MARICUNGA PROJECT
A World Class Asset

Maricunga is Chile’s highest grade and most advanced lithium project outside the Salar de Atacama.

2019 Definitive Feasibility Study (DFS) by WorleyParsons supports 20,000 tonnes per annum production of LCE over 20 years.

DFS shows after-tax NPV of US$908 million and IRR of 26.7% assuming a 50% debt/equity ratio.

Forecast CAPEX of US$563 million includes direct development costs of US$456 million, indirect costs of US$45 million and contingencies of US$63 million.

To rank as one of the lowest-cost lithium carbonate producers globally. Operating costs estimated at US$3,772 per tonne of LCE.
Maricunga EIA has been approved by the Chilean Government in February 2020.

Maiden ore reserve estimate of **742,000 tonnes LCE exceeds 20-year mine life production needs**, and meets JORC and NI 43-101 standards.

Potential to expand resources and reserves below the existing resource – currently defined to 200m. Exploration target between 200m – 400m confirmed by deep borehole results, can add between 1Mt – 2.5Mt of new resources.

First battery grade Li2CO3 samples, **meeting commercial high quality battery grade specifications** were produced during 2018 using Maricunga's brine from test evaporation ponds (**99.4% purity Li2CO3 reached**).

Approval received for the use of electricity infrastructure. Water supply secured.

Financing discussions underway. Approaches received from international companies for off-take deals.

Ownership: 51% Lithium Power International (ASX:LPI), 31% Borda Group (Private) and 18% Bearing Lithium (TSXV: BRZ)
Over US$60 million has been invested in the project to date

All the mining concessions are held by the joint-venture company, Minera Salar Blanco (“MSB”)

The Board for the Maricunga JV is comprised of six (6) board members with representation by Lithium Power International (3 seats), Borda Private (2 seats) and Bearing Lithium (1 seat)

MSB is only required to finance through development not construction

All JV partners have a right of first refusal in the event of a sale of MSB shares

Bearing Lithium has right to complete any company transaction without JV approval
Minera Salar Blanco S.A. entered into a non-binding Memorandum of Understanding ("MOU") in August 2019 with CODELCO, the Chilean State-owned mining company.

MOU to define terms for the negotiation of a definitive agreement to form a new joint venture ("JV") allowing for the development of the Maricunga Salar.

Allows for a very robust and scalable project, and would also fast-track the Maricunga development, including provision of all the necessary concessionary permits.

Includes CODELCO’s key CEOL contract and the Nuclear Commission permit covering the entire Salar.

Consolidation of the mining concessions provides the potential to increase production capacity and/or extend the life of the mine beyond its expected 20-year span.
Roskill’s analysis (as of January 2019) of the lithium cost curve in 2027 of all lithium producers shows total production costs (incl. royalties) in the lowest quartile for the Maricunga project.
MARICUNGA PROJECT
Lithium Carbonate Production Cost - Producers in Chile

Production Costs (US$/t L2CO3)

- SQM
- Albemarle
- MSB

- MSB Royalty & Community Costs
- Corfu - R&D
- Corfu - Local Community/Regional Development
- Corfu - Royalty/Commissions
- Mining Licenses/Leases/Concessions & Water Rights
- Operating Cost (OPEX)
The calibrated reserve model is used to simulate a brine extraction system that will meet the brine feed requirements for the evaporation ponds for an annual lithium carbonate (LCE) production target of 20,000 TPY over a 20-year project life.

It is assumed that the Project has a lithium process recovery efficiency of 58%.

To meet the target LCE production rate of 20 kilo tonnes per year (kTPY), the brine abstraction from the production wellfield in the Salar needs to be at a rate of 35 kTPY.

The reserve model predicts that the proposed brine wellfield can extract a cumulative average of 35 kTPY of LCE for 20 years in support of the DFS.

The model predicts that the proposed brine wellfield can extract a cumulative average of 16.7 kTPY of LCE for an additional 3 years, but which were not included in the economic evaluation of the DFS.

Recent process testing has indicated higher lithium process recovery efficiency suggesting either higher annual production or longer project life.
Results from the drilling program averaged 1,167 mg/l Li and 8,500 mg/l K.

Extensive Sonic and RC drilling 4,700m plus and 1,000 brine samples plus, including 300 core samples for drainable porosity.

360m Deeper drilling for increase in mining resource.

Deep hole S19 encountered a continuation of the lower brine aquifer with lithium concentrations above 900mg/l Li.

Exploration targets are defined below the current base of 200m to a lower depth of 400m.

The exploration target provides significant potential for resource expansion during the project mine life.
## MARICUNGA PROJECT

**Measured and Indicated Resource-Lithium and Potassium (metric tonnes)**

<table>
<thead>
<tr>
<th>Property Area (Km²)</th>
<th>Measured (M)</th>
<th>Indicated (I)</th>
<th>M+I</th>
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<tbody>
<tr>
<td></td>
<td>Li</td>
<td>K</td>
<td>Li</td>
</tr>
<tr>
<td>Aquifer volume (km³)</td>
<td></td>
<td></td>
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<tr>
<td>Mean specific yield (Sy)</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Brine volume (km³)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mean grade (g/m³)</td>
<td>48</td>
<td>349</td>
<td>128</td>
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<tr>
<td>Concentration (mg/L)</td>
<td>1,175</td>
<td>8,624</td>
<td>1,153</td>
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<tr>
<td>Resource (tonnes)</td>
<td>146,000</td>
<td>1,065,000</td>
<td>244,000</td>
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</table>

Lithium is converted to lithium carbonate with a conversion factor of 5.32
Potassium is converted to potash with a conversion factor of 1.91

Brine production reserve for LCE production: **58% Li process recovery efficiency**

Brine production initiates on the mining concessions constituted under mining concession owned by MSB.

Production switches to the new mining concessions secured by a special operating license (CEOL) from the Chilean government (CODELCO - August 2019 MOU).

The Mining Reserve includes an optimized wellfield configuration and pumping schedule to comply with environmental constraints and water level decline restrictions over the total 20 year simulated brine production.
Based on the results of borehole S-19, an exploration target of 1.0 to 2.5 Mt of lithium carbonate equivalent (LCE) and 2.9 to 6.6 Mt of potassium chloride (KCl) has been identified (below the current resource) between a depth of 200 m and 400 m. The exploration target provides significant potential for resource expansion.

### EXPLORATION TARGET ESTIMATE MARICUNGA

<table>
<thead>
<tr>
<th>Subarea</th>
<th>Area Km²</th>
<th>Thickness m</th>
<th>Mean drainable porosity %</th>
<th>Brine volume million m³</th>
<th>Lithium concentrate ion mg/L</th>
<th>Contained Lithium tonnes</th>
<th>Lithium Carbonate LCE tonnes</th>
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<tr>
<td><strong>UPPER GRADE SCENARIO</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Western</td>
<td>4.23</td>
<td>100</td>
<td>10%</td>
<td>42.3</td>
<td>1,000</td>
<td>40,000</td>
<td>200,000</td>
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<tr>
<td>Central</td>
<td>21.41</td>
<td>200</td>
<td>10%</td>
<td>428</td>
<td>1,000</td>
<td>430,000</td>
<td>2,300,000</td>
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<tr>
<td>Continues from directly below the resource</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>470,000</td>
<td>2,500,000</td>
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<td><strong>LOWER GRADE SCENARIO</strong></td>
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<tr>
<td>Western</td>
<td>4.23</td>
<td>100</td>
<td>6%</td>
<td>25.4</td>
<td>600</td>
<td>15,000</td>
<td>80,000</td>
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<tr>
<td>Central</td>
<td>21.41</td>
<td>200</td>
<td>6%</td>
<td>257</td>
<td>700</td>
<td>180,000</td>
<td>950,000</td>
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<td></td>
<td></td>
<td></td>
<td>195,000</td>
<td>1,030,000</td>
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</table>
Current Mining Resource includes all concessions down to a depth of 200 m

Potential for significant growth below 200 m as evidenced by hole S-19 which terminated in high-grade brine assaying 877 mg/L Li

Geophysical & seismic surveys indicate the basin extends to at least 400 m and possibly more than 500 m deep
Definitive Feasibility Study (DFS) by WorleyParsons completed in Jan 2019, indicates Maricunga to be a low-cost lithium producer with attractive economics.

Optimization of lithium production to develop the lowest cost process with highest possible recoveries.

First battery grade Li2CO3 samples, meeting commercial high quality battery grade specifications were produced during 2018 using Maricunga's brine from our test ponds (99.4% purity Li2CO3 reached).

Production process design, engineering and testing was led by Tier-1 German Engineering company, GEA Messo, one of the leading suppliers for production plants to the lithium industry worldwide.

Pilot evaporation ponds were operated for more than 18 months on site.
Capital cost from January 2019 DFS at **US$563M** includes 12.5% contingency

Capex cost **includes an estimated $70M of refundable VAT** per MSB assumptions

Operating costs are in the lowest quartile of the global cost curve at **US$3,772** per metric tonne Lithium Carbonate

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### MARICUNGA PROJECT

#### CAPEX & OPEX

<table>
<thead>
<tr>
<th>Operating Cost</th>
<th>Cash Cost</th>
<th>Total Cost</th>
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<tbody>
<tr>
<td></td>
<td>US$/t Li₂CO₃</td>
<td>'000 US$</td>
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<tr>
<td><strong>Direct Costs</strong></td>
<td></td>
<td></td>
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<tr>
<td>Chemical Reagents</td>
<td>1,040</td>
<td>20,799</td>
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<td>Salt Removal</td>
<td>486</td>
<td>9,727</td>
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<td>Energy</td>
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<td><strong>Electrical</strong></td>
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<td>7,398</td>
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<td><strong>Thermal</strong></td>
<td>658</td>
<td>13,154</td>
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<td>Manpower</td>
<td>458</td>
<td>9,160</td>
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<tr>
<td>Catering &amp; Camp Services</td>
<td>105</td>
<td>2,100</td>
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<tr>
<td>Maintenance</td>
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<td>5,899</td>
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<td>Transport</td>
<td>237</td>
<td>4,740</td>
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<td><strong>Total Direct Costs</strong></td>
<td>3,649</td>
<td>72,977</td>
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<tr>
<td><strong>Indirect Costs</strong></td>
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<tr>
<td>General &amp; Administration</td>
<td>123</td>
<td>2,702</td>
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<tr>
<td><strong>Total Indirect Costs</strong></td>
<td>123</td>
<td>2,702</td>
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<tr>
<td><strong>Total Operating Costs</strong></td>
<td>3,772</td>
<td>75,679</td>
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<table>
<thead>
<tr>
<th>Capital Cost</th>
<th>US$ '000</th>
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<td>Brine Extraction Wells</td>
<td>39,374</td>
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<tr>
<td>Evaporation Ponds</td>
<td>115,346</td>
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<td>Removal of Salts</td>
<td>66,438</td>
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<td>Lithium Carbonate Plant</td>
<td>71,622</td>
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<td>General Services</td>
<td>103,267</td>
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<td>Infrastructure</td>
<td>60,009</td>
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<td><strong>Total Direct Costs</strong></td>
<td>456,056</td>
</tr>
<tr>
<td><strong>Total Indirect Costs</strong></td>
<td>44,831</td>
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<td><strong>Contingencies (12.5%)</strong></td>
<td>62,611</td>
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<tr>
<td><strong>Total Projected Budget</strong></td>
<td>563,498</td>
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MARICUNGA PROJECT

Project Infrastructure

- Wellfield & pipelines to evaporation ponds
- Evaporation ponds – off salar to the north to allow for easier construction
- Water supply & treatment
- Electricity supply & transmission lines – multiple options including accessible 23 KV powerline borders the project
- Roads of sufficient quality to transport heavy equipment, consumables and final product
- Port selection for import & export
MARICUNGA PROJECT

All Critical Project Infrastructure Secured

- The project is located close to critical roads and port infrastructure: 170 km northeast of Copiapó and 250 km from the Chilean Coast.
- Secured critical power & water infrastructure with long-term contracts
- Process Water – secured rights to demonstrated sustainable flow rates in excess of 125 m3/hr
- Power – approval received from governmental electrical agency to draw 14.6 MW from nearby substation
- Roads of sufficient quality to transport heavy equipment, consumables and final product
MARICUNGA PROJECT

Process Diagram – Salt removal Plant

PROCESS DIAGRAM - SALT REMOVAL PLANT

STEAM

FROM RESERVOIR

SALT REMOVAL PLANT
BRINE FEED POND

HEAT EXCHANGER

EVAPORATOR

CONDENSATE RETURN

RECOVERED WATER TO PROCESS

TO COOLING WATER CIRCUIT

BRINE TO L12CO3 PLANT

BRINE STORAGE TANK

CENTRIFUGE

CRISTALLIZER

SOLIDS TO DISCARD PILE
Process includes:

1. Solvent extraction of boron
2. Precipitation CaCO3
3. Precipitation of Mg(OH)2 and CaCO3
4. Final removal of calcium, magnesium and heavy metals by ion exchange resins
5. Li2CO3 precipitation crystallization (Li2CO3 crystallizer)
6. Li2CO3 resuspension and solid-liquid separation

Tested several processing pass based on chemical consumptions, solvent extraction and optimized lithium carbonate recoveries

Concluded all lab tests resulted in very high-grade lithium carbonate solids complying with all targets set by MSB.
Minera Salar Blanco S.A. ("MSB"), has received environmental impact assessment ("EIA") for the Maricunga project in the Atacama Region of northern Chile.

The Chilean Government’s Central Environmental Committee has voted for one of the few EIA’s approved in Chile during recent years.

It will enable MSB to become the third major lithium operation in Chile with an anticipated 20,000 tonnes annual production for an estimated capital investment of US$563 million.

The EIA was submitted by MSB to the Chilean Environmental Authority in September 2018 and was the culmination of more than two years of field and desk work.
The process involved in-depth data gathering, a variety of environmental and engineering studies and monitoring campaigns including a comprehensive 11,400-page document, complete environmental baseline studies, hydrological and hydrogeological modeling, human, archaeological and flora and fauna characterization, and impact evaluation.

The EIA also included a lengthy process of social engagement with the Colla indigenous communities in the area with consultation with regional authorities and local organizations.

Since the initial submission of the EIA, a 15-month review process was undertaken by the Chilean environmental authorities, during which time three rounds of observations, clarifications and further assessments were resubmitted.

Further information will be provided following a complete analysis of the details of the Chilean environmental authorities’ approval.
The MSB project has an after tax **NPV (8%)** of **US$940M**.

- **The after tax IRR is 26.7%**.
- **The construction period** including commissioning and startup **covers 3 years**.
- **Payback of project requires only the first 4 years** of operations out of the 20 year project life.
Project life from DFS is 20 years from plant commissioning and startup

The mining resource base and process recoveries could support a longer project life

The current mining license is for 20,000 metric tonnes per year for 20 years of production
## MARICUNGA PROJECT

Highest Grade Undeveloped Lithium Project

<table>
<thead>
<tr>
<th>Country</th>
<th>Maricunga</th>
<th>Atacama⁴</th>
<th>Hombre Muerto⁴</th>
<th>Ollaraz⁸</th>
<th>Cauchari⁵</th>
<th>Cauchari⁵</th>
<th>Los Angeles⁴</th>
<th>Tres Quebradas⁸</th>
<th>Rincon⁹</th>
<th>Sal De Vida¹⁰</th>
<th>Uyuní¹¹</th>
<th>Silver Peak¹²</th>
<th>Clayton Valley¹³</th>
<th>Pastos Grandes¹⁴</th>
<th>Mariana¹⁵</th>
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<tbody>
<tr>
<td>Stage</td>
<td>PEA</td>
<td>SQM / ALB</td>
<td>FMC</td>
<td>ORL / Toyota</td>
<td>SQM / JEMSE</td>
<td>Lex / JEMSE</td>
<td>Neo Lithium</td>
<td>Energi Group (Private)</td>
<td>Galaxy</td>
<td>COMIBOL (Gov't)</td>
<td>Albemarle</td>
<td>Pure Energy</td>
<td>Millennial Lithium</td>
<td>ILC / Ganfeng</td>
<td></td>
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<tr>
<td>Owner</td>
<td>LPI / MSB / BRZ</td>
<td>Chile</td>
<td>Argentina</td>
<td>Argentina</td>
<td>Argentina</td>
<td>Argentina</td>
<td>Argentina</td>
<td>Argentina</td>
<td>Argentina</td>
<td>Argentina</td>
<td>Argentina</td>
<td>Bolivia</td>
<td>USA</td>
<td>USA</td>
<td>Argentina</td>
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<td>Lithium (mg/L)</td>
<td>1,160</td>
<td>1,835</td>
<td>744</td>
<td>690</td>
<td>584</td>
<td>380</td>
<td>451</td>
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<td>357</td>
<td>753</td>
<td>424</td>
<td>245</td>
<td>123</td>
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<td>7.3</td>
<td>2.5</td>
<td>3.4</td>
<td>3.2</td>
<td>2.7</td>
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<td>1,300</td>
<td>1,300</td>
<td>3,785</td>
<td>3,754</td>
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Sources:
1. *Minera Salar Blanco NI 43-101 resource report, August 2017*
2. *SignumBOX*
3. *Roskill, 2009*
5. *Cauchari-Olaroz Updated Feasibility Study, March 2017*
11. *Roskill, 2009*
12. *Pavlovic and Fowler, 2004*
13. *Clayton Valley Technical Report, June 2017*
15. *Mariana Technical Report, April 2017*