

Drilling Underway at Lemare Lithium Project

- J **Stage 2 exploration program underway at Lemare**
- J **A 1,500 m diamond drilling program targeted at the SW Extension - a 600 m long spodumene zone averaging 2.3% Li₂O**
- J **Trenching through overburden has now revealed 2-3 parallel spodumene-bearing lithium pegmatites**

Lepidico Ltd (ASX:LPD) (“Lepidico” or “Company”) is pleased to advise that the second stage of drilling at the Lemare property in Quebec, Canada, has commenced. This work is part of a proposed 1,500 m drilling program to investigate the SW extension of the Lemare spodumene pegmatite, following up on the positive results obtained during the Stage 1 campaign in 2016. This work will potentially allow for the delineation of a JORC Code-compliant mineral resource at Lemare on its completion.

A rock chip sampling program in late 2016 indicated a zone some 600 m long averaging 2.3% Li₂O from ten samples (Figure 1), as announced on 24 November 2016. Stage 2 of the program comprises channel sampling and approximately 1,500 m of NQ core diamond drilling across the known pegmatite zone termed the SW Extension (Figure 2).

Initial channel sampling (Figure 3) from the Stage 2 program was completed in early June prior to drilling revealed 2-3 parallel spodumene-bearing pegmatites defining the SW Extension zone. Samples from the channel sampling have been submitted for analysis to ALS laboratories in Val d’Or, Quebec.

The Stage 2 diamond drilling (Figures 4 and 5) is expected to complete by the end of June, with results anticipated in July-August 2017.

The Lemare spodumene project is some 70 km² in area and is secured by the Lemare Option Agreement between the Company and project owner Critical Elements Corporation (TSX-V: CRE)

Under the terms of the Lemare Option Agreement, the Company is earning up to a 75% interest in the Lemare project. To maintain its position, the Company has an initial requirement to spend C\$800,000 on exploration by 31 August 2017 (extended from 31 December 2016 by agreement with CRE). It is anticipated that the Stage 2 program will complete this expenditure requirement.

Further Information

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The information in this report that relates to Exploration Results is based on information compiled by Mr Tom Dukovcic, who is an employee of the Company and a member of the Australian Institute of Geoscientists and who has sufficient experience relevant to the styles of mineralisation and the types of deposit under consideration, and to the activity that has been 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." Mr Dukovcic consents to the inclusion in this report of information compiled by him in the form and context in which it appears.

About Lepidico Ltd

Lepidico Ltd is an ASX-listed Company focused on exploration, development and production of lithium. Lepidico owns the technology to a metallurgical process that has successfully produced lithium carbonate from non-conventional sources, specifically lithium-rich mica minerals including lepidolite and zinnwaldite. The L-Max® Process has the potential to disrupt the lithium market by providing additional lithium supply from alternative sources. The Company is currently conducting a Feasibility Study for a Phase 1 L-Max® plant, targeting production for 2019. Three potential sources of feed to the planned Phase 1 Plant are being evaluated, one of which is the Separation Rapids deposit in Ontario, Canada in partnership with its owner Avalon Advanced Materials Inc.

Lepidico's current exploration assets include options over the Lemare and the Royal projects, both in Quebec, Canada; an ore access agreement with Grupo Mota over the Alvarrões Lepidolite Mine in Portugal; a farm-in agreement with Pioneer Resources (ASX:PIO) over the PEG 9 lepidolite prospect in Western Australia; ownership of the Euriowie amblygonite project near Broken Hill in New South Wales; and an agreement with ASX-listed Crusader Resources (ASX:CAS) on potential deployment of L-Max® in Brazil and Portugal on suitable lithium mica opportunities.

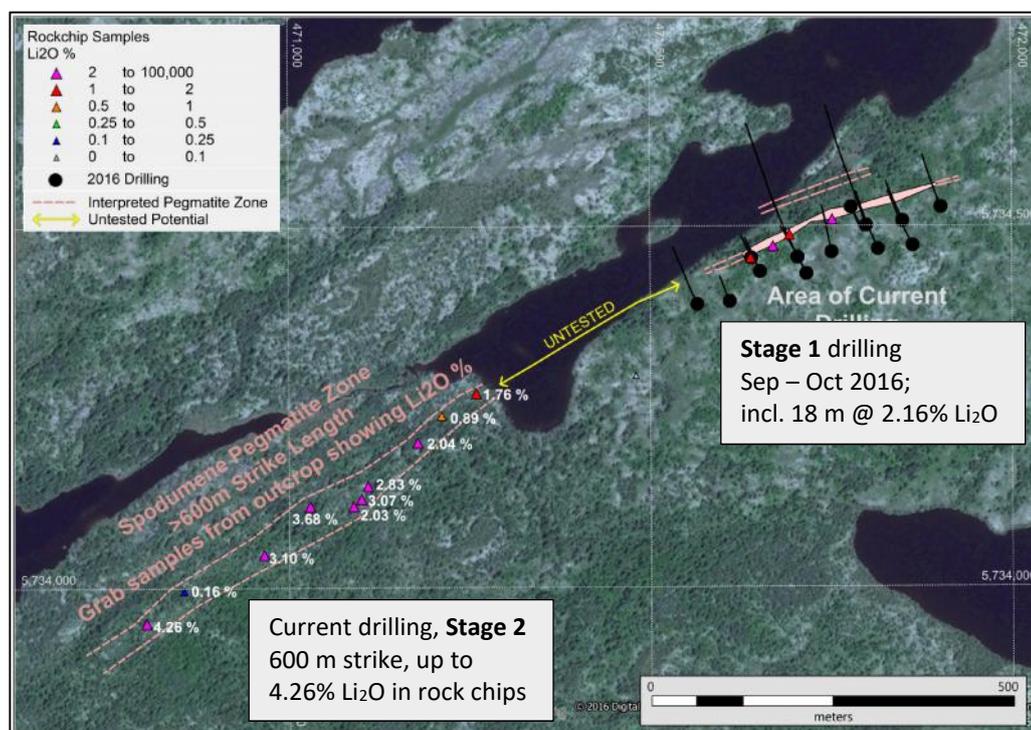


Figure 1. Lemare spodumene project, showing location of the SW Extension spodumene pegmatite zone and rock chip sampling results (2016).

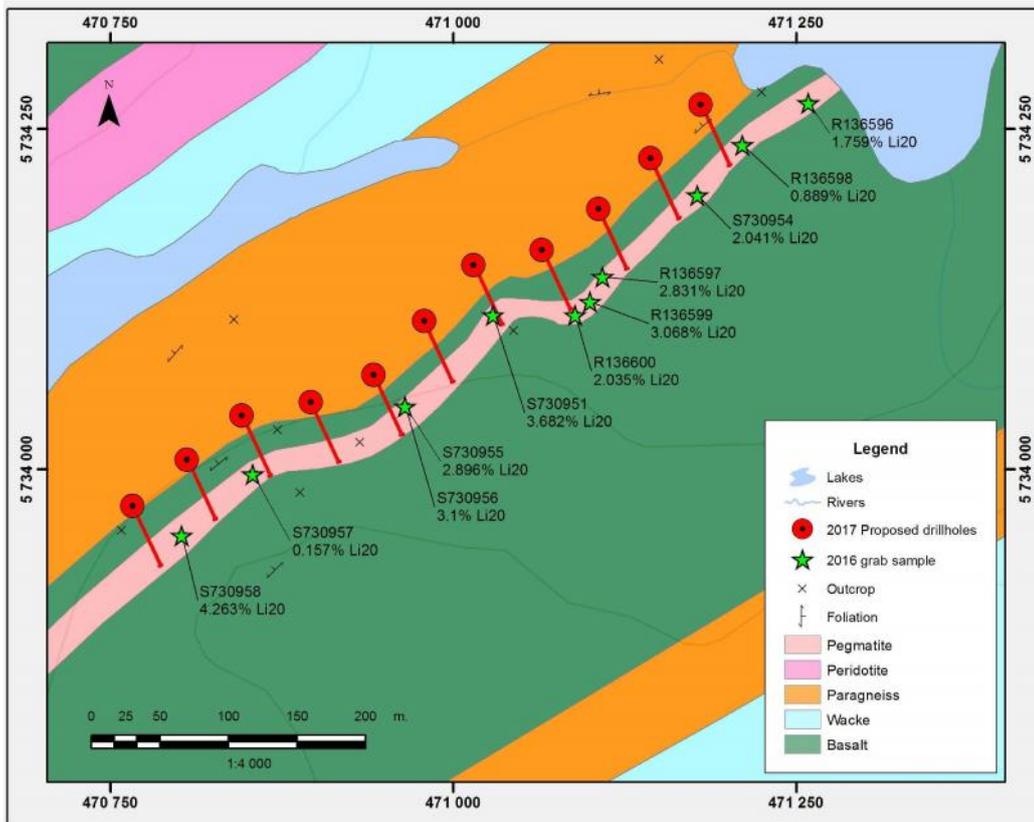


Figure 2. Lemare spodumene project, planned drill hole location across the SW Extension spodumene pegmatite zone showing 2016 rock chip results.



Figure 3. Channel sample across SW Extension spodumene pegmatite.



Figure 4. Diamond drill rig and support mobilisation bulldozer at SW Extension, Lemare spodumene project.



Figure 5. Multiple spodumene pegmatite intercepts at SW extension. NQ core. Preliminary photograph; full details to come, not yet to hand.