



#### CORPORATE DIRECTORY

Non-Executive Chair  
John Fitzgerald

President & CEO  
David J Frances

Executive Technical Director  
Francis Wedin

Non-Executive Director  
Dudley J Kingsnorth

#### FAST FACTS

Issued Capital:	370.4m
Options Issued:	31.1m
Market Cap:	\$21.8m
Cash:	\$17.8m

#### CONTACT DETAILS

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## Shareholder Update - Sepeda

### – For Immediate Release –

NOVO LÍTIO LTD (“Novo Lítio”, “NLI” or “the Company”) (ASX: NLI, FRANKFURT: ORM), would like to inform shareholders of the following information.

Novo Lítio has a binding agreement to acquire 100% of the granted licence and licence applications held by Lusorecursos ARG and Lusorecursos LDA. Completion of the transfer of licences to Novo Lítio remains pending and has been frustrated by the vendors. The Company considers it has binding and enforceable legal rights and is pursuing the matter on an expedited basis in the Courts of Portugal (refer to the Company’s ASX announcement released on 28 July 2017 entitled “Commencement of Legal Proceedings re Sepeda” for further details). Further to its announcement of 28 July 2017, the Company has commenced injunction proceedings against the vendors of the Sepeda project, Lusorecursos Lda. and Lusorecursos Arg. Lda., seeking an interlocutory injunction to protect the Company’s interests in the granted licence and licence applications comprising the Sepeda project. The Company anticipates that the injunction proceedings will be determined in November 2017, which would allow NLI to submit the Mining Licence application before 7 December, which is the last date for application.

NLI also has an exclusive lease agreement with the Baldios of Carvalhais (local village who administers the community land on which Sepeda is located) and whilst NLI has full and exclusive access and holding rights to the Sepeda site, due to continued threats of violence towards our staff from Lusorecursos our personnel have been withdrawn and only security personnel remain on site to protect our drill sites from vandalism by Lusorecursos.

Recently Lusorecursos had attempted to undertake drilling at Sepeda but were removed by the GNR (National Republican Guard – local gendarmerie) from the nearest town of Boticas for trespass by request from the Baldios. As of yesterday afternoon, under threat of violence from Lusorecursos, our staff were withdrawn from site and Lusorecursos began drilling again at Sepeda. The GNR were called to enforce the lease agreement once again, but this time a force from Montelegre was sent which was not willing to enforce the lease agreement and remove Lusorecursos. A criminal complaint for trespassing was also lodged by NLI against Lusorecursos.

The Director General of the DGEG (Portuguese mines department), the Secretary of State of Energy, APA (environmental authorities) and ACT (labour department) were formally alerted to the non-compliant techniques being employed by Lusorecursos, including uncontained drilling fluid contamination of the site, hydrocarbon spill contamination, unauthorised clearing, unauthorised pumping of water from a local source, unsafe working



practices, no technically qualified supervision personnel (as required by the State), and the potential to damage the work already undertaken by NLI. We await official responses from these departments, and are working closely with our local legal counsel to maintain our rights in relation to Sepeda.

The Company will update shareholders on any material developments in relation to the above as they are received.

**-END-**

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**David J Frances  
President & CEO**