

17 December 2019

## Further excellent lepidolite infill drilling results from the Karibib Lithium Project

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- Helikon 1 results include **23.52 m @ 1.25% Li<sub>2</sub>O**, **15.67 m @ 1.54% Li<sub>2</sub>O** and **20.51 m @ 0.96% Li<sub>2</sub>O**
- Rubicon results include **7.22 m @ 1.30% Li<sub>2</sub>O**, **9.86 m @ 1.08% Li<sub>2</sub>O** and **6.61 m @ 1.15% Li<sub>2</sub>O**
- Infill drilling complete with updated Measured and Indicated Mineral Resource estimate imminent
- Recent tenement renewal applications approved; Mineral Resources lie within granted Mining Licence

Lepidico Ltd (ASX:LPD) (“Lepidico” or “Company”) is pleased to report additional assay results from the 5,164 m infill diamond drilling program over the Rubicon and Helikon 1 lithium pegmatites, located within the Company’s 80% owned Karibib Lithium Project (“KLP”) in Namibia.

The infill drilling program was designed to increase data density and geological confidence to allow the estimation of Mineral Resources in the Measured and Indicated categories, and to enable the estimation of maiden Ore Reserves for both Rubicon and Helikon 1. Revised JORC Code (2102) compliant Mineral Resource estimates (“MRE”) are scheduled for completion during December 2019.

This latest drill program has greatly advanced the understanding of the lithium mineralisation and geology of the zoned LCT-type (Lithium Caesium Tantalum) pegmatites at Karibib. This has enabled the construction of simplified representative geological models that will inform the MRE and consequent Ore Reserve estimates.

Initial drilling results were reported on 31 October 2019. The latest results reported herein in Table 1 do not include results previously reported.

Joe Walsh, Managing Director of Lepidico said, “These latest results confirm broad zones of massive lepidolite mineralisation near surface at both Rubicon and Helikon 1. Test work also shows that the

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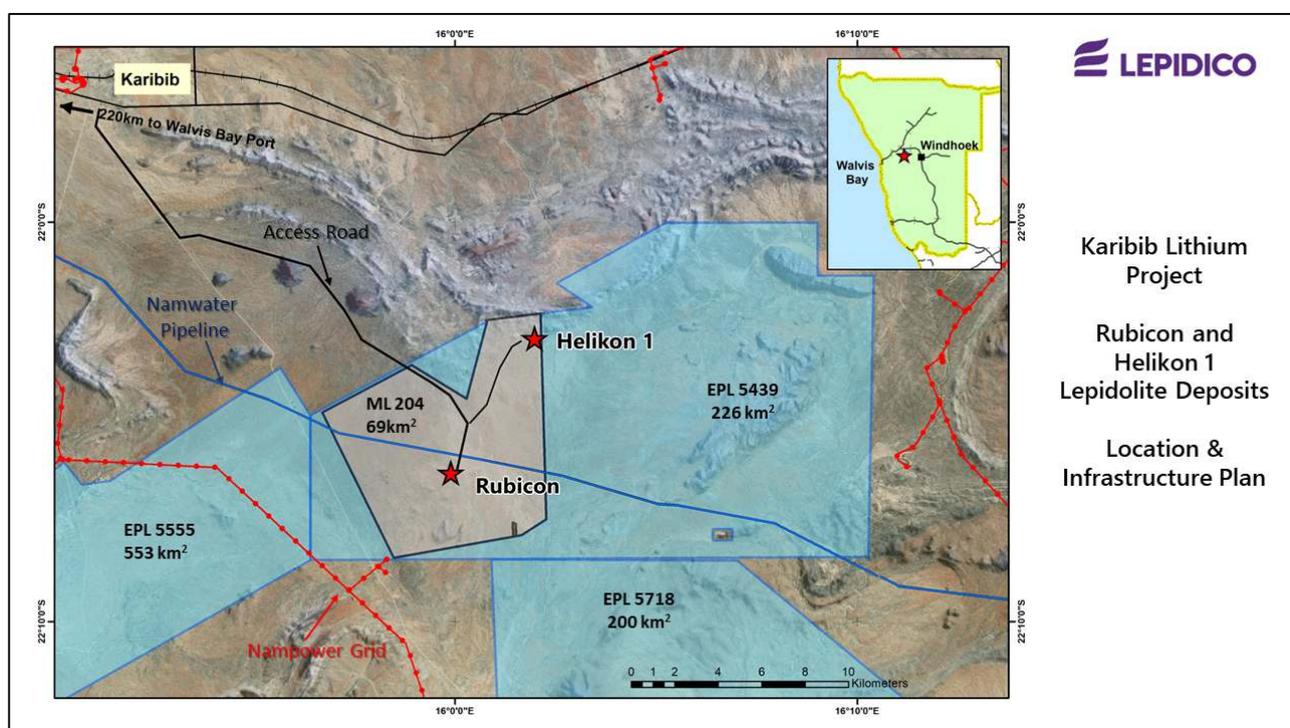
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total lithium oxide grade of these deposits approximates to L-Max<sup>®</sup> recoverable lithium, with only minor quantities of other lithium mineral species such as petalite present. Maiden Ore Reserve estimates for Rubicon and Helikon 1 are scheduled for completion in February for inclusion in the Phase 1 Plant Feasibility Study, the key results of which are on track for March 2020.”

## Background

The Karibib Lithium Project contains a global JORC Code (2012) compliant Indicated and Inferred MRE of 8.8 Mt @ 0.56% Li<sub>2</sub>O<sup>1</sup> that has been determined over 6 discrete lepidolite-bearing pegmatites located within a 68 km<sup>2</sup> granted Mining Licence (ML 204), which is contiguous with three Exclusive Prospecting Licenses (“EPLs”) that together cover a total area of 1,054 km<sup>2</sup>. Access to the project is via a national highway from the Namibian capital Windhoek, located approximately 180 km to the south east and a 17 km all-weather access road from the nearby town of Karibib. The deep-water port of Walvis Bay is located 210 km to the south west (Figure 1), which is serviced from Karibib by both the national highway and rail networks.



**Figure 1.** Location and Infrastructure of the Karibib Lithium Project showing position of the Helikon 1 and Rubicon deposits within granted Mining Licence ML 204.

In July 2019, the Company embarked on an aggressive diamond drilling program aimed at upgrading the MRE to predominantly Measured and Indicated categories. The revised MRE is intended to support the declaration of the first Ore Reserve estimate for the KLP, which is to be incorporated into the Feasibility Study for a vertically integrated development of mine, concentrator and downstream commercial scale L-Max<sup>®</sup> chemical plant - The Phase 1 Project.

The main phase of the drilling program, comprising 35 holes at Helikon 1 and 51 holes at Rubicon, is complete and all assays have been received. In November, a further four short holes were drilled into the Rubicon footwall to locate the lower contact of the lepidolite mineralisation. These results are awaited.

<sup>1</sup> ASX announcement, 16 July 2019: Drilling Starts at the Karibib Lithium Project

**Table 1.** List of additional significant intercepts\* from Helikon 1 and Rubicon, 2019 diamond drilling program

Hole	From	To	Intercept (@% Li <sub>2</sub> O)	Mineralisation
<b>Helikon 1</b>				
HDH122	16.82	21.56	4.74 m @ 0.65%	Disseminated lepidolite
HDH124	8.91	17.94	9.43 m @ 1.38%	Disseminated lepidolite
	28.12	31.97	2.85 m @ 0.45%	Mica Zone
	38.25	39.90	1.65 m @ 0.67%	Pegmatite
HDH126	0.10	23.62	23.52 m @ 1.25%	Massive and disseminated lepidolite
HDH128	0.18	15.85	15.67 m @ 1.54%	Massive and disseminated lepidolite
HDH129	0.0	20.51	20.51 m @ 0.96%	Disseminated lepidolite
HDH130	59.11	76.86	17.75 m @ 1.49%	Mica Zone
HDH131 incl.	26.83	39.74	12.91 m @ 1.38%	Massive and disseminated lepidolite
	36.90	39.74	2.84 m @ 4.02%	Massive lepidolite
and	56.61	58.96	2.35 m @ 2.19%	Massive lepidolite
and	65.91	70.79	4.88 m @ 0.82%	Mica Zone
and	74.37	77.64	3.27 m @ 0.85%	Mica Zone
<b>Rubicon</b>				
RDH110	1.33	5.00	3.67 m @ 0.81%	Mica Zone
RDH111	43.72	53.90	10.18 m @ 0.48%	Disseminated lepidolite + Mica Zone
RDH114	29.1	36.95	8.85 m @ 0.50%	Disseminated lepidolite + Mica Zone
RDH115	1.28	7.17	5.89 m @ 0.39%	Mica Zone
RDH116	30.04	35.13	5.09 m @ 0.72%	Mica Zone
	40.06	44.06	4.0 m @ 0.41%	Mica Zone
RDH117	18.29	22.48	4.19 m @ 0.39%	Mica Zone
RDH118	11.9	14.81	2.91 m @ 0.52%	Disseminated lepidolite
	23.1	28.81	6.61 m @ 1.15%	Massive and disseminated lepidolite
RDH119	11.08	19.78	8.70 m @ 0.55%	Disseminated lepidolite + Mica Zone
RDH120	16.24	23.80	7.22 m @ 1.30%	Massive and disseminated lepidolite
RDH121	19.80	22.00	2.20 m @ 0.49%	Disseminated lepidolite
RDH123 incl.	10.90	19.76	9.86 m @ 1.08%	Massive and disseminated lepidolite
	14.48	16.02	1.54 m @ 3.51%	Massive lepidolite
RDH124	22.75	30.39	7.64 m @ 0.80%	Massive and disseminated lepidolite
RDH127 incl.	7.28	14.40(eoh)	7.12 m @ 0.78%	Massive lepidolite + Mica Zone
	13.54	14.40(eoh)	0.86 m @ 1.82%	Massive lepidolite
RDH131	21.24	25.00	3.76 m @ 0.55%	Mica Zone
RDH136	0.62	2.40	1.78 m @ 1.02%	Mica Zone
	10.54	16.89	6.35 m @ 0.45%	Pegmatite
RDH137	7.50	10.52	3.02 m @ 0.40%	Pegmatite

\*Continuous geological intervals >1m grading > 0.3% Li<sub>2</sub>O

### Helikon 1 (Figures 2 and 3)

The Helikon 1 pegmatite has been defined by drilling along a strike length of 400 metres. The mineralisation at Helikon 1 is relatively shallow with the deepest hole drilled to a depth of 90 m below surface. The mineralisation is open along strike although to the west it swings to the south and appears to lens out. Recent modelling shows that the Helikon 1 pegmatite is truncated at depth by a low angle fault. Future exploration will test for potential faulted extensions to the lepidolite pegmatite at Helikon 1.

Based on 108 XRD (X-ray diffraction) analyses, lithium mineralisation is contained within lepidolite and lithian muscovite, with only around 1% reporting to petalite. Lepidolite and muscovite are both mica minerals and are ideally suited to the Company's patented L-Max<sup>®</sup> process.

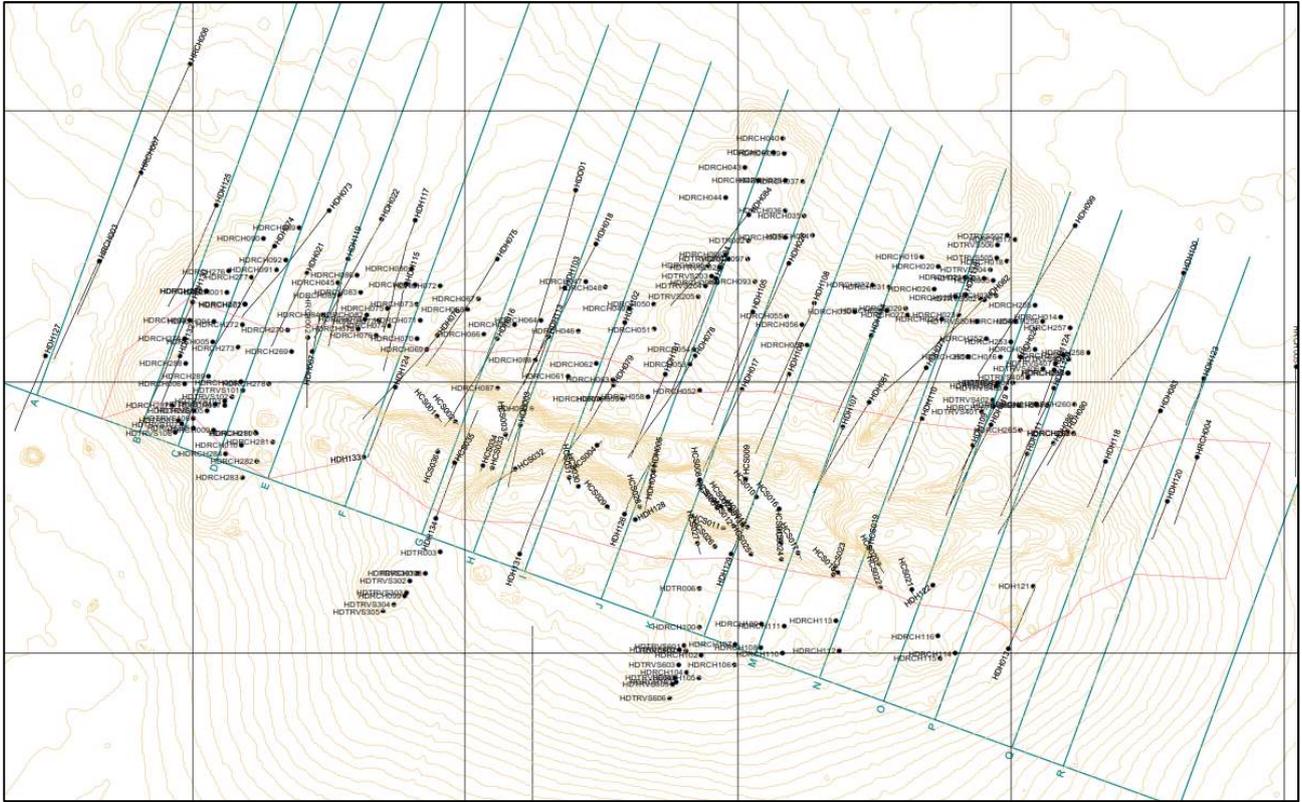


Figure 2. Helikon 1 drill hole layout over contoured topography; 100 m grid.



Figure 3. HDH126 drill core from Helikon 1 showing massive lepidolite interval, averaging 1.63%  $\text{Li}_2\text{O}$ .



## Karibib Lithium Project Tenement Schedule

Tenement ID	Registered Holder	Lepidico Interest	Expiry Date	Area
ML 204	Desert Lion Energy (Pty) Ltd	80%	18/06/2028	68 km <sup>2</sup>
EPL 5439	Desert Lion Energy (Pty) Ltd	80%	27/10/2021	301 km <sup>2</sup>
EPL 5555	Desert Lion Energy (Pty) Ltd	80%	03/04/2021	539 km <sup>2</sup>
EPL 5718	Desert Lion Energy (Pty) Ltd	80%	26/10/2019 <sup>1</sup>	200 km <sup>2</sup>

Note: <sup>1</sup> Two-year extension approved, awaiting endorsed title document.

### 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 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-product sodium sulphate. The Company is currently conducting a Feasibility Study for a 5,000 tonne per annum (LCE) capacity Phase 1 lithium chemical plant, targeting commercial production for 2021. Work is currently being undertaken to incorporate LOH-Max<sup>™</sup> into the Phase 1 Plant Project engineering. Feed to the Phase 1 Plant is planned to be sourced from the Karibib Lithium Project in Namibia, 80% owned by Lepidico where a Mineral Resource of 8.8 Mt grading 0.56% Li<sub>2</sub>O and 59ppm Ta<sub>2</sub>O<sub>5</sub> is estimated (ASX announcement of 16 July 2019) and/or the Alvarrões Lepidolite Mine in Portugal under an ore access agreement with owner-operator Grupo Mota (ASX announcement of 7 December 2017).

### 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.

## Appendix 1. Drill hole collar data

<b>Helikon 1 2019 Drill Collar Information</b>						
BH_ID	Easting	Northing	Elevation	EOH	Azimuth	Dip
HDH101	605773.18	7561602.99	1350.87	63.00	200	-60
HDH102	605758.47	7561621.90	1347.27	74.46	200	-60
HDH103	605736.44	7561634.73	1345.58	74.49	200	-60
HDH104	605791.72	7561638.38	1341.10	90.00	200	-60
HDH105	605805.39	7561626.14	1342.97	88.00	200	-60
HDH106	605818.54	7561603.07	1345.35	64.00	200	-60
HDH107	605838.29	7561583.47	1346.84	60.00	200	-60
HDH108	605827.89	7561629.31	1338.45	74.00	200	-60
HDH109	605885.90	7561576.81	1338.90	55.00	200	-60
HDH110	605867.27	7561586.61	1341.74	65.00	200	-60
HDH111	605905.82	7561573.53	1337.68	47.40	200	-60
HDH112A	605915.77	7561604.50	1337.66	35.48	200	-60
HDH112B	605915.61	7561597.79	1337.74	71.33	200	-60
HDH113	605730.48	7561616.90	1347.91	80.35	200	-60
HDH114	605848.63	7561617.23	1337.93	71.00	200	-60
HDH115	605678.38	7561636.23	1337.99	65.30	200	-60
HDH116	605883.26	7561632.50	1332.41	90.00	200	-60
HDH117	605681.71	7561659.86	1335.98	86.27	200	-60
HDH118	605934.56	7561570.74	1329.70	35.35	200	-60
HDH119	605657.04	7561645.55	1334.02	65.35	200	-60
HDH120	605957.13	7561556.03	1326.48	29.37	200	-60
HDH121	605908.03	7561524.68	1341.16	26.70	0	-90
HDH122	605871.17	7561525.13	1347.77	41.67	0	-90
HDH123	605970.53	7561601.45	1319.51	36.00	200	-60
HDH124	605674.35	7561598.03	1335.67	53.30	200	-60
HDH125	605608.76	7561665.33	1327.92	80.70	200	-60
HDH126	605758.31	7561551.31	1347.80	59.50	20	-70
HDH127	605546.35	7561609.80	1323.85	60.80	200	-60
HDH128	605762.24	7561549.23	1347.88	41.70	0	-90
HDH129	605797.35	7561536.42	1348.28	56.67	20	-70
HDH130	605600.12	7561629.78	1334.86	80.10	200	-60
HDH131	605719.92	7561536.71	1349.08	86.15	20	-55
HDH132	605595.46	7561609.57	1335.26	35.30	200	-60
HDH133	605662.97	7561572.56	1340.10	40.00	0	-90
HDH134	605689.20	7561549.74	1345.21	73.40	20	-55

Rubicon 2019 Drill Collar Information						
BH_ID	Easting	Northing	Elevation	EOH	Azimuth	Dip
RDH088	602925.91	7555230.53	1255.25	43.14	240	-70
RDH089	602904.86	7555426.96	1253.77	92.39	240	-70
RDH090	602704.61	7555468.93	1255.53	67.15	240	-70
RDH091	602743.93	7555376.94	1259.50	59.35	240	-70
RDH092	602737.57	7555426.95	1254.80	76.04	240	-70
RDH093	602822.77	7555531.09	1255.18	98.40	240	-70
RDH094	602808.88	7555314.71	1255.55	59.43	240	-70
RDH095	602818.67	7555482.11	1254.26	94.25	240	-70
RDH096	602681.20	7555506.30	1256.71	77.38	240	-70
RDH097	602880.88	7555370.60	1254.78	77.21	240	-70
RDH098	602928.78	7555400.83	1253.90	85.30	240	-70
RDH099	602992.27	7555347.07	1252.53	73.21	240	-70
RDH100	602894.61	7555306.17	1252.98	56.32	240	-70
RDH101	602967.51	7555316.85	1253.02	73.26	240	-70
RDH102	602673.83	7555446.38	1257.95	62.43	240	-70
RDH103	602789.31	7555409.94	1255.88	80.36	240	-70
RDH104	602963.39	7555263.20	1252.58	49.33	240	-70
RDH105	602644.06	7555480.19	1257.85	62.25	240	-70
RDH106	602722.47	7555499.69	1256.74	70.16	235	-70
RDH107	602835.14	7555261.48	1256.57	59.48	0	-90
RDH108	602918.81	7555262.32	1253.88	46.50	240	-70
RDH109	602667.33	7555606.65	1258.08	103.30	247	-70
RDH110	602783.96	7555334.60	1256.72	56.37	240	-70
RDH111	602626.65	7555567.42	1256.89	79.40	240	-70
RDH112	602585.04	7555530.65	1260.97	50.35	240	-70
RDH113	602500.52	7555677.38	1260.16	85.26	240	-70
RDH114	602555.43	7555575.46	1256.88	61.75	240	-70
RDH115	602481.20	7555512.82	1266.90	23.48	0	-90
RDH116	602434.33	7555657.62	1258.93	61.42	0	-90
RDH117	602422.44	7555638.26	1258.67	25.38	0	-90
RDH118	602454.35	7555614.66	1258.83	46.33	0	-90
RDH119	602432.82	7555592.83	1261.47	37.30	0	-90
RDH120	602359.77	7555623.69	1259.72	43.35	0	-90
RDH121	602350.02	7555661.38	1259.27	25.18	240	-70
RDH122	602349.21	7555700.76	1260.25	73.40	0	-90
RDH123	602575.63	7555511.42	1260.72	40.47	240	-70
RDH124	602514.28	7555580.15	1261.60	52.62	240	-70
RDH125	602312.63	7555652.78	1259.87	49.37	0	-90
RDH126	602946.27	7555602.00	1258.65	172.22	240	-70
RDH127	602412.40	7555573.49	1264.07	16.50	0	-90
RDH128	602445.58	7555543.32	1266.74	32.11	240	-70
RDH129	602364.44	7555558.54	1261.99	23.55	0	-90
RDH130	602310.29	7555722.19	1263.02	77.27	240	-70
RDH131	602279.27	7555660.02	1263.36	53.55	0	-90
RDH132	602411.03	7555581.74	1263.28	16.48	0	-90
RDH133	602383.14	7555597.60	1262.39	16.66	0	-90
RDH134	602535.99	7555423.80	1270.15	82.75	60	-45
RDH135	602591.53	7555365.50	1272.10	22.78	60	-22
RDH135A	602591.38	7555366.01	1272.60	58.51	80	-32
RDH136	602405.78	7555575.85	1264.01	41.45	0	-90
RDH137	602384.40	7555588.47	1263.09	14.28	0	-90

## Appendix 2. JORC Code (2012) Table 1

### JORC CODE, 2012 Edition Table 1

#### Section 1: Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <li>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.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>Diamond drilling has been used at both Rubicon and Helikon 1 to obtain continuous core samples which have been cut longitudinally in half. Intervals submitted for assay have been determined according to geological boundaries. Samples were taken at nominal 1 m intervals with a minimum sample length of 0.5 m while honouring geological contacts.</li> <li>The submitted half-core samples typically have a mass of between 2 kg and 4 kg.</li> </ul>
Drilling techniques	<ul style="list-style-type: none"> <li>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).</li> </ul>	<ul style="list-style-type: none"> <li>The diamond core drilling was completed using up to six diamond core ("DC") drill rigs, with drilling using a combination of HQ (63 mm) at the top of the drill holes and NQ (48 mm) diameter once more competent lithologies were encountered at depth.</li> <li>The drill hole locations were placed in order to infill and increase confidence in the existing Mineral Resource estimates at Rubicon and Helikon 1. At Rubicon holes were drilled at azimuths of 240° and inclinations -70° and Helikon 1 at azimuths of 200° and dips of -60° respectively in order to intersect the pegmatites as close to perpendicular to strike and dip as possible. Several vertical drill holes were also drilled.</li> <li>Average hole depths of 60m were encountered at both Rubicon and Helikon 1</li> </ul>

Criteria	JORC Code explanation	Commentary
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> <li>• <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></li> <li>• <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></li> <li>• <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></li> </ul>	<ul style="list-style-type: none"> <li>• A Reflex Ez-Trac survey was performed at 50 m intervals down hole for all diamond core drill holes.</li> <li>• Core recoveries within pegmatite for the diamond drill holes were &gt;95 % and samples taken for assay are considered representative of the mineralisation present.</li> <li>• Due to the high core recovery no additional methods to improve the sample recovery were implemented, therefore no sample bias is thought to have occurred or exist.</li> </ul>
<i>Logging</i>	<ul style="list-style-type: none"> <li>• <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></li> <li>• <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i></li> <li>• <i>The total length and percentage of the relevant intersections logged.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Drill hole cores were logged by qualified geologists with logging being captured directly into Maxwell™ Logchief using tablet computers which were synchronised frequently with the main Maxwell™ Datashed database.</li> <li>• The cores were logged for geology and geotechnical properties (RQD &amp; planar orientations). The parameters recorded in the logging are adequate to support appropriate Mineral Resource estimation.</li> <li>• All cores were also photographed both in dry and wet states, with the photographs stored in the database.</li> <li>• The entire length of all drill holes was logged for geological, mineralogical and geotechnical data.</li> </ul>
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> <li>• <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></li> <li>• <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></li> <li>• <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></li> <li>• <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></li> <li>• <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></li> <li>• <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Cores were cut longitudinally in half and the half from the same side was consistently sampled at a nominal 1 m length, respecting lithological boundaries. The other half of the core was retained for reference purposes.</li> <li>• The samples were crushed and milled (85 %, pass -75 µm) at the ALS Laboratory in Okahandja. Laboratory duplicates, blanks and Certified Reference Material (CRM) (produced by AMIS and OREAS) were inserted in identical packets to the samples, one per 20 field samples. This was done under the supervision of a qualified geologist.</li> <li>• The samples produced from the diamond core drilling were prepared at the ALS preparation facility at Okahandja using the PREP-31 method. Any moist samples were dried and then crushed to 70 % passing 2 mm using jaw crushers. The crushed material was split using a riffle splitter to obtain a 250 g subsample. The subsamples were then pulverized using a two-component ring mill (ring and puck mill) or a single component ring mill (flying disk mill) to 85 % passing 200 mesh (-75 µm). An aliquot of the pulverized sample was put into an envelope and sealed and submitted to ALS Johannesburg for analysis.</li> </ul>

Criteria	JORC Code explanation	Commentary
<p>Quality of assay data and laboratory tests</p>	<ul style="list-style-type: none"> <li><i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></li> <li><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></li> <li><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></li> </ul>	<ul style="list-style-type: none"> <li>A coarse crush duplicate was inserted into a prelabelled sample bag by the preparation laboratory for every 25 to 30 samples.</li> <li>ALS Laboratory Namibia (Pty) Ltd a subsidiary of the ALS Global group ("ALS") was used for all the assays during this 2019 drilling campaign. ALS is an independent laboratory service provider and is ISO9001:2000 certificated for the provision of assay and geochemical analytical services and ISO17025 accredited for selected analytical methods. The Johannesburg facility is a SANAS Accredited Testing Laboratory, No: T0387.</li> <li>The prepped sample pulps were submitted to ALS in Edenvale, Johannesburg where they were analysed by ALS method ME-MS61 using a 4 acid digest followed by analyses via ICP-MS and ICP-AES for determination of a suite of 48 elements (Ag, Al, As, Ba, Be, Bi, Ca, Cd, Ce, Co, Cs, Cu, Fe, Ga, Ge, Hf, In, K, La, Li, Mg, Mn, Mo, Na, Nb, Ni, P, Pb, Rb, Re, S, Sb, Se, Sc, Sn, Sr, Ta, Te, Th, Ti, Tl, U, V, W, Y, Zn, Zr). The detection range for Li is 0.2-10,000 ppm. Over limit Li assays were analysed by the Li-OG63 using HF-HNO3-HClO4 digestion, HCl Leach - Special open beaker method and has an analytical range of 0.005-10% Li.</li> <li>Lepidico implemented an internal QA/QC protocol comprising the insertion of certified reference materials ("CRM"), blanks and coarse crush duplicates on a systematic basis amongst the samples shipped to ALS. These were inserted at a frequency of 1 blank, 1 CRM and 1 duplicate for every 25 to 30 samples (giving an average of approximately 12 %).</li> <li>The following CRMs were used during this phase of drilling: AMIS0338; AMIS0339, OREAS 147; OREAS 148 and OREAS 149.</li> <li>The Competent Person considers the sample preparation and analytical procedures used appropriate for the style of mineralisation and the accuracy and precision of the assay results acceptable.</li> </ul>
<p>Verification of sampling and assaying</p>	<ul style="list-style-type: none"> <li><i>The verification of significant intersections by either independent or alternative company personnel.</i></li> <li><i>The use of twinned holes.</i></li> <li><i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> <li><i>Discuss any adjustment to assay data.</i></li> </ul>	<ul style="list-style-type: none"> <li>The Competent Person observed the mineralisation in a selection of cores on-site, including checks of the logging of the drill holes observed was carried out and subsequent checks of the logs against the core photographs was also completed off-site.</li> <li>Several collar positions as well as ongoing drilling activities were observed during the site visit completed by the Competent Person.</li> <li>Drilling data were stored on-site utilising Maxwell™ Logchief tablet computers which were synchronised frequently with the main Maxwell™ Dashed database located offsite in Perth.</li> </ul>

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>• QC results were reviewed by the site-based Exploration Manager on a batch by batch basis with results being uploaded to the Maxwell™ Datasheet database.</li> <li>• The assay data has not been adjusted. Elemental Li values reported in ppm were converted to a percent (%) and then to the oxide Li<sub>2</sub>O by using a multiplication factor of 2.153.</li> </ul>
<i>Location of data points</i>	<ul style="list-style-type: none"> <li>• <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></li> <li>• <i>Specification of the grid system used.</i></li> <li>• <i>Quality and adequacy of topographic control.</i></li> </ul>	<ul style="list-style-type: none"> <li>• All diamond drill holes were down hole surveyed using a Reflex Ez-Trac survey at 50 m intervals.</li> <li>• The grid system used is UTM 33S/WGS84.</li> <li>• The collar positions of all drill holes were surveyed by C. G. Pieterse Professional Land Surveyors, a registered land surveying company based in Swakopmund, using a differential GPS (DGPS).</li> <li>• A high-resolution aerial drone survey was conducted by C. G. Pieterse Professional Land Surveyors in July 2019 over Helikon 1 and Rubicon in order to obtain updated imagery and a digital terrain model (DTM). The data are of suitable accuracy and detail for use in the Mineral Resource estimate.</li> </ul>
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> <li>• <i>Data spacing for reporting of Exploration Results.</i></li> <li>• <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></li> <li>• <i>Whether sample compositing has been applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>• At Rubicon a total of 51 diamond drill holes were completed and were spatially located in order to infill and upgrade confidence in the existing Mineral Resource Estimate and to also drill areas previously inaccessible (due to dump material, now removed).</li> <li>• At Helikon 1 a total of 35 holes were drilled focusing on completing infill drilling in order to increase confidence in the Mineral Resource Estimate.</li> <li>• The drilling density is considered acceptable to increase confidence in the geological and grade continuity at Rubicon and Helikon 1 which information will support the next iteration of the Mineral Resource Estimates at Rubicon and Helikon 1.</li> <li>• No sample compositing was applied.</li> </ul>
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> <li>• <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></li> <li>• <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></li> </ul>	<ul style="list-style-type: none"> <li>• At Rubicon, all drill holes were drilled at an inclination of -70° to the southwest in order to intersect the pegmatite as close to normal to dip and strike as possible. A number of vertical drill holes were also drilled. The deepest DD hole was drilled to a depth of 172 m below surface. The true thickness is estimated to be between 3% and 10% less for the drilled intersection from vertical drill holes.</li> <li>• At Helikon 1, most drill holes were drilled at an inclination of -60° to the southwest in order to intersect the pegmatite as close to normal to dip and strike as possible. A number of vertical drill holes were also drilled, as well as</li> </ul>

Criteria	JORC Code explanation	Commentary
		<p>four holes drilled at -55 to the NE in order to sample and properly delineate the footwall mineralisation and its contact. The deepest DD hole was drilled to a depth of 90 m below surface. The true thickness is estimated to be between 3% and 10% less for the drilled intersection from vertical drill holes.</p> <ul style="list-style-type: none"> <li>No sampling bias is considered to have been introduced.</li> </ul>
Sample security	<ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>The samples were bagged by company personnel and transported to the ALS preparation facility in Okahandja, where after pulps were sent via commercial courier to the ALS laboratory in Johannesburg. All core trays and samples are stored within a secure core yard facility.</li> </ul>
Audits or reviews	<ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>	<ul style="list-style-type: none"> <li>Site visits by the Competent Person were conducted in July, August and November 2019. During the site visits checks were carried out on the drill core quality, accuracy of the logging and location of drill hole collars for the current drilling.</li> <li>The ALS preparation facility in Okahandja was inspected on 21 August 2019.</li> <li>The Competent Person considers that the exploration work conducted by Lepidico is being carried out using appropriate techniques for the style of mineralisation at Rubicon and Helikon 1, and that the resulting data being generated will be suitable for the next iteration of the Mineral Resource Estimate.</li> </ul>

## Section 2: Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>The Property comprises a Mining Licence, ML 204, covering an area of 69 km<sup>2</sup>, and three Exclusive Prospecting Licences: EPL 5439, covering an area of 226 km<sup>2</sup>, EPL 5555, covering an area of 553km<sup>2</sup> and EPL 5718 covering an area of 200km<sup>2</sup></li> <li>A ten-year Mining Licence (ML 204) was granted to Desert Lion Energy (Pty) Ltd by the Ministry of Mines and Energy on 20 August 2018 for the mining of Base and Rare Metals, Industrial Minerals and Semi-Precious Stones. The mining licence is entirely contained within EPL 5439 and includes the Rubicon and Helikon projects (the Karibib Lithium Project) and incorporates the Namibian Government-owned farm, Okangava Ost 72.</li> </ul>

Criteria	JORC Code explanation	Commentary
Exploration done by other parties	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>Lepidico owns 80 % of Desert Lion Energy (Pty) Ltd. The remaining 20 % is held by !Huni/-Urib Holdings (Pty) Ltd. ("Huni Holdco").</li> <li>The pegmatites of the region (including Rubicon and Helikon) have been the subject of a number of geological surveys and research investigations since the 1920's.</li> <li>Historical exploration includes: <ul style="list-style-type: none"> <li>the drilling of six diamond drill holes by Anglo American in 1968 to the northeast of the main Rubicon pit,</li> <li>the drilling of 11 underground diamond drill holes by Namibian Lithium in 1997,</li> <li>sampling and diamond drilling by Black Fire Minerals (Pty) Ltd in 2009 and 2010,</li> <li>exploration by LiCore Mining (Pty) Ltd between 2013 and 2015</li> </ul> </li> <li>Rubicon was selectively mined via open pit and underground workings for petalite, amblygonite, lepidolite, beryl, quartz and accessory pollucite and bismuth and its oxidation products. Mining commenced in the 1950's; however, no information on production prior to 1980 is available. Between 1980 and 1994, approximately 14,700 t petalite, 880 t amblygonite, 2,000 t lepidolite and 15 t beryl were produced from Rubicon.</li> </ul>
Geology	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>The Project is located in the southern Central Zone of the Damara Belt. Many of the economic mineral deposits (gold, base metal and pegmatite hosted rare metal deposits) of the Damara Belt occur within the Central and Northern Zones. Among these deposits are lithium-beryllium, tin and tourmaline-bearing Lithium-Caesium-Tantalite ("LCT") family pegmatites of the Karibib Pegmatite Belt which have been intruded into the tightly folded supracrustal rocks of the Damara Supergroup.</li> <li>The pegmatites are classified as LCT Complex Lepidolite-Petalite pegmatites (with minor amblygonite).</li> <li>The 505 Ma, Rubicon Pegmatite comprises two ellipsoidal well zoned, lithium-mineralised zones developed around two quartz cores and surrounded by a zone of quartzo-feldspathic pegmatite. The basal contact of the main Rubicon pegmatite is with granodiorite and the hanging wall to the pegmatite grades into a pegmatitic granite whose grain size decreases progressively away from the pegmatite-granite contact. A number of pegmatite bodies have been identified in the hanging wall and footwall to the main pegmatite that form a series of pegmatite sills.</li> </ul>

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> <li>• The main Rubicon pegmatite body forms a prominent ridge which strikes northwest over a distance of about 700 m and dips between 20° and 65° northeast and is between 25 and 30 m thick. In the Rubicon I pit, the dips average about 46° and flatten to about 18 to 25° at depth. In the Rubicon II pit, the dips are ~30° and flatten to about 8 to 12° at 20 m depth.</li> <li>• The following zones (from the margin to the centre) have been identified in the Rubicon Pegmatite namely: Border Zone, Wall Zone, Outer Intermediate Zone, Inner Intermediate Zone (containing lepidolite), Outer Core Zone (containing Petalite and Lepidolite subzones) and Inner Core Zone (which contains the Quartz Core and a Petalite Zone).</li> <li>• The Helikon 1 Pegmatite is the largest pegmatite of the 5 pegmatites that constitute the Helikon group of pegmatites. It forms a ~400 m long lens shaped body oriented east-west and dipping at between 60° and 70° to the north to subvertical in places with an average width of ~60 m. It is hosted in marbles dominated by calc-silicate felses, of the Karibib Formation, which strike east-west and dip ~45° to the south.</li> <li>• The following zones (from the margin to the centre) have been identified in the Helikon 1 Pegmatite namely: Wall Zone, Inner Intermediate Zone (containing petalite), Core Zone (containing Lepidolite and minor amblygonite), a “Hanging wall Mineralised Zone” (which contains amblygonite, pollucite, beryl and columbite) and a quartz core which thickens to the east.</li> </ul>
<p><i>Drill hole Information</i></p>	<ul style="list-style-type: none"> <li>• <i>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:</i> <ul style="list-style-type: none"> <li>○ <i>easting and northing of the drill hole collar</i></li> <li>○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></li> <li>○ <i>dip and azimuth of the hole</i></li> <li>○ <i>down hole length and interception depth</i></li> <li>○ <i>hole length.</i></li> </ul> </li> <li>• <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Refer to Table 1 and Appendix 1 in the accompanying report.</li> </ul>

Criteria	JORC Code explanation	Commentary
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> <li><i>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.</i></li> <li><i>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.</i></li> <li><i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></li> </ul>	<ul style="list-style-type: none"> <li>Significant Li<sub>2</sub>O intercepts were determined using a 0.3% cut-off over a minimum continuous geological interval of &gt;1m. No upper cuts were applied</li> <li>No equivalent values used or reported.</li> </ul>
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> <li><i>These relationships are particularly important in the reporting of Exploration Results.</i></li> <li><i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></li> <li><i>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').</i></li> </ul>	<ul style="list-style-type: none"> <li>The geometry of the mineralisation is reasonably well constrained, and most drill holes were inclined to intersect the pegmatite at approximately 90°. Therefore, it is considered that the mineralised widths are approximately equal to downhole intercepts.</li> </ul>
<i>Diagrams</i>	<ul style="list-style-type: none"> <li><i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>A drill hole location plan showing initial drilling from 2017 and 2018 and the infill drilling from the current program is provided in the body of the announcement. Sectional interpretation is under way and incomplete and will be reported on the release of a revised Mineral Resource estimate</li> </ul>
<i>Balanced reporting</i>	<ul style="list-style-type: none"> <li><i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>Reporting is only of relevant pegmatite intercepts as logged by the site geologists. Wall rocks are not mineralised and are not of interest.</li> </ul>
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <li><i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>Reporting is only of relevant pegmatite intercepts as logged by the site geologists. Wall rocks are not mineralised and are not of interest.</li> </ul>
<i>Further work</i>	<ul style="list-style-type: none"> <li><i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></li> <li><i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></li> </ul>	<ul style="list-style-type: none"> <li>Future work includes the production of a revised Mineral Resource estimate, which is expected to be available by end 2019. Subsequent work will depend on those results.</li> </ul>