

Wide Spodumene Intercepts at Lemare Lithium Project

-) Lemare spodumene pegmatite extended 250 m by drilling
-) SW Extension returns wide intercepts of spodumene mineralisation:
 -) 33.7 m @ 0.94% Li₂O
 -) 18.0 m @ 2.00% Li₂O

Lepidico Ltd (ASX:LPD) ("Lepidico" or "Company") is pleased to advise the results from the second stage of drilling at the Lemare spodumene project in Quebec, Canada.

The Stage 2 diamond drilling program has been completed along the 600 metre long SW Extension of the Lemare spodumene pegmatite identified in late 2016 (Figures 1 - 3). A total of 15 holes, for 1,527 m of NQ core, were drilled on nominal 50 m sections along the mapped extension of the spodumene-bearing pegmatite to the SW of a lake and the discovery zone drilling last year.

Multiple wide intercepts were returned from the SW Extension, confirming Lemare as a significant spodumene deposit, including:

33.7 m @ 0.94% Li₂O, from 9.60 m, in hole LE-17-29
18.0 m @ 2.00% Li₂O, from 6.80 m, in hole LE-17-30

These results build on the spodumene mineralisation identified by last year's drilling at the Lemare discovery deposit, as reported on 24 November 2016, that included:

28.5 m @ 2.15% Li₂O, from 5.50 m, in hole LE-16-13
24.0 m @ 1.87% Li₂O, from 13.5 m, in hole LE-16-14
21.0 m @ 1.75% Li₂O, from 38.8 m, in hole LE-16-03

A full list of significant intercepts (>0.5% Li₂O) from the SW Extension program are presented in Table 1. Hole location data is provided in Table 2, and full results are given in Appendix 1.

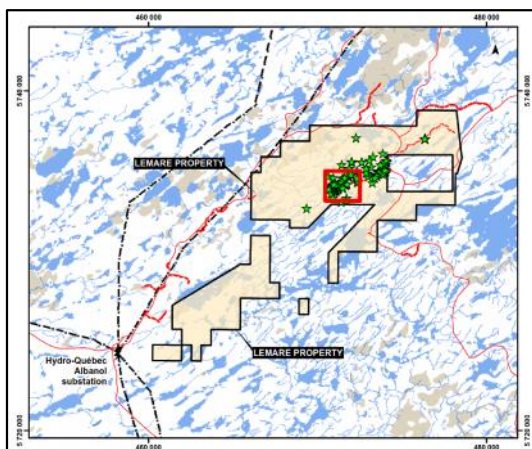


Figure 1. Lemare project outline

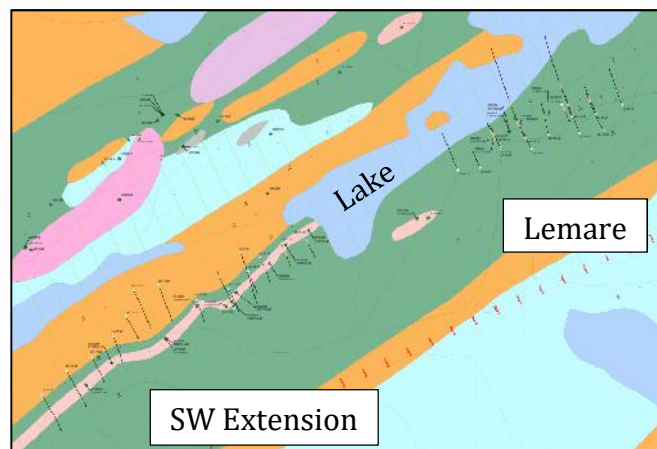


Figure 2. Location of Lemare and SW Extension

Broad intervals of spodumene-bearing pegmatite are recorded in the eastern 250 m section of the SW Extension corridor, and remain open at depth, as shown in Figures 4, 5 and 6. Geological logs show spodumene content ranging from 5% up to 25%.

Drilling to the west of a sharp inflection in the interpreted position of the surface mineralised corridor did not intercept the spodumene pegmatites at depth or identified relatively narrow intervals, necessitating a reinterpretation of the geology in this area. This is similar to the pinch-and-swell character of the pegmatites seen at the main Lemare prospect 300 m to the northeast across the lake.

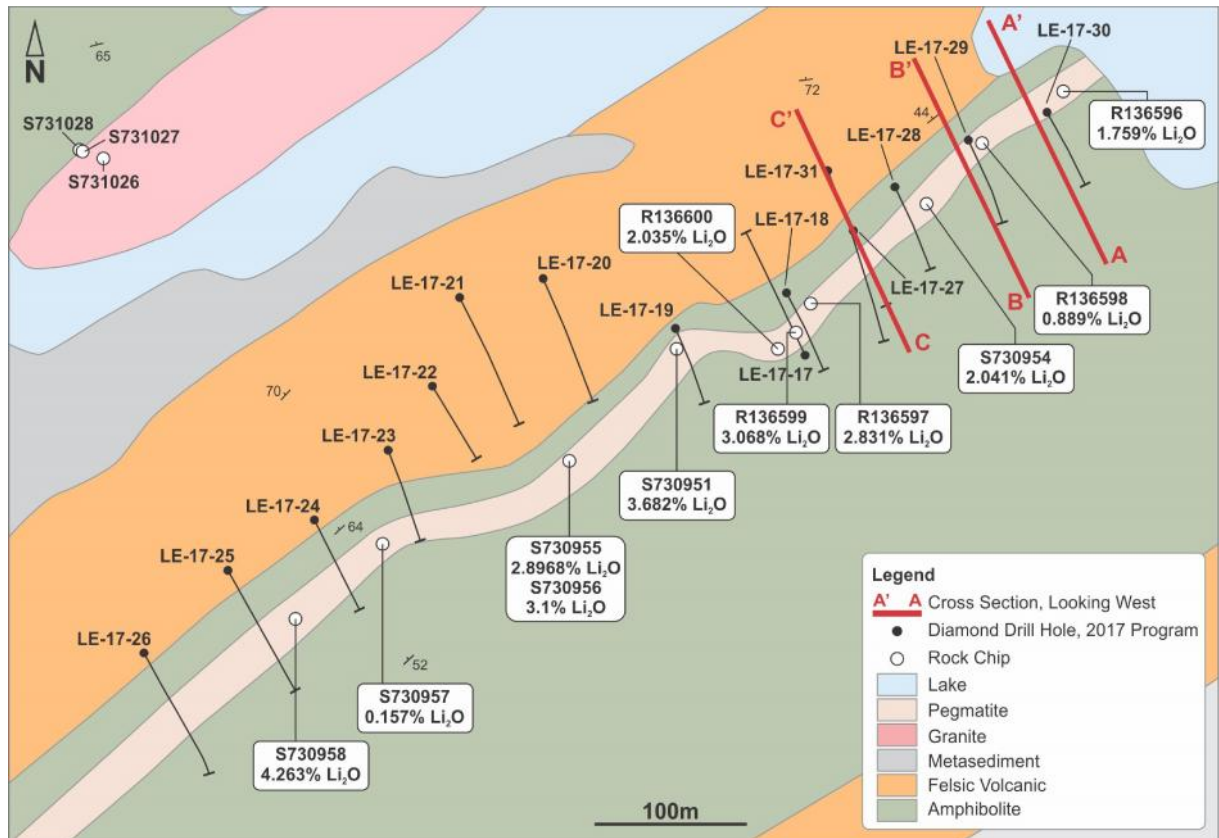


Figure 3. Lemare SW Extension, simplified geology showing location of drill holes and cross-sections presented in Figures 4 – 6.

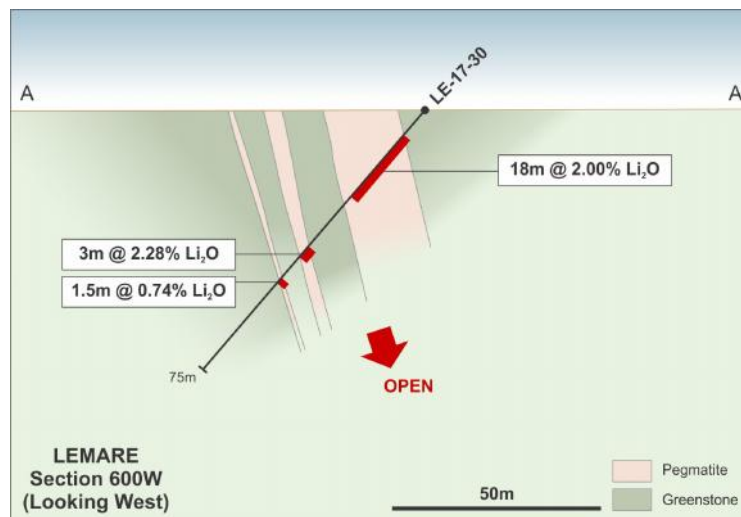


Figure 4. Lemare SW Extension, cross-section 600W.

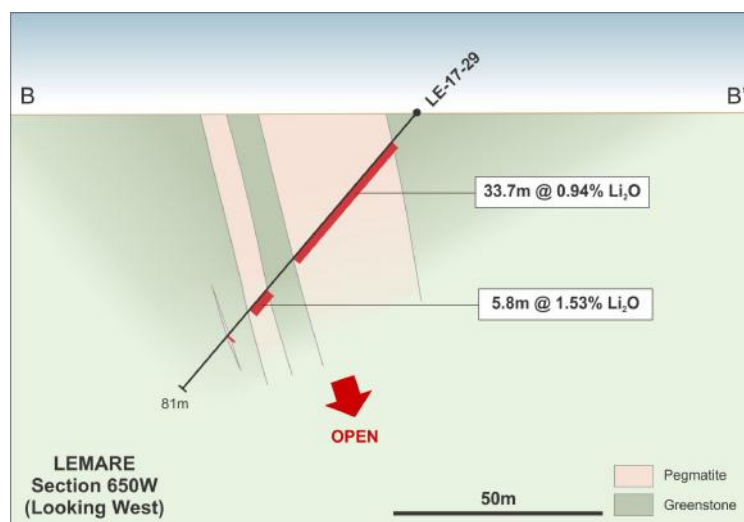


Figure 5. Lemare SW Extension, cross-section 650W.

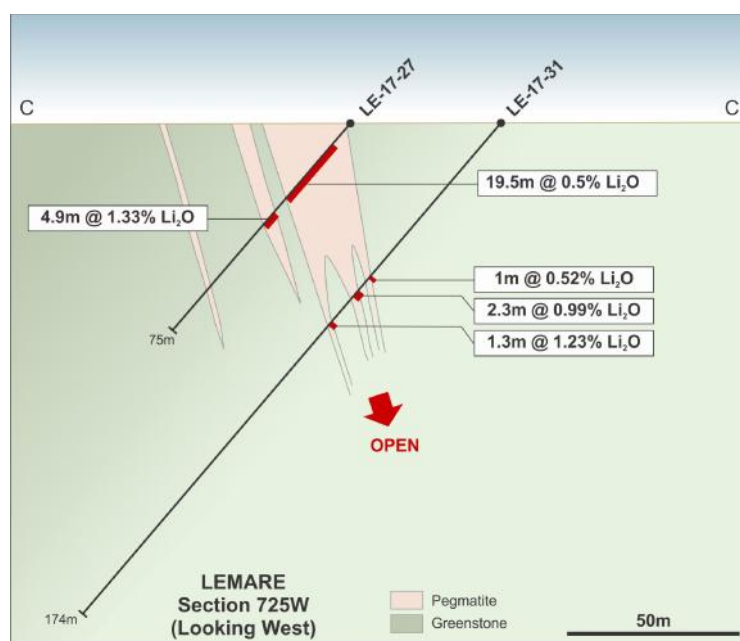


Figure 6. Lemare SW Extension, cross-section 725W.

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 had an initial requirement to spend C\$800,000 on exploration by 31 August 2017 (extended from 31 December 2016 by agreement with CRE). With completion of the Stage 2 drilling program Lepidico has met this requirement.

To complete the earn-in to an initial 50% interest in the project, the Company is to fund a further C\$1.2M of exploration and delineate a JORC Code compliant Minerals Resource by 31 August 2018. The Company can earn a further 25% interest by completing a feasibility study and an environmental study on Lemare by 30 June 2020 and by making a payment of C\$2.5M (in cash or shares) to Critical Elements Corporation.

Results generated to date provide significant encouragement that the Lemare property will host a significant spodumene resource. The next phase of work for the Lemare Spodumene Project will be

developed following completion of a geological reinterpretation of the SW Extension in September 2017.

Table 1. Lemare Spodumene Project, diamond drilling significant intersections (>0.5% Li₂O) from the SW Extension (June 2017) and Lemare (October 2016)

Lemare Hole Id	From (m)	To (m)	Down-hole Intercept (m)	Li ₂ O (>0.5%) ¹
SW Extension, 2017				
LE-17-17	109.70	111.80	2.10	1.37
LE-17-18	11.50	14.80	3.30	1.90
"	25.30	26.80	1.50	0.83
LE-17-19	3.00	6.80	3.80	1.09
"	11.70	13.20	1.50	1.02
"	32.70	33.80	1.10	0.72
"	46.10	47.10	1.00	1.88
LE-17-27	13.30	18.30	5.00	1.58
"	19.10	21.50	2.40	0.84
"	25.00	25.70	0.70	0.52
"	27.80	28.50	0.70	1.11
"	33.20	36.60	3.40	1.86
LE-17-28	22.50	24.00	1.50	1.24
"	30.00	37.30	7.30	1.18
"	40.90	47.00	6.10	2.26
"	51.30	52.80	1.50	1.21
LE-17-29	9.60	43.30	33.70	0.94
including	17.70	30.70	13.00	1.42
and	37.90	43.30	5.40	1.44
"	52.30	58.10	5.80	1.53
LE-17-30	6.80	24.80	18.00	2.00
"	39.30	42.30	3.00	2.28
LE-17-31	62.00	63.00	1.00	1.90
"	71.70	73.00	1.30	1.23
Lemare, 2016²				
LE-16-01	40.70	56.60	15.90	1.26
LE-16-03	38.80	59.80	21.00	1.75
LE-16-04	29.30	32.30	3.00	0.96
"	46.90	51.90	5.00	1.12
"	62.30	63.30	1.00	1.23
LE-16-05	35.20	40.50	5.30	1.79
"	46.00	47.75	1.75	2.28
LE-16-06	73.90	76.25	2.35	1.92
LE-16-07	36.00	51.00	15.00	1.62
LE-16-09	83.35	85.85	2.50	1.01
"	91.25	92.85	1.60	1.43
LE-16-11	9.50	10.50	1.00	1.26
LE-16-12	15.00	17.50	2.50	1.23
"	24.50	32.90	8.40	1.43
LE-16-13	5.50	34.00	28.50	2.16
LE-16-14	13.50	37.50	24.00	1.87
"	42.00	51.00	9.00	2.70

Notes:

- ^{1.} Li₂O derived by multiplying elemental Li assay by conversion factor of 2.153
- ^{2.} Lemare drilling reported to ASX on 24 November 2016 (under ASX code PLP).

Table 2. Lemare SW Extension, NQ diamond drilling June 2017, hole collar survey data, UTM Zone 18, NAD83.

Hole ID	N (m)	E (m)	Elevation (m)	Azimuth	Dip	Depth (m)
LE-17-17	5734109	471106	344	335	-50	123
LE-17-18	5734148	471095	341	155	-50	75
LE-17-19	5734125	471028	342	155	-50	75
LE-17-20	5734156	470950	343	155	-50	126
LE-17-21	5734145	470900	345	155	-50	129
LE-17-22	5734091	470884	347	155	-50	78
LE-17-23	5734052	470857	350	155	-50	90
LE-17-24	5734010	470813	350	155	-50	90
LE-17-25	5733980	470762	350	155	-50	126
LE-17-26	5733931	470712	350	155	-50	126
LE-17-27	5734185	471134	339	155	-50	75
LE-17-28	5734212	471159	337	155	-50	84
LE-17-29	5734240	471203	335	155	-50	81
LE-17-30	5734257	471249	333	155	-50	75
LE-17-31	5734222	471119	338	155	-50	174

Further Information

For further information, please contact

Joe Walsh
Managing Director
Lepidico Ltd
 +61 (0) 417 928 590

Tom Dukovic
Director Exploration
Lepidico Ltd
 +61 (0)8 9363 7800

The information in this report that relates to Exploration Results is based on information compiled by Mr Tom Dukovic, 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 Dukovic 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 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; options over the Lemare and the Royal projects, both in Quebec, Canada; 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.

APPENDIX 2. JORC Code (2012) Table 1 Report: Diamond Drilling, Lemare SW Extension, Quebec, Canada, June 2017

Section 1: Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	<i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i>	Half-core samples, cut by diamond core saw, were collected from selected intervals, mostly spodumene-bearing pegmatites, from 15 holes LE-17-17 to LE-17-31. NQ coring occurred from surface to end of hole.
	<i>Include reference to measures taken to ensure sample representativeness and the appropriate calibration of any measurement tools or systems used.</i>	Continuous half-core (NQ) samples were taken from intervals selected on rock type (host amphibolites vs pegmatite) and determined on variation in mineralogy (mainly on spodumene content).
	<i>Aspects of the determination of mineralisation that are Material to the Public Report.</i>	Samples were sent to ALS Chemex laboratories in Val d'Or, Quebec, Canada for sample preparation and analysis for Li and a suite of elements by 4 acid digest ICP-MS method ME-MS61. Overlimit Li was re-assayed by ore grade 4 acid digest ICP-AES method Li-OG63.
	<i>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i>	Continuous half-core (NQ) samples were taken from intervals selected on rock type (host amphibolites vs pegmatite) and determined on variation in mineralogy (mainly on spodumene content).
Drilling techniques	<i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i>	All holes were drilled NQ core size from surface, without pre-collars, inclined at -50° with orientation measurements taken down hole. Maximum hole depth was 174 m.
Drill sample recovery	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	Overall recoveries were >95% without significant core loss. Core was reconstructed into continuous runs and measured lengths checked against core block depths.
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	n/a
	<i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i>	There is no evident correlation between sample recovery and lithium grade.
Logging	<i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i>	Core was geologically logged on the basis of geological and mineralogical variation and sampled at appropriate intervals, not longer than 1.5 m, targeting pegmatite and more specifically spodumene mineralisation.
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	Logging was qualitative and semi-quantitative and recorded rock type, mineralogy, veining, alteration, colour, weathering and rock types using a standardised logging system. All core was photographed.
	<i>The total length and percentage of the relevant intersections logged.</i>	All holes were logged over their entire length.
Sub-sampling techniques and sample preparation	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	Core (NQ) was split in half using a hydraulic core splitter, with half-core samples collected. Samples were generally not taken from the host rock.
	<i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i>	N/A
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	Samples were sent to ALS Minerals laboratories in Val d'Or, Quebec, Canada, where the entire sample was crushed to 70% - 2 mm, then a 1kg split taken by Boyd Rotary Splitter and pulverised to 85% passing 75 microns or better.
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representativeness of samples.</i>	No external QC was applied. Half core is considered appropriate for representativeness of samples.

	<i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i>	Field duplicate samples of second core-half and blanks were submitted approximately every 20 samples for each hole.
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	Spodumene mineralisation was readily discernible and largely consistent through the sampled intervals with sample size regarded as appropriate for the material.
Quality of assay data and laboratory tests	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	Samples were sent to ALS Chemex laboratories in Val d'Or, Quebec, Canada for sample preparation and analysis for Li and a suite of elements by 4 acid digest ICP-MS method ME-MS61. Overlimit Li was re-assayed by ore grade 4 acid digest ICP-AES method Li-OG63. These methods are taken to provide a total analysis.
	<i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i>	Not applicable, no instruments used.
	<i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i>	Field duplicate samples of second core-half and blanks were submitted approximately every 20 samples for each hole.
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	A minimum of 2 company geologists have verified significant intersections.
	<i>The use of twinned holes.</i>	No twinned holes were drilled.
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	Drill hole data and geological logs are recorded on paper in the field then entered into digital format before being uploaded to the company SQL database.
	<i>Discuss any adjustment to assay data.</i>	For public reporting purposes, elemental Li values reported in ppm were converted to a percent (%) and then to the oxide Li ₂ O by using a multiplication factor of 2.153.
Location of data points	<i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i>	Drill hole coordinates were determined using a hand-held GPS. Each drill hole had downhole surveys approximately every 30 m.
	<i>Specification of the grid system used.</i>	UTM zone 18, NAD83
	<i>Quality and adequacy of topographic control.</i>	RL determined using hand held GPS
Data spacing and distribution	<i>Data spacing for reporting of Exploration Results.</i>	Holes were drilled on nominal 50 m sections.
	<i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i>	The drilling is first-pass and not at a stage where a Mineral Resource estimation is appropriate.
	<i>Whether sample compositing has been applied.</i>	No sample compositing was applied.
Orientation of data in relation to geological structure	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	The holes were drilled at a dip of 50 degrees and perpendicular to the strike of the sub-vertical pegmatite unit (s). The drill orientation is considered appropriate and is not considered to have introduced a bias.
	<i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i>	The holes were drilled at a dip of 50 degrees and perpendicular to the strike of the sub-vertical pegmatite unit(s). The drill orientation is considered appropriate and is not considered to have introduced a bias.
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	Samples were bagged and bulk-packaged securely and couriered by road to the laboratory in Val d-Or.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	No bias or sampling issues were noted when reviewing QAQC data including field duplicates and blanks.

Section 2: Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. 	The Lemare Lithium project is located in the James Bay region of Quebec, Canada. The project is secured by an option agreement ("Lemare Option") entered into by the Company's wholly owned subsidiary Lepidico Holdings Pty Ltd and the owner of Lemare, Critical Elements Corporation (TSX-V:CRE), on 11 February 2016. Full details were reported to the market on 12 February 2016 (under then ASX code: PLP).
	<ul style="list-style-type: none"> The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	Tenure is secure with no known impediments.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	Exploration was supervised and conducted by Consul-Teck staff contracting to Lepidico Ltd.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	Pegmatite hosted spodumene mineralisation in Archaean greenstone.
Drill hole Information	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: 	Refer to the body of the report – Tables 1 and 2; Figures 1 - 6.
	<ul style="list-style-type: none"> o easting and northing of the drill hole collar 	Refer to the body of the report – Table 2
	<ul style="list-style-type: none"> o elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar 	Refer to the body of the report – Table 2
	<ul style="list-style-type: none"> o dip and azimuth of the hole 	Refer to the body of the report – Table 2
	<ul style="list-style-type: none"> o down hole length and interception depth 	Refer to the body of the report – Table 1
	<ul style="list-style-type: none"> o hole length. 	Refer to the body of the report – Table 2
	<ul style="list-style-type: none"> If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	N/A
Data aggregation methods	<ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. 	Overall intersections were based on geological boundaries – ie, downhole width of pegmatite intrusions. Inclusive high grade zones calculated using 0.5% Li ₂ O cut with up to 1m of internal dilution. Intercepts were determined by adding adjacent sample intervals. Intercept grades were determined by weighting sample intervals with respective grades.
	<ul style="list-style-type: none"> Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. 	N/A
	<ul style="list-style-type: none"> The assumptions used for any reporting of metal equivalent values should be clearly stated. 	N/A
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. 	The pegmatite intrusives are sub-vertical and drill holes are inclined at 50 degrees, thus resulting in near true thicknesses of down-hole intercepts. Therefore, only down-hole intercepts are reported.
	<ul style="list-style-type: none"> If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. 	Drilling is perpendicular to the strike of the pegmatites. Pegmatites dip sub-vertically.

	<ul style="list-style-type: none"> If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known'). 	Intercepts reported as down-hole intercepts.
Diagrams	<ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	Plans showing drill hole locations are provided in the body of the announcement as Figures 1 and 2.
Balanced reporting	<ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	Results for all samples received are reported in Appendix 1. Selected cross-sections are presented in Figures 4 - 6.
Other substantive exploration data	<ul style="list-style-type: none"> Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	Summary results are presented in Table 1 and a full list of multi-element assays is provided as Appendix 1 to the announcement.
Further work	<ul style="list-style-type: none"> The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). 	Future work will aim at increasing the density of drilling to enable the definition of a mineral resource estimate and extensional drilling to increase the size of the mineralised target.
	<ul style="list-style-type: none"> Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	Specific location and the nature of future work will be decided on full integration of current data with previous work and interpretation of the consequent complete database.

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.
