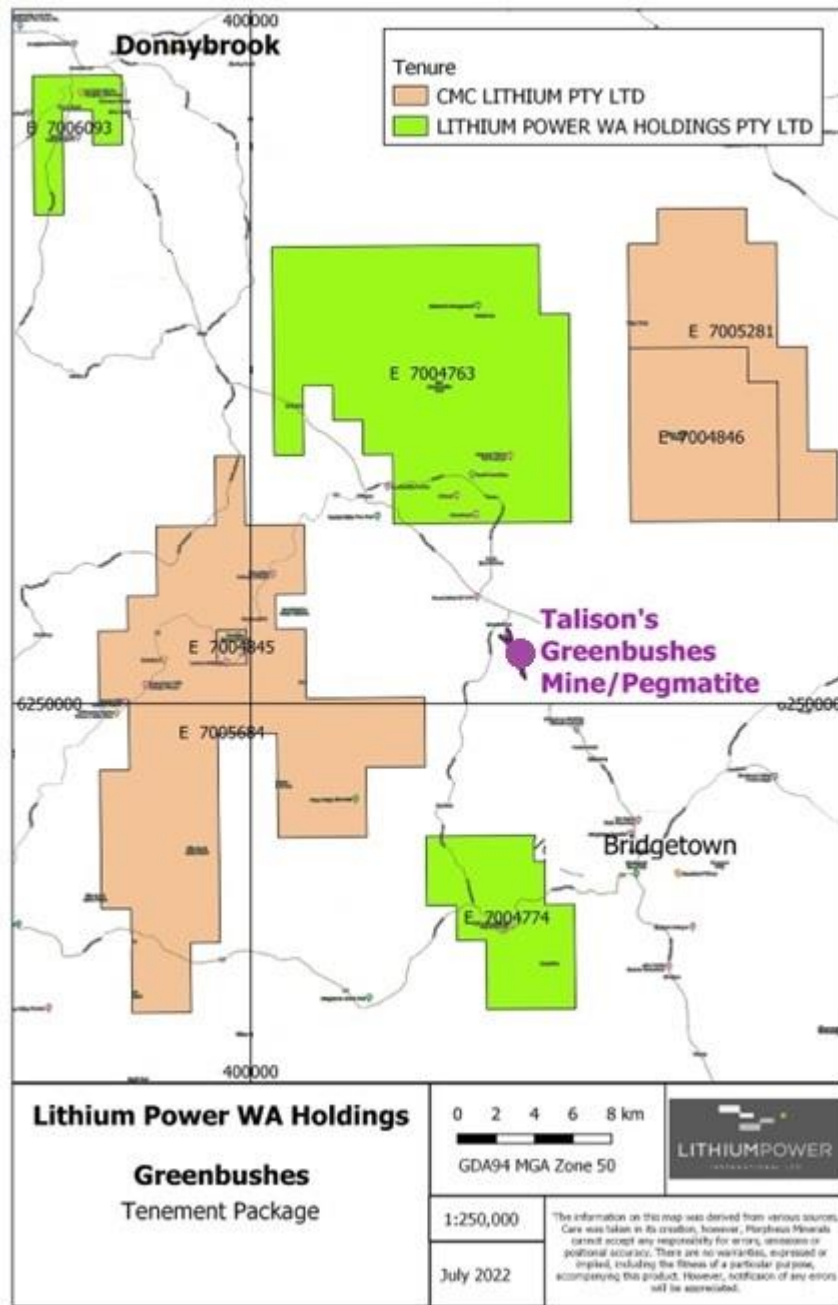
The Company will progress the final granting of the two pending tenements in the short-term.

The Greenbushes region is also emerging as a base metal exploration zone and CMC has identified the potential for nickel on the tenements acquired. The Company intends to extend its exploration process to cover not just lithium but also potentially other base metals.

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The Company has acquired 100% of the CMC shares from the two shareholders of CMC for a total net consideration of approximately A\$240,000. The acquisition of shares in CMC allowed this transaction to be completed without the need for Ministerial or other approvals.

**Figure 2: LPI's tenement package in the Greenbushes Region**



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### **Eastern Goldfields Acquisition – Lysander Lithium 115 km<sup>2</sup>**

The Company has agreed to purchase two granted tenements in the Eastern Goldfields: E15/1772 and E31/1250, from Lysander Lithium (“Lysander”).

These tenements comprise 115 km<sup>2</sup> and have native title agreements in place, providing immediate access to the properties for exploration. Both properties areas are considered highly prospective for lithium bearing pegmatites. They fulfill the Company’s exploration model for Rare Element Pegmatites which is based on the concept of fluid fractionation generating a typical zonation of rare earth metal concentrations within pegmatites as a function of distance away from a source intrusive body. Mineralisation typically occurs no more than 10 km from the source granite, with mafic or ultramafic host rocks metamorphosed from greenschist to amphibolite grade along major faults or lineaments.

The White Foil South tenement, E15/1772p is located on the Kunanalling shear zone and is approximately 2km from the Mungari monzogranite. The tenement is on the northern end of a known belt of lithium bearing pegmatites that extend north from the Widgiemooltha Dome through the Coolgardie area, continuing north to the Kathleen Valley. The Mt Marion LCT pegmatite deposit is located 37km south-east of the tenement, and is hosted within meta-mafic and meta-ultramafic rocks approximately 2km east of the nearby granitoid.

The Yerilla project is located beside the margin of a granite, north of recent pegmatite discoveries by Global Lithium. The area is under shallow cover and has had very limited exploration. Previous exploration on the area suggested there is an undercover sequence of folded greenstones adjacent to a large granitic body.

LPI is acquiring the tenements from Lysander for cash of \$75,000, LPI fully paid shares to the value of \$150,000 at the closing share price at signing of the agreement and a 1.5% Net Smelter Return royalty for any minerals produced from the Lysander tenements. The relevant closing price of LPI shares was \$0.385 and accordingly 389,611 LPI shares will be issued.

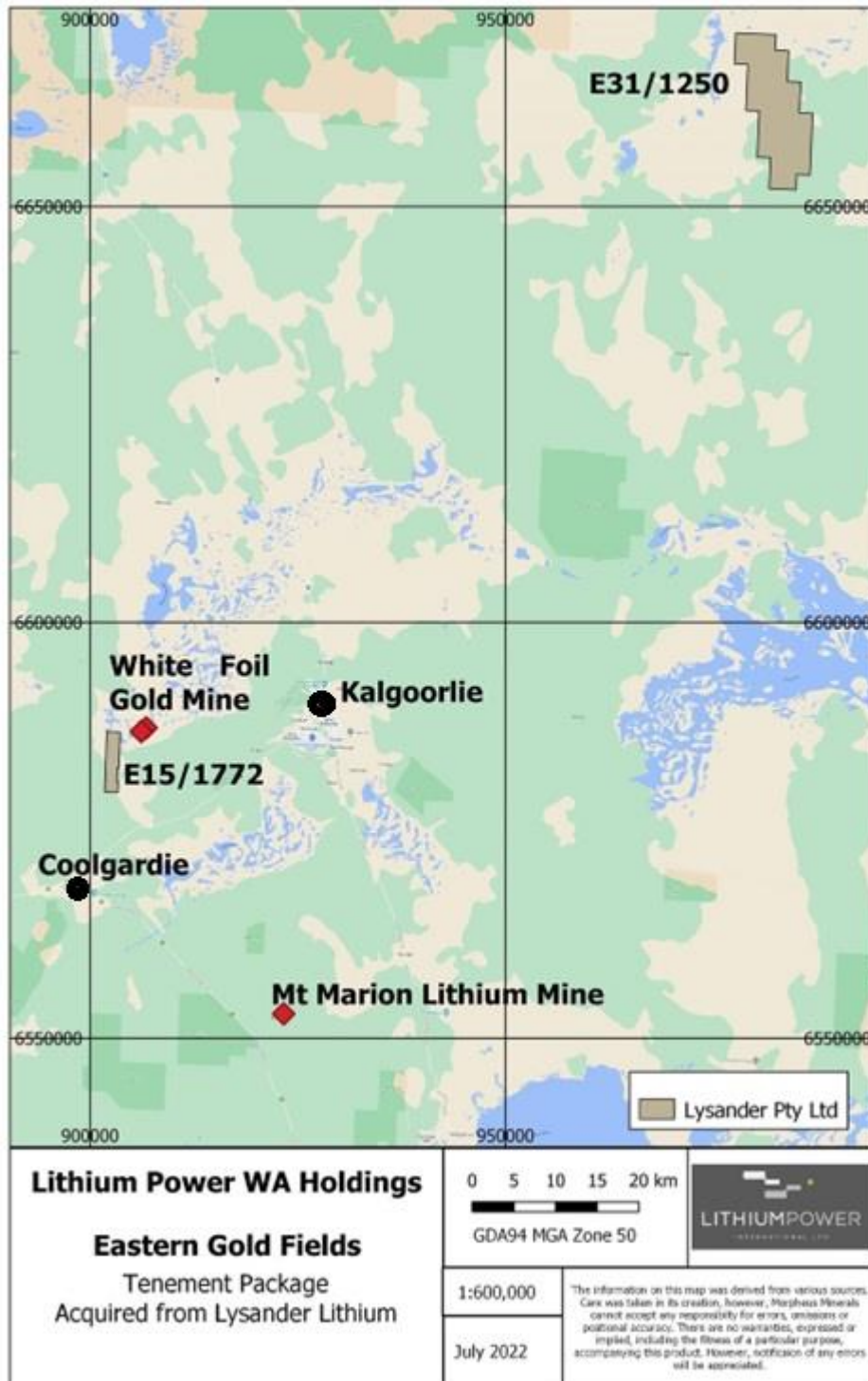
Settlement, payment and issue of the LPI shares will occur on completion of the transaction, which is conditional upon Ministerial consent being granted for the transfer of the tenements from Lysander to LPI.

#### **Lithium Power International’s Chief Executive Officer, Cristobal Garcia-Huidobro, commented:**

“The acquisition of these properties in highly prospective areas is part of our strategy to add to the portfolio of LPI’s Western Australian hard rock spin out company, Western Lithium Ltd. These properties are in highly prospectively areas of both the Greenbushes region and Eastern Goldfields in the vicinity of large known deposits. We look forward to work commencing on these exciting properties.”



**Figure 3: Location of the new Eastern Goldfields Tenements and major lithium pegmatites**



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**Table 2: Combined Greenbushes Tenure**

Tenement	Current Holder	Blocks	Area km2
E70/4763	Western Lithium	67	191
E70/4774	Western Lithium	18	51
E70/4845	CMC Lithium / Western Lithium	1	3
E70/4846	CMC Lithium / Western Lithium	24	69
E70/5281	CMC Lithium / Western Lithium	26	74
E70/5684	CMC Lithium / Western Lithium	77	219
E70/6093	Western Lithium	7	20
			627

**Table 3: Combined Eastern Goldfields Tenure**

Tenement	Current Holder	Blocks	Area km2
E15/1772	Lysander Lithium (Western Lithium to acquire)	4	11
E31/1250	Lysander Lithium (Western Lithium to acquire)	35	104
			115

LPI (through Western Lithium) also holds two properties E45/4610 and E45/4637 along with retaining the lithium rights for E45/4638 in the Pilbara area, in the area around the world class Pilgangoora and Wodgina lithium pegmatite deposits.

*Authorised for release by the Board of Directors of Lithium Power International Limited.*

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**Competent Person's Statement**

*The information contained in this ASX release relating to Exploration Targets, Exploration Results and resources has been compiled by Mr Ian Miles. Mr Miles is a Geologist and is a Member of the Australian Institute of Geoscientists (AIG) and Member of The Australian Institute of Mining and Metallurgy. Mr Miles has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a competent person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. He is also a "Qualified Person" as defined by Canadian Securities Administrators' National Instrument 43-101.*

*Mr Miles is an employee of Morpheus Minerals Consultants Pty Ltd and an independent consultant to Lithium Power International. Mr Miles consents to the inclusion in this announcement of this information in the form and context in which it appears. The information in this announcement is an accurate representation of the available data from the Greenbushes project.*