

Lepidico Ltd (ASX: LPD)

LITHIUM OFFTAKE INTEREST BROADENS AS DEEP MARKET DEFICITS PREDICTED

- **2025's lithium deficit is expected to exceed the industry's total output in 2016, according to Benchmark Mineral Intelligence**
- **Lepidico is in discussion with eight potential buyers of its high-value critical chemical products**
- **Management expect to finalise binding offtake terms for its lithium and caesium products this quarter, following evaluation of product samples and reviews of Phase 1's ESG criteria**

MONDAY OCTOBER 4, 2021, PERTH: Considerable interest in its new supply of chemical products from the Phase 1 plant has led Lepidico to re-run its pilot plant.

The company's innovative conversion processes – which take lepidolite concentrate and turn it into battery-grade lithium hydroxide and other valuable chemicals – will produce further samples of Lepidico's output for several of the eight potential customers now engaged in offtake discussions.

Binding offtake deals for the majority of lithium and caesium output from Phase 1 are targeted before the end of the calendar year to secure debt finance. However, additional by-product samples, including various caesium compounds are required for further customer evaluation.

A 22 tonne ore sample from Karibib has already been crushed in Perth. Milling and concentration is scheduled to start next week and leaching in the pilot plant will begin shortly thereafter. Deliverables include a sample volume of lithium hydroxide as well as samples of caesium sulphate, hydroxide and carbonate, rubidium sulphate, SOP, amorphous silica and gypsum residue. Debt financiers are also conducting due diligence on the pilot plant campaign.

Lepidico's Managing Director, Joe Walsh, said: "Given that both the lithium and caesium markets are, in the near-term, heading towards fundamental supply deficits now is the time for any other prospective customers to step forward. We continue to receive unsolicited inbound enquiries for our products. We have already prioritised discussions with three groups, based on their potential as long-term partners for the bulk of the Phase 1 lithium and caesium output. These discussions also take into account their ESG requirements, on which we expect to provide more detail shortly."

"Given 2025's lithium deficit is expected to exceed the industry's total production output in 2016," said Mr Walsh, "Market conditions are extremely favourable for lithium chemical suppliers".

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NOTES TO EDITORS

[Click here](#) for more information on the lithium deficit.

ABOUT LEPIDICO

Lepidico is an innovative developer of sustainable lithium hydroxide and other critical minerals.

With a tech-focused, ESG-led business model that is pilot-proven, our first lithium production – from a far less contested mineral sources – are due in 2023. We are also working to grow our business with our second project, Phase 2. Other businesses have already begun to licence our patented-protected L-Max[®] and LOH-Max[®] technologies providing an avenue for royalty revenues.

For more information, [please visit our website](#).

Further Information

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