

Drilling to Recommence at Lemare Lithium Project

- Drill program of up to 2,200 m approved for the Lemare spodumene deposit and scheduled to commence in March
- Drilling will test the new spodumene pegmatite identified at Lemare SW, 600 m strike, up to 4.26% Li₂O in rock chip samples

Lepidico Ltd (ASX:LPD) (“Lepidico” or “the Company”) is pleased to advise that a diamond drilling program has been agreed for the next phase of drilling at the Lemare Lithium Project, Quebec, Canada. A drill program of up to 2,200 m will commence immediately a rig is sourced and mobilised to site.

Drilling will target the 600 m of spodumene mineralised pegmatite discovered in late 2016 (as announced to ASX on 24 November 2016). An average grade of 2.19% Li₂O was returned from 11 samples recorded from intermittent pegmatite outcrops along the new zone (ranging from 0.16% Li₂O to 4.26% Li₂O; Figure 1).

The drill program has been designed by project owner Critical Elements Corporation (TSX-V:CRE). Pegmatite outcrops that were flagged last season will be cleared of snow and shallow holes drilled to orientate subsequent deeper step out holes.



Figure 1. Location of planned holes for the drilling at Lemare SW on 50 m sections. Grab sample grades identified.

Under the terms of the Lemare Option Agreement, the Company is earning up to a 75% interest in the project from CRE. To date Lepidico has spent approximately C\$450,000 at Lemare and is required to spend a further C\$350,000 on exploration by 31 March 2017 (extended from 31 December 2016 by mutual agreement with CRE) to maintain its position. A further extension of the initial spend period was discussed with CRE to allow better surface definition of the target zone in the spring. However, as drilling conditions are easier when the ground is frozen it has been agreed that a more cost effective program can be undertaken without compromising drill hole targeting. A first phase 1,000 m will be drilled (for an estimated cost of C\$200,000 in the current quarter) and results assessed before committing to the balance of the program. In the event that the target zone is not intercepted a further programme extension will be sought. For clarification purposes, these costs were not included in the Company's forecast cash outflows for exploration and evaluation in its most recent quarterly cashflow report to ASX (item 9.1 on page 4 of the Company's ASX Appendix 5B dated 31 January 2017. The above cash outflows are expected to occur in April.

The Lemare Project comprises 158 claims encompassing 74 km² in the Abitibi greenstone belt in the James Bay region of Quebec, Canada. Lemare is located approximately 60 km east of the town of Nemaska and sits 30 km east of the Whabouchi spodumene deposit owned by Nemaska Lithium (Figure 2).

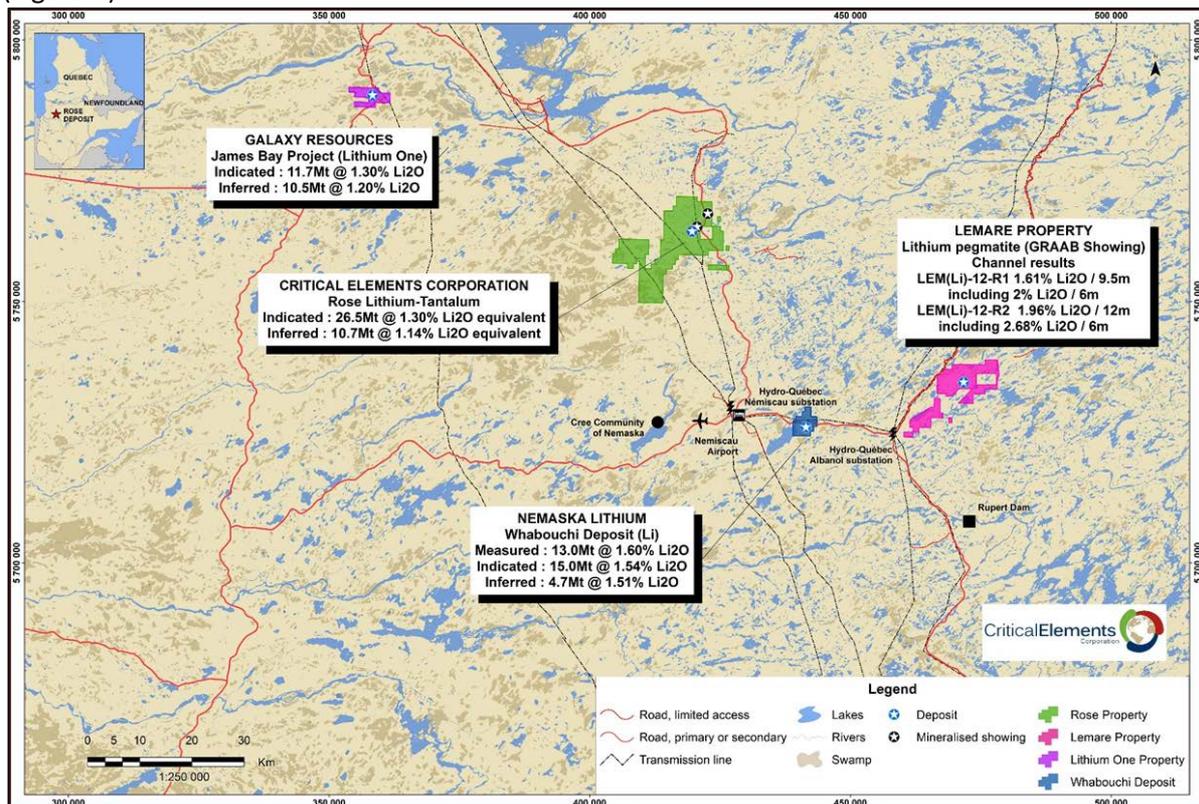


Figure 2. Location of the Lemare spodumene project in the James Bay region of Quebec, Canada, in relation to several advanced lithium projects.

Further Information

For further information, please contact

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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 pre-feasibility study for a Phase 1 L-Max® plant, targeting production for 2019. Four potential sources of feed to the planned Phase 1 Plant are being evaluated, one of which is the Separation Rapids deposit 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; ownership of the Euriowie project near Broken Hill in New South Wales; joint venture agreements with ASX-listed Crusader Resources (ASX:CAS) in Brazil; and ongoing discussions with Latin Resources (ASX:LRS) aimed at leveraging L-Max® in Peru and Argentina to jointly evaluate lithium opportunities.