

## Renounceable Entitlement Offer Closes Significantly Oversubscribed

- Offer closes oversubscribed and raises \$7.9 million
- Placement to raise additional \$0.25 million
- Significant support from shareholders, including Galaxy
- L-Max<sup>®</sup> Pilot Plant development works to commence immediately

Lepidico Ltd (ASX:LPD) (“Lepidico” or “Company”) is pleased to advise that the Renounceable Entitlements Offer announced on 3 September 2018 (the “Offer”) has been well supported by the Company’s shareholders and new investors and closed significantly oversubscribed.

The Company has raised \$7.9 million (before costs) and will issue 417,877,158 new shares and 208,938,579 new options in accordance with the Offer timetable. The new options will be listed under the ASX code LPDOA.

Due to overwhelming demand, the Company has agreed to place a further 13,157,894 fully paid ordinary shares at \$0.019 with 6,578,947 attaching LPDOA options to raise an additional \$250,000 (“Placement”). Shareholder approval is not required for the Placement, which will be made using the Company’s existing capacity under Listing Rule 7.1. Funds from the Placement will be used to supplement working capital.

The Company would like to thank all its shareholders for their support, including Galaxy Resources Ltd which took up its full entitlement, and welcomes new shareholders to the register.

The net proceeds from the Offer will be prioritised towards the development of an L-Max<sup>®</sup> pilot plant. The capital cost is estimated to be A\$3 million with a further A\$1.5 million available for operation. The Company will be seeking to maximise its research and development tax offsets in Australia.

The new securities are expected to be issued on Monday, 1 October 2018, in accordance with the timetable in the prospectus.

Lepidico’s Managing Director, Joe Walsh said, “The Company is now well funded to develop an L-Max<sup>®</sup> pilot plant, in parallel with completing the feasibility study for the Phase 1 Plant Project. The pilot plant is scheduled to be commissioned in April 2019, allowing prospective offtake/finance partners for the Phase 1 Plant Project the opportunity to conduct comprehensive due diligence. New funds will also be allocated to the further development of L-Max<sup>®</sup> by-products including caesium brine and amorphous silica.”

## Further Information

For further information, please contact

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## 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<sup>®</sup> Process has the potential to complement the lithium market by adding low-cost lithium supply from alternative sources. The Company is currently conducting a Feasibility Study for a Phase 1 L-Max<sup>®</sup> plant, targeting commercial production for 2020. Feed to the planned Phase 1 Plant is planned to be sourced from the Alvarrões Lepidolite Mine in Portugal under an ore access agreement with owner-operator Grupo Mota. Lepidico has delineated a JORC Code-compliant Inferred Mineral Resource estimate at Alvarrões of 1.5 Mt grading 1.1% Li<sub>2</sub>O (see ASX announcement of 7 December 2017). More recently Lepidico has added S-Max<sup>™</sup> to its technology base, which can produce marketable quality amorphous silicas at low cost versus existing industry processes.

Lepidico's current exploration assets include a farm-in agreements with Venus Metals Corporation Limited (ASX:VMC) over the lithium mineral rights at the Youanmi Lithium Project in Western Australia. Lepidico has also entered into a Letter of Intent with TSX listed Avalon Advanced Materials Inc. for planned lithium mica concentrate supply from its Separation Rapids Project in Ontario, Canada.

Lepidico has a strategic alliance with Galaxy Resources Limited (ASX:GXY, which holds a 12% interest in LPD) based on a shared vision for the significant global opportunity provided by the commercialisation of L-Max<sup>®</sup>. With its strong industry contacts and relationships in the lithium industry, Galaxy will assist Lepidico with future business and growth opportunities, that include the evaluation and potential synergies with its Mt Cattlin Mine and James Bay Project.

*The information in this report that relates to Mineral Resources is based on information compiled by Mr Dean Carville, a full-time employee of AMC Consultants Pty Ltd. Mr Carville is a Member of the Australasian Institute of Mining and Metallurgy and 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 Carville consents to the inclusion in this report of information compiled by him in the form and context in which it appears.*

## Forward-looking Statements

All statements other than statements of historical fact included in this release including, without limitation, statements regarding future plans and objectives of Lepidico, are forward-looking statements. Forward-looking statements can be identified by words such as "anticipate",

"believe", "could", "estimate", "expect", "future", "intend", "may", "opportunity", "plan", "potential", "project", "seek", "will" and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that are expected to take place. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, its directors and management of Lepidico that could cause Lepidico's actual results to differ materially from the results expressed or anticipated in these statements.

The Company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this release will actually occur and investors are cautioned not to place any reliance on these forward-looking statements. Lepidico does not undertake to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this release, except where required by applicable law and stock exchange listing requirements.