

ASX / MEDIA ANNOUNCEMENT



14 September 2020

Industrial License Awarded for Abu Dhabi Free Zone

- **Lepidico Chemicals Manufacturing Ltd has been established in Abu Dhabi and a pre-operations Industrial License awarded for the planned Phase 1 Chemical Plant development**
- **Permitting and environmental studies consultant appointed and site work has started**
- **Chemical plant ESIA scheduled for completion December 2020 to Equator Principles and IFC environmental and social standards**

Lepidico Ltd (ASX:LPD) (“Lepidico” or “Company”) is pleased to announce that it has established an incorporated subsidiary, Lepidico Chemicals Manufacturing Ltd, in Abu Dhabi and a pre-operations Industrial Licence has been awarded for the Phase 1 Project Chemical Plant site within the Khalifa Industrial Zone Abu Dhabi (KIZAD). This license is a precursor to a Musataha Agreement, which entitles its holder to construct a building or to invest in, mortgage, lease, sell, or purchase a plot of land belonging to a third party for a period of up to 50 years.

In June 2020 the Environmental Authority of Abu Dhabi advised that a Preliminary Environmental Review (PER) is required prior to a Musataha Agreement being considered. Site work for the PER will commence immediately with drilling for the soils and water sampling programs scheduled to be completed in September. Sampling and analysis will be done to British, Dutch, UAE, and US EPA standards as required by the Environmental Authority of Abu Dhabi. The PER and Environmental and Social Impact Assessment (ESIA) are scheduled to be completed by environmental consultant GHD in December 2020. As for the Karibib Operations, the Chemical Plant ESIA will be completed to Equator Principles and IFC environmental and social standards.

The Chemical Plant site (Figure 1) is approximately 57,000m² and is located within an industrial free zone, which allows full foreign ownership as well as tax exemptions on imports and exports. The off-site infrastructure is supplied through a land lease agreement with Abu Dhabi Ports (the manager of KIZAD) and includes direct connection to natural gas, 11kV power, industrial water, and sewer services on the east side of the plot, roads, and drainage. The KIZAD container port where concentrate from Walvis Bay, Namibia will be imported is 15km by road from the plant site.

Lepidico’s Managing Director, Joe Walsh said, “Award of the Industrial License is an important step forward that allows Lepidico to undertake the requisite work to complete the Preliminary Environmental Review, the precursor to receiving the necessary permits to construct the Phase 1

LEPIDICO LTD
ABN 99 008 894 442

ASX: LPD

23 Belmont Avenue
Belmont WA 6104

PO Box 330
Belmont WA 6984

Phone: + 61 8 9363 7800
Email: info@lepidico.com

Suite 200, 55 University
Avenue
Toronto ON M5J 2H7,
CANADA

Chemical Plant. It is also testament to the Project's excellent sustainability credentials that the regulator requires only a PER rather than an ESIA. However, in its commitment to best ESG practice Lepidico is undertaking a full ESIA for the Chemical Plant. The Project remains on track for a final investment decision being considered by the Board in May 2021."



Figure 1: Phase 1 Chemical Plant site location relative to KIZAD port

Further Information

For further information, please contact

Joe Walsh
Managing Director
Lepidico Ltd
Tel: +1 647 272 5347

David Waterhouse
Waterhouse IR
Tel: +61(0)3 9670 5008

Email: info@lepidico.com
Website: www.lepidico.com

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[®] 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[®] to its technology base, which produces lithium hydroxide from lithium sulphate without by-product sodium sulphate. The Company has completed a Definitive Feasibility Study for a nominal 5,000 tonne per annum Lithium Carbonate Equivalent (LCE) capacity Phase 1 lithium chemical plant, targeting commercial production for 2023. The Project incorporate the Company's proprietary L-Max[®] and LOH-Max[®] technologies into the chemical conversion plant design. Feed to the Phase 1 Plant is planned to be sourced from the Karibib Project in Namibia, 80% owned by Lepidico where a predominantly Measured and Indicated Mineral Resource of 11.24 Mt grading 0.43% Li₂O, (including Measured Resources of 2.20 Mt @ 0.57% Li₂O, Indicated Resources of 6.66 Mt @ 0.38% Li₂O and Inferred Resources of 2.37 Mt @ 0.43%, at a 0.15% Li₂O cut-off) is estimated. (ASX announcement of 30 January 2020). Ore Reserves total 6.72 Mt @ 0.46% Li₂O, 2.26% rubidium, 2.02% potassium and 320ppm caesium (ASX announcement of 28 May 2020).

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.