

## Supply & Marketing Alliance with Gulf Fluor LLC

- **Memorandum of Understanding with Gulf Fluor for the supply of sulphuric acid and land for the construction and operation of Lepidico's Phase 1 Plant Project**
- **The Memorandum of Understanding also contemplates that Gulf Fluor will provide marketing support for all Phase 1 Plant Project by-products sold within the region**
- **Gulf Fluor owns and operates a state of the art industrial chemical facility in Abu Dhabi that includes a 140,000 tonne per year sulphuric acid plant**

Lepidico Ltd (ASX:LPD) ("Lepidico" or "Company") is pleased to announce that it has entered into a non-binding Memorandum of Understanding (MoU) with Gulf Fluor LLC ("Gulf Fluor"), an established Abu Dhabi based industrial chemicals company, for: 1) the supply of sulphuric acid; 2) provision of land to construct the Phase 1 Plant Project; and 3) the marketing of Phase 1 Plant by-products to be sold within the region.

### **About Gulf Fluor**

Gulf Fluor is an Abu Dhabi based industrial chemical manufacturing company, established in 2008. The Gulf Fluor Industrial complex consists of a sulphuric acid plant with a production capacity of 140,000 tonnes per annum (tpa), hydrogen fluoride plant with a capacity of 54,000tpa, and aluminium fluoride plant with an annual capacity of 60,000tpa, in addition to a waste water treatment plant. The state of the art aluminium fluoride plant is the only plant of its kind in the region and is considered the largest single unit facility in the world. With its proximity to some of the world's largest aluminium producers, Gulf Fluor is located in the Industrial City of Abu Dhabi (ICAD), just 30km from the heart of Abu Dhabi. ICAD homes many light to medium manufacturing, engineering, and processing industries, including lime cement and concrete manufacture, and covers 11km<sup>2</sup> with marine access and provides Gulf Fluor with a variety of convenient local services.

### **Phase 1 Plant Feasibility Study**

Lepidico recently extended the scope of the Phase 1 Plant Feasibility Study to include a LOH-Max<sup>TM</sup> circuit for the production of lithium hydroxide, as well as the evaluation of a plant development ICAD. The Study will however, continue to contemplate the base case scenario of Sudbury, Canada for the Phase 1 Plant until the ICAD trade-off study is complete, scheduled for the second half of 2019. Lead Study consultant, Minmet Services, has advised of material capital and operating cost benefits associated with developing the Phase 1 Plant at ICAD and a separate study has revealed that local markets exist for L-Max<sup>®</sup> and S-Max<sup>TM</sup> by-products. Logistics costs for shipping concentrate from Portugal to ICAD are estimated to be lower than to Sudbury. Gas, labour and the cost of certain consumables have also been identified as being lower at ICAD. Engineering for the LOH-Max<sup>TM</sup> circuit is expected to be completed by Lycopodium in December 2019, which will also take into account the change

in location. Finally, ICAD promotes a “plug and play” philosophy for new developments, allowing for rapid permitting and approvals. This is, in part, afforded by having world class established infrastructure, including power, gas, water and developed roads, storage and logistic hubs that have quick and easy access to multiple ports and airports.

#### **Further Information**

For further information, please contact

**Joe Walsh**  
**Managing Director**  
**Lepidico Ltd**  
**+1 647 272 5347**

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

#### **About Lepidico Ltd**

Lepidico Ltd is an ASX-listed Company focused on exploration, development and production of lithium chemicals. 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 carbonate supply from alternative sources. More recently Lepidico has added LOH-Max<sup>™</sup> to its technology base, which produces lithium hydroxide from lithium sulphate without by-produce sodium sulphate. The Company is currently conducting a Feasibility Study for a 5,000 tonne per annum Phase 1 lithium chemical plant, targeting commercial production for late 2020. Work is currently being undertaken to evaluate the incorporation of LOH-Max<sup>™</sup> into the Phase 1 Plant Project flow sheet. Feed to the 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 Indicated and Inferred Mineral Resource estimate at Alvarrões of 5.9 Mt grading 0.9% Li<sub>2</sub>O (see ASX announcement of 11 April 2019).

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 also has 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.

#### **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.