ASX / MEDIA ANNOUNCEMENT

LEPIDICO

28 February 2022

Financial Report for the half year ended 31 December 2021

Lepidico Ltd (ASX:LPD) ("Lepidico" or "Company") is pleased to announce the release of its reviewed consolidated financial statements for the half year ended 31 December 2021.

Highlights for the period:

Development

- Pilot plant upgraded to a Demonstration facility operating at over 30kg/hr; L-Max® leach trial completed successfully with excellent performance indicated from modified filters
- Phase 1 chemical plant design improvements identified from Demonstration Plant leach trials, now being integrated into Front End Engineering and Design (FEED) workstream
- Discussions commenced to source green hydrogen from a new facility planned to be built at Khalifa Industrial Zone Abu Dhabi (KIZAD), which would materially reduce Scope 1 & 2 greenhouse gas emissions for the integrated Phase 1 operations from the already relatively modest levels, to be best-in-class at 3t CO_2-e/t LCE
- Phase 1 plant site secured in KIZAD on signing 25 year land lease agreement
- FEED work for the Karibib concentrator completed in January 2022 and under review by Management
- Drilling resumed at Karibib with the objective of expanding the Mineral Resource base to support Phase 2 scoping study

Products & Marketing

- Binding offtake agreement signed with Traxys for 100% of annual lithium hydroxide production (c.5,000tpa) from Phase 1 for seven years
- Agreement includes Traxys acting as agent for caesium sulphate solution (c.400tpa), with scope to be expanded to other products by mutual agreement
- Binding offtake deals for caesium output from Phase 1 are targeted before the end of April 2022, in order to secure debt finance commitments mid-year
- Strong demand seen for Phase 1 Sulphate of Potash (SOP) with Letters of Intent received for c.150% of annual production from two consumers

Corporate & Finance

- Well-funded with cash and equivalents as at 31 December 2021 of $10.4 million and no debt
- Existing Acuity Controlled Placement Facility extended to 31 January 2024
- Independent Technical Report completed by BDA and provided to U.S. International Development Finance Corp. with no fatal flaws noted
- Provisional patent application lodged for the manufacture of ternary Cs-Rb-K catalyst compounds from lithium mica minerals
- COVID-19 relief medical equipment donation made to clinic nearby the Karibib operations

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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 patent 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.

LEPIDICO LTD

ACN 008 894 442

INTERIM FINANCIAL REPORT
31 DECEMBER 2021

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2021 and any public announcements made by Lepidico Ltd during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001.*

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Corporate Directory

Directors
Gary Johnson (Non-Executive Chair)
Julian (Joe) Walsh (Managing Director)
Mark Rodda (Non-Executive Director)
Cynthia Thomas (Non-Executive Director)

Joint Company Secretaries
Alex Neuling
Shontel Norgate

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ASX Code: LPD, LPDOB, LPDOC, LPDOD

Directors' Report

The Directors of Lepidico Ltd ("Directors") present their report on the Consolidated Entity consisting of Lepidico Ltd ("Company" or "Lepidico") and the entities it controlled at the end of, or during, the half year ended 31 December 2021 ("Consolidated Entity" or "Group" or "Economic Entity").

DIRECTORS

The names of the Directors in office and at any time during, or since the end of, the half year are:

Mr Gary Johnson	Non-executive Chairman
Mr Joe Walsh	Managing Director
Mr Mark Rodda	Non-executive Director
Ms Cynthia Thomas	Non-executive Director

Directors have been in office since the start of the half year to the date of this report unless otherwise stated.

SUMMARY REVIEW OF OPERATIONS

For the half year ending 31 December 2021 the Group recorded a net loss from operations of \$3,968,886 (31 December 2020: net profit of \$1,886,398) and a net cash outflow from operations of \$2,391,406 (31 December 2020: net cash inflow \$2,851,616).

The net assets of the Group decreased to \$74,598,320 at 31 December 2021 (30 June 2021: \$74,949,679).

PHASE 1 PROJECT DEVELOPMENT

Chemical Conversion Plant (100%), Abu Dhabi

The Musataha lease agreement was signed in early October 2021 with Abu Dhabi Ports (ADP), securing the 57,000m^2 site for the Phase 1 chemical plant for an initial term of 25 years. The site is located within Khalifa Industrial Zone Abu Dhabi (KIZAD), a major industrial free zone, which allows full foreign business ownership as well as tax exemptions on imports and exports. Under the Musataha Agreement the off-site infrastructure will be delivered by ADP (the parent company of KIZAD) to the site boundary, which will include natural gas, 11kV power, potable water, sewer services, access roads and drainage. Khalifa Port, the deep-water container terminal where concentrate from Walvis Bay, Namibia will be imported is just 15km by road from the plant site.

Following the signing of the Musataha, Lycopodium Minerals Pty (Lycopodium), the Company's EPCM contractor, started work with ADP to design the on-site infrastructure and tie-ins to all utilities with the general site layout approved by ADP. Site geo-technical work, which includes drilling and geophysical investigations started late December 2021 and is expected to be completed early in 2022.

The process design review for the chemical plant, a collaboration of Lepidico, Lycopodium and Strategic Metallurgy experts, was extended to accommodate improvement opportunities identified from the recent Demonstration Plant L-Max® leach trial. All equipment vendor data for the revised design criteria are expected to be received by end March 2022. Results from the LOH-Max® Demonstration Plant trial in February-March 2022 are expected to inform further opportunities for improved Phase 1 operability, with the control estimate and schedule expected to be finalised mid calendar year. Revised economics for the integrated Project will be compiled once Lycopodium has completed the control estimates for both the Phase 1 concentrator and chemical plant.

Karibib Project (80%), Namibia
Karibib is fully permitted for the re-development of two open pit mines at Rubicon and Helikon 1, which will feed lithium mica ore to a central mineral concentrator adjacent to Rubicon that employs conventional flotation technology. Key permits for the Project which have been awarded include the Mining Licence (ML204), water extraction permit, Environmental Compliance Certificate (ECC), and a separate ECC awarded for the overhead power transmission line.

Lycopodium has finalised the concentrator process design and provided a draft control estimate and schedule for construction, all of which are under review. It is planned that the control estimate and schedule will be confirmed with suppliers for integration with similar chemical plant data when complete.

Bulk earthworks were awarded to a national construction contractor in December 2021 following a tender process. Works include access road upgrade, on-site roads, Rubicon waste management area starter pad, site water management structures and bulk earthworks pads for the concentrator, non-process buildings and stockpile areas.

The power supply system design was completed and issued for tender in January 2022. As previously advised, solar and hydropower already make significant contributions to the Namibian national grid. It is expected that at least 80% of grid power will be from committed renewable sources by 2025. Lepidico is also tracking several new solar projects that appear to be close to a development decision, which could allow all power to the Karibib Project to be from renewable sources.

Site works at Karibib are scheduled to start once Project finance is secured. A considerable tonnage of high-grade in-situ lepidolite mineralisation is exposed at surface at Rubicon with minimal requirement for mining of waste. As such, ore mining is not on the critical path and will start just ahead of concentrator commissioning.

Sustainability
The executive position of General Manager Sustainability & Country Affairs has been successfully recruited for the Lepidico Group.

Lepidico remains committed to continued improvement in environmental performance. Opportunities to reduce already low levels of greenhouse gas (GHG) emissions versus industry peers have been identified and are actively being pursued. Evaluation of work by environmental consultant GHD for Phase 1 has identified opportunities to reduce aggregate Scope 1 and 2 emissions to less than 3.0t CO_2-e/ t Lithium Carbonate Equivalent (LCE); an industry leading position.

GHD advised in its report that Scope 1 and 2 emissions[1] intensity associated with the Abu Dhabi Phase 1 chemical plant is estimated at just 7.46t CO_2-e/t[2] lithium hydroxide. The largest single source of chemical plant emissions, approximately 60%, is from natural gas used for generating process heat. Lepidico has started discussions for supply of green hydrogen from new production planned to be developed at KIZAD. Opportunities to reduce overall energy consumption via solar preheating of boiler feed water will also be evaluated, amongst other initiatives to reduce emissions and costs.

At Karibib, grid power already includes a significant renewable component with more committed projects to come onstream. As previously advised, by 2025 it is estimated that 80% of power will be generated from renewable sources[3]. It appears increasingly likely that further solar power capacity will be committed to in the Karibib region this year, which would provide an opportunity to reduce or even eliminate Scope 2 emissions, other than for backup purposes.

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[1] Scope 1 covers direct emissions from owned or controlled sources. Scope 2 covers indirect emissions from the generation of purchased electricity, steam, heating and cooling consumed by the reporting company. Scope 3 includes all other indirect emissions that occur in a company's value chain.
[2] Tonnes of carbon dioxide equivalent
[3] NamPower Investors Briefing, July 2019

Excellence in environmental stewardship, which includes demonstrating that products have low associated CO_2-e emissions, is now almost essential for chemicals supplied for EV manufacture, particularly when associated with vehicle sales into the European and North American markets. This ethical sourcing of chemicals also extends to the evaluation of water and land usage, both of which can be challenging for certain types of lithium deposits and processes. This is not the case when employing Lepidico's proprietary process technologies, which will be commercialised in the Company's integrated Phase 1 Project.

In consultation with the Traditional Authority, Lepidico completed a micro-finance project, during the period, to support disadvantaged women in the nearby town of Otjimbingwe. Chicken coups, livestock and animal husbandry training were provided.

Product Marketing

During the period the Company entered into a binding offtake agreement for sales-marketing, logistics and trade finance with Traxys Europe S.A. ("Traxys") for 100% of the lithium hydroxide production (5,000tpa) from the Company's planned Phase 1 Project. In addition, Traxys will act as agent for 100% of the production of caesium sulfate solution (c.400tpa) from the Chemical Plant.

Since signing the agreement Traxys has arranged for lithium hydroxide samples to be dispatched to customers. Further demand for samples will be satisfied on completion of the current Demonstration Plant campaign.

The agreement is for Traxys to act as principal to purchase and assume title and risk for delivery of lithium hydroxide and on-sell the products to end users. The structure also allows the flexibility for Lepidico to originate offtake, with Traxys still contracting as the consumer interface. Traxys will manage the logistics of finished products, provide credit terms to end customers and a trade finance facility to Lepidico.

The agreement can be expanded to other products manufactured by Lepidico by mutual agreement. The term of the agreement is the later of 7 years or the delivery of 35,000t (metric) of lithium hydroxide with an option to extend by mutual agreement.

The relationship between Lepidico and Traxys is transparent between the two companies, with both parties collaborating on final customer selection and development, and end-user contract terms for lithium hydroxide and caesium sulfate.

It is expected that the majority of volumes sold to Traxys for on-sale to customers will be on a back-to-back contract basis with pricing to be agreed with the end-user customer. For lithium, the agreement also accommodates instances where volume is supplied on a market price index linked basis, with a quarterly true up or reconciliation. The net commissions earned by Traxys are competitive within the industry.

Excellent progress continues to be made in securing binding offtake agreements for the caesium to be manufactured by the Phase 1 Chemical Plant. The caesium market continues to be just as dynamic as lithium. Caesium consumers have advised that the caesium supply is on the cusp of significant tightening as one of just two size producers of caesium chemicals globally ceases production due to depletion of a major pollucite raw material feed source. Lepidolite is a viable alternative source of caesium when processed using Lepidico's proprietary hydrometallurgical technologies.

Caesium chemical samples were dispatched to multiple consumers during the period. Positive feedback has been received with all samples meeting individual specifications. Lepidico continues to seek binding caesium offtake terms this current quarter, to allow due diligence by prospective lenders.

During the period the Company secured two non-binding LOIs for the supply of between 15,000-20,000t per annum of sulphate of potash (SOP) from the Phase 1 Chemical Plant. Further LOIs are expected from other regional consumers. Average annual production is estimated at 13,000t.

Samples of the gypsum residue continue to be evaluated by industrial consumers in the UAE. The gypsum residue is being evaluated as a substitute for imported mineral gypsum, used as either a cement retarder or as a soil conditioning agent. Application of the gypsum as an industrial product will allow Lepidico to realise its goal of the Phase 1 chemical plant being a zero process waste facility.

Samples of amorphous silica are expected to be tested by consumers in early 2022.

Phase 2 Plant Scoping Study
Site selection considerations for a Phase 2 chemical plant is proving fluid, in part due to nascent battery cathode manufacturing in North America and to a lesser extent Europe. Access to affordable power from non-greenhouse gas emitting sources and green hydrogen are also key drivers for locating industrial facilities. However, supply by utilities is still evolving. As such, Lepidico plans to defer further site selection work until Phase 2 enters the pre-feasibility study stage.

In the interim Phase 2 activities are focused on organically expanding the Mineral Resource base in Namibia.

RESEARCH & PRODUCT DEVELOPMENT

Upgrades completed during the period to the pilot plant located in Perth include larger volume leach tanks that allow the leach filter capacity to be maximised, giving concentrate throughput of 32kg/hr, up from 15kg/hr. The filters were also equipped with redesigned plates and a revised wash system. Other downstream modifications, consistent with the Phase 1 chemical plant design mean that the plant is now configured as a Demonstration facility reducing scale up to Phase 1 to just over 200 to 1.

Continuous leach trials were conducted in November-December on approximately eight tonnes of concentrate grading 3.7% Li_2O, sourced from Karibib. The trial involved flexing operating parameters to identify and quantify operational sensitivities to variations in process conditions leading to several Phase 1 design revisions being implemented. The trial culminated in a period of steady state operation, which based on preliminary assay data demonstrated improved performance versus the previous pilot campaign, with final assays pending at year end 2021.

A new LOH-Max circuit was, at 31 December 2021, in the advanced stage of construction and on schedule for commissioning early February 2022. Two back-to-back 8-day trials are planned to produce raw lithium hydroxide, followed by final purification to manufacture nominal battery grade lithium hydroxide monohydrate. The final part of the campaign for manufacture of SOP, caesium and rubidium is scheduled to run late March 2022.

At the end of December 2021, Demonstration Plant construction and operation was tracking against the budget with campaign completion expected in early April 2022.

EXPLORATION[4]

Karibib Project (80%)

Lepidico is pursuing a strategy of maximising the value of its exploration properties by implementing programs targeted at a range of metals, which the Namibian properties are prospective for and include lithium, caesium, rubidium, tantalum, gold, copper and tungsten.

Near Mine & Regional Exploration

Exploration activities during the period were intermittently affected by COVID-19 cases amongst employees and contractors. Work centred on field evaluation of conceptual targets generated by in-house interpretation of geophysical data, aimed at identifying blind lithium bearing pegmatites. 28 targets were identified at an accuracy of +/-100m, of which 5 were then investigated through soil sampling on a 20m x 10m grid, with each returning anomalous values for critical metals. Significantly, these targets were also associated with sub-crops of pegmatitic granite, a fractionated late-stage product of a granitic intrusion closely related to pegmatites. Further drill testing of these targets is planned. Field investigation of additional conceptual targets through soil/pXRF sampling and drilling is in progress.

A 1,500m reverse circulation drilling program over the Helikon 3 and 4 pegmatites started in January 2022. This infill program is designed to increase current drill density to improve the confidence levels in the estimation of the previously reported JORC Code (2012) Inferred Resources of 1.5 Mt @ 0.34% Li_2O. Once complete other regional targets are planned to be drilled.

CORPORATE

As at 31 December 2021, Lepidico had cash and cash equivalents of $10.4 million.

COVID-19

The health, safety and wellbeing of our people, staff and contractors, remains of paramount importance. Precautions associated with the COVID-19 pandemic remained in place during the period, including suspension of non-essential business travel, along with working from home and adherence to local safety protocols in the jurisdictions in which we operate. All staff in Australia, Canada and the UK are fully immunised, which has allowed limited business travel to resume. Vaccine availability in Namibia is limited, however, most staff are fully immunised, with Lepidico providing assistance where possible.

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[44] The information in this report that relates to the Helikon 1 and Rubicon Ore Reserve estimates is extracted from an ASX Announcement dated 28 May 2020 ("Definitive Feasibility Study Delivers Compelling Phase 1 Project Results") and was completed in accordance with the guidelines of the JORC Code (2012). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the Mineral Resource estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are represented have not been materially modified from the original market announcement.

The information in this report that relates to the Rubicon and Helikon 1 Mineral Resource estimates is extracted from an ASX Announcement dated 30 January 2020 ("Updated Mineral Resource Estimates for Helikon 1 and Rubicon") and was completed in accordance with the guidelines of the JORC Code (2012). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the Mineral Resource estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are represented have not been materially modified from the original market announcement.

The information in this report that relates to the Helikon 2 - Helikon 5 Mineral Resource estimates is extracted from an ASX Announcement dated 16 July 2019 ("Drilling Starts at the Karibib Lithium Project") and was completed in accordance with the guidelines of the JORC Code (2012). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the Mineral Resource estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are represented have not been materially modified from the original market announcement.

Project Finance
The Company continues to make good progress in assembling a project financing package, with the support of debt advisor Lions Head Global Partners (Lions Head).

In October 2020, the Company entered into a formal Mandate Agreement with the U.S. Government's International Development Finance Corporaiton (DFC) to undertake detailed due diligence on the Project, with a view to providing the necessary debt financing for the Namibian portion. During the period DFC appointed Behre Dolbear Australia Pty Ltd (BDA) as the independent engineer to undertake detailed technical due diligence which was completed with no fatal flaws identified. DFC has advised that it intends to appoint its legal counsel to undertake legal due diligence and commence documentation.

In parallel, Lions Head is advancing discussions with other Development Finance Institutions, as well as advancing the process to secure debt finance for the chemical plant development in Abu Dhabi from commercial lenders and export credit agencies.

Patents & Trademarks
As at 31 December 2021, the Company holds granted patents for its L-Max® technology in the United States, Europe, Japan and Australia, along with an Innovation Patent in Australia. National phase patent applications are well advanced in the remaining other key jurisdictions and these processes are expected to continue during calendar year 2022. The Company also has a patent granted for its process technology for lithium recovery from phosphate minerals, which include amblygonite from the United States, Japan and Australia.

The national and regional phase of the patent application process is progressing for LOH-Max® under PCT/AU2020/050090. In relation to S-Max®, the national phase patent applications are progressing under PCT/AU2019/050317 and PCT/AU2019/050318. In addition, the national phase of the patent application process for the production of caesium, rubidium and potassium brines and other formates is continuing under PCT/AU2019/051024. The national and regional phase applications for the above processes are expected to continue beyond 2022.

On 1 April 2021 a provisional patent application for the lithium carbonate recovery process from a raw lithium hydroxide material was filed.

On 1 October 2021 a provisional patent application was filed for the preparation of Cs-Rb-K alkali salt solutions from lithium mica mineral source material. This refining process has application in tailoring ternary materials for industrial catalyst applications.

AUDITOR'S INDEPENDENCE DECLARATION

The Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001(Cth)* for the half year ended 31 December 2021 is included on page 11 of the Financial Report.

This report is made in accordance with a resolution of the directors made pursuant to section 298(2) of the *Corporations Act 2001*.

Joe Walsh
Managing Director

Dated this 25th day of February 2022

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.

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AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF LEPIDICO LIMITED

I declare that, to the best of my knowledge and belief, during the period ended 31 December 2021, there have been:

a) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit, and

b) no contraventions of any applicable code of professional conduct in relation to the audit.

Neil Pace

Moore Australia

NEIL PACE
PARTNER

MOORE AUSTRALIA AUDIT (WA)
CHARTERED ACCOUNTANTS

Signed at Perth this 25th day of February 2022

Consolidated Statement of Profit and Loss and Other Comprehensive Income for the half year ended 31 December 2021

	Note	31 December 2021 $	31 December 2020 $
Revenue	3	-	4,084,027
Other income	3	44,513	53,643
		44,513	4,137,670
Business development expenses		(248,236)	(214,253)
Administrative expenses	4	(953,062)	(622,898)
Employee benefits expense		(799,096)	(650,608)
Finance costs		(125,492)	(434,122)
Depreciation		(176,943)	(143,109)
Share based payments		(1,822,500)	(337,500)
Profit/(Loss) before income tax		(4,080,816)	1,735,180
Income tax benefit	5	111,930	151,218
Profit/(Loss) from continuing operations		(3,968,886)	1,886,398
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations		15,158	686,492
Total comprehensive profit/(loss) for the half year		**(3,953,728)**	**2,572,890**
Comprehensive profit/(loss) for the half year attributable to:			
Owners of the parent		(3,879,421)	2,650,523
Non-Controlling Interest		(74,307)	(77,633)
		(3,953,728)	2,572,890
Profit/(Loss) per share for the year attributable to the members of Lepidico Ltd			
Basic and diluted profit/(loss) per share		(0.0006)	0.0003

The accompanying notes form part of these financial statements.

Consolidated Statement of Financial Position
For the half year ended 31 December 2021

	Note	31 December 2021 $	30 June 2021 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		10,416,441	14,738,020
Trade and other receivables		300,982	243,786
TOTAL CURRENT ASSETS		10,717,423	14,981,806
NON-CURRENT ASSETS			
Trade and other receivables		71,683	71,489
Property, plant and equipment	6	8,225,094	1,669,081
Exploration and evaluation expenditure	7	45,138,766	43,986,682
Intangible asset	8	27,338,289	24,631,056
TOTAL NON-CURRENT ASSETS		80,773,832	70,358,308
TOTAL ASSETS		91,491,255	85,340,114
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		1,075,910	967,684
Provisions	9	136,197	140,105
Deferred Revenue	10	6,276,303	-
TOTAL CURRENT LIABILITIES		7,488,410	1,107,789
NON-CURRENT LIABILITIES			
Provisions	9	573,088	-
Deferred Revenue	10	-	6,071,577
Lease Liabilities	11	6,204,172	-
Deferred Tax Liability	5	2,627,265	3,211,069
TOTAL NON-CURRENT LIABILITIES		9,404,525	9,282,646
TOTAL LIABILITIES		16,892,935	10,390,435
NET ASSETS		**74,598,320**	**74,949,679**
EQUITY			
Issued capital		96,956,148	94,656,278
Reserves		7,928,601	6,610,944
Equity component of convertible note		990,000	990,000
Accumulated losses		(37,838,087)	(33,943,508)
Equity Attributable to owners of the Parent		68,036,662	68,313,714
Non-controlling interests		6,561,658	6,635,965
TOTAL SHAREHOLDERS EQUITY		**74,598,320**	**74,949,679**

The accompanying notes form part of these financial statements.

Consolidated Statement of Changes in Equity
for the half year ended 31 December 2021

	Attributable to the owners of the Company								
		Reserves							
	Issued Capital	Options	Warrants	Foreign Currency	Equity component of convertible note	Accumulated Losses	Total	Non Controlling Interest	Total Equity
	$	$	$	$	$	$	$	$	$
Balance at 1 July 2020	80,081,595	4,915,097	415,135	377,487	990,000	(34,375,243)	52,404,071	6,785,144	**59,189,215**
Profit/(Loss) for the period	-	-	-	-	-	1,964,031	1,964,031	(77,633)	**1,886,398**
Other comprehensive profit/(loss) for the period	-	-	-	686,492	-	-	686,492	-	**686,492**
Options issued during the period	-	448,673	-	-	-	-	448,673	-	**448,673**
Balance at 31 December 2020	**80,081,595**	**5,363,770**	**415,135**	**1,063,979**	**990,000**	**(32,411,212)**	**55,503,267**	**6,707,511**	**62,210,778**
Balance at 1 July 2021	94,656,278	5,345,140	415,135	850,668	990,000	(33,943,508)	68,313,713	6,635,965	**74,949,678**
Profit/(Loss) for the period	-	-	-	-	-	(3,894,579)	(3,894,579)	(74,307)	**(3,968,886)**
Other comprehensive profit/(loss) for the period	-	-	-	15,158	-	-	15,158	-	**15,158**
Options issued during the period	-	1,822,500	-	-	-	-	1,822,500	-	**1,822,500**
Options exercised during the period	1,779,870	-	-	-	-	-	1,779,870	-	**1,779,870**
FV of options exercised	520,000	(520,000)	-	-	-	-	-	-	**-**
Balance at 31 December 2021	**96,956,148**	**6,647,640**	**415,135**	**865,826**	**990,000**	**(37,838,087)**	**68,036,662**	**6,561,658**	**74,598,320**

The accompanying notes form part of these financial statements.

Consolidated Statement of Cash Flows for the half year ended 31 December 2021

	31 December 2021 $	31 December 2020 $
CASH FLOWS FROM OPERATING ACTIVITIES		
Proceeds from technology licence holder	-	4,084,027
Government incentives received	-	53,421
Interest received	150	222
Payments to suppliers and employees	(2,391,556)	(1,286,054)
Net cash from/(used in) operating activities	(2,391,406)	2,851,616
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for exploration and evaluation activities	(1,258,850)	(423,101)
Payments for research and development activities	(2,354,354)	(201,978)
Proceeds from research and development tax credit	-	1,243,863
Payments for property, plant and equipment	(80,691)	(12,257)
Proceeds from property, plant and equipment	6,621	-
Payrment for acquisition of Bright Minz Pty Ltd	-	(10,000)
Net cash from/(used in) investing activities	(3,687,274)	596,527
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of options	-	111,173
Repayment of convertible note	-	(5,176,401)
Payments related to issue of shares	(19,305)	
Proceeds from exercise of options	1,785,623	-
Net cash provided by/(used in) financing activities	1,766,318	(5,065,228)
Net decrease in cash held	(4,312,362)	(1,617,085)
Cash at beginning of financial year	14,738,020	4,792,713
Effect of foreign exchange rate changes	(9,217)	(68,519)
Cash at end of financial period	**10,416,441**	**3,107,109**

The accompanying notes form part of these financial statements.

Notes to the Financial Statements
for the half year ended 31 December 2021

Note 1: Statement of Significant Accounting Policies

The financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, including Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

The financial report covers Lepidico Ltd and its controlled entities. Lepidico Ltd is a listed public company, incorporated and domiciled in Australia. The financial report of the Group complies with all Australian equivalents to International Financial Reporting Standards (AIFRS) in their entirety.

Note 1(a) Basis of Preparation

This general purpose interim financial report for the half year reporting period ended 31 December 2020 has been prepared in accordance with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001.

This interim financial report is intended to provide users with an update on the latest annual financial statements of the Consolidated Group. As such, it does not contain information that represents relatively insignificant changes occurring during the half year within the Group and does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2020 and any public announcements made by Lepidico Ltd during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

These financial statements were authorised for issue on 25 February 2021.

The accounting policies and methods of computation applied are the same as those applied by Lepidico Ltd in its annual report for the year ended 30 June 2021, except for the changes described below:

(i) Leases (the Group as lessee)

At inception of a contract, the Group assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Group where the Group is a lessee. However all contracts that are classified as short-term leases (lease with remaining lease term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options if lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest.

The present value of the lease liability is increased by the interest cost and decreased by the lease payment each period over the life of the lease. The Group includes right of use leased assets separately in Property, Plant, Equipment disclosures. All new contracts of the Group are assessed on an ongoing basis to determine if a right of use asset exists and if they require recognition under the requirements of the lease standard.

Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

Note 1(b) New and Amended Standards Adopted by the Group

None noted.

Note 1(c) Impact of Standards Issued but Not Yet Applied by the Group

None noted.

Note 1(d) Going Concern

The financial statements have been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business. The ability of the Group to continue as a going concern is dependent on the Company being able to continue to raise additional funds as required to meet ongoing exploration and development programs and working capital. Further, the consequences of the COVID-19 pandemic have negatively impacted the global economy and created volatile maket dynamics.

The Group incurred a net loss from operations of $3,968,886 for the half year to 31 December 2021 and had a net cash outflow from operations of $2,391,406 for the period. As at 31 December 2021, the Company had net current assets of $3,229,013.

The financial report has been prepared on a going concern basis which the Directors consider to be appropriate as they believe that the Group will be able to raise additional capital as required based on existing standby equity raising facilities in place and the successful outcome of previous Entitlement Offers. There remains ongoing interest in the Company and the long term outlook for the lithium industry remains robust.

While the Company has been successful in securing financing in the past, there can be no assurance that it will be able to do so in the future. The Company's opinion concerning its ability to secure future financing options is based on currently available information. To the extent that this information proves to be inaccurate, or the COVID-19 pandemic continues for a prolonged period of time and/or impacts capital markets further the future availability of financing may be adversely affected.

Note 2: Business Combination

Prior Period
On 25 November 2020, the Company acquired 100% of the issued capital in Bright Minz Pty Ltd (Bright Minz). Bright Minz holds the LOH-Max® process technology. Details of this business combination were included in Note 3 of the Group's annual financial statements for the year ended 30 June 2021.

Note 3: Revenue

	31 December 2021 $	31 December 2020 $
Revenue		
Technology licence fees	-	4,084,027
Income	-	**4,084,027**
Interest	150	222
Government assistance programs	-	53,421
Other	44,363	-
Other Income	**44,513**	**53,643**
Total Revenue	**44,513**	**4,137,670**

Note 4: Administrative Expenses

	31 December 2021 $	31 December 2020 $
Office & general	203,499	171,396
Professional services	368,640	314,830
Compliance related	343,923	136,672
Travel	37,000	-
Total Administrative Expenses	**953,062**	**622,898**

Note 5: Income Tax Expense

	31 December 2021 $	31 December 2020 $
(a) The components of tax benefit/(expense) comprise:		
Current tax	-	-
Deferred tax	111,930	151,218
Income tax benefit/(expense) reported in statement of comprehensive income	111,930	151,218

Note 5: Income Tax Expense (continued)

		31 December 2021 $	31 December 2020 $
(b)	Movement recognised in equity:		
	Foreign exchange movement recognised in equity	471,874	-
(c)	The prima facie tax benefit/(expense) on profit/(loss) from ordinary activities before income tax is reconciled to the income tax as follows:		
	Prima facie tax benefit/(expense) on profit/(loss) from ordinary activities before income tax at 30% (2020:30%)	1,224,245	(520,554)
	Adjust for tax effect of:		
	- Share based payments	(546,750)	(101,250)
	- Foreign expenditure	-	(32,871)
	- Deferred tax balances not recognised	(627,919)	731,969
	- Foreign tax rate differential	26,413	30,244
	- Other non-allowable items	35,941	43,680
	Income tax benefit/(expense) reported in statement of comprehensive income	111,930	151,218
(d)	Deferred tax recognised:		
	Deferred Tax Liabilities:		
	Karibib assets	(2,627,265)	(3,462,581)
	Exploration expenditure	(4,245)	(4,245)
	L-Max® Technology	(356,263)	(248,698)
	L-Max® Pilot Plant	(954,997)	(724,437)
	Other	(40,860)	(28,371)
	Deferred Tax Assets:		
	Carry forward revenue losses	1,356,365	1,005,751
	Net deferred tax	(2,627,265)	(3,462,581)
(e)	Unrecognised deferred tax assets:		
	Carry forward revenue losses	10,146,404	8,625,522
	Carry forward capital losses	-	293,087
	Capital raising and other costs	206,666	297,187
	L-Max Licence	21,826	21,826
	Bright Minz	2,520	-
	Provision and accruals	23,974	18,676
		10,401,390	9,256,298

Note 5: Income Tax Expense (continued)

(f) Tax consolidation:

Lepidico Ltd and its wholly owned Australian resident subsidiaries formed a tax consolidated group with effect from 1 July 2014. Lepidico Ltd is the head entity of the tax consolidated group.

The tax benefits of the above Deferred Tax Assets will only be obtained if:

a) the Company derives future assessable income of a nature and of an amount sufficient to enable the benefits to be utilised;
b) the Company continues to comply with the conditions for deductibility imposed by law; and
c) no changes in income tax legislation adversely affect the company in utilising the benefits.

Note 6: Property, Plant and Equipment

	Buildings & Infrastructure $	Furniture, Fittings & Equipment $	Motor Vehicles $	Assets under Construction $	Right of Use Asset $	Total $
Cost						
At 1 July 2020	1,741,511	266,067	215,359	2,392,807	-	4,615,744
Additions	-	92,283	-	-	-	92,283
Disposals	-	(23,821)	-	-	-	(23,821)
Impact of foreign exchange	-	(543)	-	-	-	(543)
At 30 June 2021	1,741,511	333,986	215,359	2,392,807	-	4,683,663
Additions	19,006	55,466	3,598	-	6,650,844	6,728,914
Disposals	-	(42,848)	-	(2,392,807)	-	(2,435,655)
Impact of foreign exchange	-	(2,122)	-	-	84	(2,038)
At 31 December 2021	**1,760,517**	**344,482**	**218,957**	**-**	**6,650,928**	**8,974,884**
Accumulated Depreciation						
At 1 July 2020	130,510	124,843	63,954	2,392,807	-	2,712,114
Depreciation	135,636	76,761	66,466	-	-	278,863
Disposals	-	(23,821)	-	-	-	(23,821)
Impact of foreign exchange	23,684	12,134	11,608	-	-	47,426
At 30 June 2021	289,830	189,917	142,028	2,392,807	-	3,014,582
Depreciation	71,094	24,288	20,530	-	61,031	176,943
Disposals	-	(2,488)	-	(2,392,807)	-	(2,395,295)
Impact of foreign exchange	(24,469)	(11,147)	(11,274)	-	450	(46,440)
At 31 December 2021	**336,455**	**200,570**	**151,284**	**-**	**61,481**	**749,790**
Net Book Value						
At 30 June 2021	1,451,681	144,069	73,331	-	-	1,669,081
At 31 December 2021	**1,424,062**	**143,912**	**67,673**	**-**	**6,589,447**	**8,225,094**

Note 7: Exploration and Evaluation Expenditure

	31 December 2021 $	30 June 2021 $
Exploration expenditure	45,138,766	43,986,682

The recoverability of the carrying amount of exploration assets is dependent on the successful development and commercial exploitation or sale of the respective mining permits. Amortisation of the costs carried forward for the development phase is not being charged pending the commencement of production. The impairment of exploration expenditure represents projects that the company is no longer pursuing.

Reconciliation of movements during the period:	6 months ended 31 December 2021 $	12 months ended 30 June 2021 $
Balance at the beginning of period	43,986,682	42,725,634
Exploration and evaluation costs capitalised	1,357,807	1,054,639
Exploration and evaluation costs written off	-	(408)
Impact of foreign exchange	(205,723)	206,817
Balance at the end of the period	**45,138,766**	**43,986,682**

Note 8: Intangible asset

	31 December 2021 $	30 June 2021 $
L-Max® Technology	26,704,502	24,055,934
S-Max® Technology	149,017	149,017
LOH-Max® Technology	484,770	426,105
Balance at the end of the period	27,338,289	24,631,056

The recoverability of the carrying amounts of the L-Max® , S-Max® and LOH-Max® Technology is dependent on either its successful development and commercial exploitation or the sale of the assets.

Capitalised development costs will be amortised over their expected useful life of the intangible asset once full commercialisation or production commences.

Note 8: Intangible asset (continued)

Reconciliation of movements during the period:	6 months ended 31 December 2021 $	12 months ended 30 June 2021 $
Balance at the beginning of period	24,631,056	23,870,434
Development costs capitalised	2,702,675	774,687
Technology acquired	-	10,000
Research and Development Tax Credit received/receivable	-	(24,519)
Impact of foreign exchange	4,558	454
Balance at the end of the period	**27,338,289**	**24,631,056**

Note 9: Provisions

	31 December 2021 $	30 June 2021 $
Current		
Employee provisions	136,197	140,105
Total Current Provisions	**136,197**	**140,105**
Non-Current		
Make good provision (KIZAD)	**573,088**	**-**
Total Non-Current Provisions	**573,088**	**-**
Total Provisions	**709,285**	**140.105**

Reconciliation of movements during the period:	Make Good $	Employee $
Balance at the beginning of period	-	140,105
Additional provisions	562,753	57,516
Provisions used	-	(61,365)
Unwinding of discount	10,258	-
Impact of foreign exchange	77	(59)
Balance at the end of the period	**573,088**	**136,197**

Note 10: Deferred Revenue

Deferred revenue of $6,276,303 (US$4,558,272) represents a payment from Jiangxi Jinhui Lithium Co Ltd (Jinhui), a private Chinese corporation under an offtake agreement dated 6 November 2017 and subsequently amended on 13 February 2018 (the Jinhui Lithium Offtake Agreement) which provides for the sale of mineralised material located in certain stockpiles at the Karibib project in Namibia.

The deferred revenue is classified as deferred revenue as the payment is no longer refundable and will amortise against any future shipments of the stockpile material.

The term of the Jinhui Lithium Offtake Agreement began on 16 November 2017 and ends on the earlier of:-
(i) 60 months following such date; and
(ii) the date that is 15 business days after all concentrate produced from the stockpiled material has been loaded on to the vessel nominated by Jinhui; and has been paid for by Jinhui.

Reconciliation of movements during the period:	6 months ended 31 December 2021 $	12 months ended 30 June 2021 $
Balance at the beginning of period	6,071,577	6,629,144
Impact of foreign exchange	204,726	(557,567)
Balance at the end of the period	**6,276,303**	**6,071,577**

Note 11: Lease Liability

	31 December 2021 $	30 June 2021 $
Lease Liability	6,204,172	-

During the period the Group entered into the Musataha lease agreement with Abu Dhabi Ports securing the 57,000m^2 site for the Phase 1 chemical plant for an initial term of 25 years.

Reconciliation of movements during the period:	6 months ended 31 December 2021 $	12 months ended 30 June 2021 $
Balance at the beginning of period	-	-
Additions	6,088,091	-
Interest expense	115,234	-
Impact of foreign exchange	847	-
Balance at the end of the period	**6,204,172**	

Note 12: Share Based Payments

During the period the Company made the following share based payments:

Related Party Options
On 18 November 2021, the Company issued a total of 67,500,000 options to directors and employees under the Company's Share Option Plan. The option exercise price was set at $0.072 per share, being a 50% premium to the closing price on the day immediately preceding the issue.

Note 13: Segment reporting

Reportable Segments
The Group operates two reportable segments, being mineral exploration and development of its technologies that includes L-Max® , LOH-Max® and S-Max®, which reflects the structure used by the Group's management to assess the performance of the Group.

	Mineral Exploration $	Technology $	Corporate & Unallocated items $	Total $
(i) Segment performance for the Half year ended:				
31 December 2021				
Revenue	6,621	-	37,892	44,513
Total Profit/(Loss) before tax	(104,308)	(510,683)	(3,465,825)	(4,080,816)
31 December 2020				
Revenue	-	4,084,027	53,643	4,137,670
Total Profit/(Loss) before tax	-	4,017,479	(2,282,299)	1,735,180
(ii) Segment assets				
As at 31 December 2021	46,800,470	33,952,172	10,738,613	91,491,255
As at 30 June 2021	45,607,272	24,655,575	15,077,267	85,340,114

Note 13: Segment reporting (continued)

Geographical Information

	Australia $	Africa $	Canada $	UAE $	Europe $	Total $
(i) Segment performance for the Half year ended:						
31 December 2021						
Revenue	43	6,621	37,849	-	-	44,513
Total Profit/(Loss) before tax	(2,786,974)	(252,938)	(377,749)	(261,381)	(401,774)	(4,080,816)
31 December 2020						
Revenue	4,137,670	-	-	-	-	4,137,670
Total Profit/(Loss) before tax	3,039,091	(313,077)	(789,972)	(17,999)	(182,863)	1,735,180
(ii) Segment assets						
As at 31 December 2021	36,329,799	46,955,363	340,192	7,865,901	-	91,491,255
As at 30 June 2021	38,361,367	46,719,272	110,814	135,824	12,837	85,340,114

Note 14: Commitments

Exploration lease commitments

The Group must meet the following tenement expenditure commitments to maintain them in good standing until they are farmed out, sold, reduced, relinquished, exemptions from expenditure are applied or are otherwise disposed of.

These commitments, net of farm outs, are not provided for in the financial statements and are:

	31 December 2021 $	30 June 2021 $
Not later than one year	2,943,436	324,361
After one year but less than five years	5,373,744	484,453
	8,317,180	808,814

Note 15: Contingent Liabilities and Contingent Assets

There are no contingent liabilities as at 31 December 2021.

Note 16: Subsequent Events

Controlled Placement Facility

Subsequent to the end of the quarter, the Company agreed with Acuity Capital to extend the expiry date of its Controlled Placement Agreement (“CPA”) to 31 January 2024.

The CPA was initially established with an expiry date of 31 January 2021.

There is no requirement on Lepidico to utilise the CPA and there were no fees or costs associated with the extension of the CPA. Further, no additional security in the form of shares has been provided or is required in relation to the CPA extension.

Directors' Declaration

In accordance with a resolution of the directors of Lepidico Ltd, the directors of the Company declare that:

1. The financial statements and notes, as set out on pages 12 to 25 are in accordance with the Corporations Act 2001, including:
   a. complying with Accounting Standard AASB 134: Interim Financial Reporting; and
   b. giving a true and fair view of the consolidated entity's financial position as at 31 December 2021 and of its performance for the half-year ended on that date.

2. In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Joe Walsh
Managing Director

Dated this 25th day of February 2022

MOORE

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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF LEPIDICO LIMITED

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Lepidico Limited (the company) and its controlled entities (the consolidated entity or group), which comprises the consolidated statement of financial position as at 31 December 2021, the consolidated statement of comprehensive income, consolidated statement of changes in equity, the consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the company is not in accordance with the *Corporations Act 2001*, including:

i. giving a true and fair view of the consolidated entity's financial position as at 31 December 2021 and of its performance for the half-year ended on that date; and

ii. complying with Accounting Standard *AASB 134: Interim Financial Reporting and the Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with Auditing Standards on Review Engagements *ASRE 2410: Review of a Financial Report Performed by the Independent Auditor of the Entity.* Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

Responsibility of the Directors for the Half-Year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Act* 2001 and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

MOORE

INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF LEPIDICO LIMITED (CONTINUED)

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the financial report based on our review. ASRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the financial report is not in accordance with the *Corporations Act 2001* including:

i. giving a true and fair view of the Company's financial position as at 31 December 2021 and its performance for the half-year ended on that date; and

ii. complying with *Accounting Standard AASB 134: Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Neil Pace
PARTNER

Moore Australia

MOORE AUSTRALIA AUDIT (WA)
CHARTERED ACCOUNTANTS

Signed at Perth this 25th day of February 2022.