

# ASX / MEDIA ANNOUNCEMENT



18 November 2021

## 2021 Annual General Meeting Chair's Address to Shareholders

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These are exciting times for Lepidico. We have made tremendous progress in what are challenging times. Our future facing business model is positioned at the heart of the energy transition megatrend, which is set to play out over decades, not just years. Our proprietary process technologies coupled with the location of our assets provide competitive advantages versus conventional production sources, be they capital and operating costs, emissions, water usage or land footprint.

Our products from the chemical plant, whether it be lithium hydroxide, caesium/rubidium, SOP, amorphous silica or the gypsum residue, have applications that result in decarbonisation, increased energy efficiency and/or enhanced product yields. Furthermore, the plant is planned to be a zero solid process waste facility and the integrated Project, which includes the upstream operations in Namibia, will collectively have greenhouse gas emissions lower than its vertically integrated spodumene peers, as advised by leading environmental consultant GHD. Lepidico continues to identify further opportunities to futureproof its business, exemplified by the planned installation of a hydrogen enabled boiler, which has the potential to lower greenhouse gas emissions to best in class at around 3t CO<sub>2</sub>-e/t of lithium carbonate equivalent.

The Phase 1 Project is on the cusp of transitioning to construction. Development works started in May 2021 with the award of the two EPCM contracts to Lycopodium. Front End Engineering and Design for the Karibib concentrator is close to being finalised. FEED works for the chemical plant are tracking slightly behind, as tenders for long lead equipment are revised to ensure they conform to project requirements. Lycopodium is also working closely with Abu Dhabi Ports to finalise early services works, which need to meet the stringent requirements of the site operator.

Binding offtake commitment for lithium hydroxide is now close to being finalised, which will allow debt funding due diligence to enter its concluding stage. The pilot plant in Perth is also being run to support finance due diligence, as well as provide product samples for further customer assessment and qualification. Offtake commitments for other products are also advancing well but less critical for funding.

All these workstreams are targeted to completed over the next few months to support a final investment decision to be considered next quarter, which in turn will allow Phase 1 to move into the construction phase. A defining milestone for the Company.

The considerable achievements to progress the business strategy to this advanced stage has required enormous commitment and dedication from the Lepidico team and its contractors. The numerous challenges imposed by the ongoing pandemic and the lithium bear market that preceded it have only been overcome by the tenacity and resourcefulness of our highly experienced team. In particular, we recognise our team in Namibia where COVID-19 impacts were acute. On behalf of shareholders I thank you all.

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Our strategy remains to fast track the business to free cash flow generation by developing a sustainable lithium business that leverages our proprietary technologies, L-Max® and LOH-Max®. We remain committed to developing a sustainable and innovative business that makes quality products for applications that support our collective mission to decarbonise. Implicit in this are industry best practice protocols in the areas of health, safety, the environment, human resources, sustainability, and stakeholder engagement.

We again thank shareholders for another year of tremendous support on our quest to build a new vertically integrated alkali metals chemical company differentiated by our ESG-led technologies and non-traditional mineral sources.

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Authorised for release by Joe Walsh, Managing Director

#### **About Lepidico Ltd**

Lepidico is an innovative developer of sustainable lithium hydroxide and other critical minerals, and the global leader in lithium mica processing.

With a tech-focused, ESG-led business model that is pilot-proven, our first lithium production – from far less contested mineral sources – are due in 2023. The Phase 1 Project will provide a meaningful contribution to decarbonisation the world's alkali metals supply chains. 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](#).

#### **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.