

ASX / MEDIA ANNOUNCEMENT



15 June 2021

Entitlement Offer closes Oversubscribed

- Entitlements Offer to raise \$9.6 million closes significantly over-subscribed
- Strong support from shareholders and new institutional and professional investors
- Top-up placement of \$2.9 million primarily to fund the manufacture of additional lithium hydroxide samples due to growing unsolicited consumer engagement
- Phase 1 Project initial development activities are now being fast-tracked and Phase 2 Mineral Resource expansion drilling program has started

Lepidico Ltd (ASX:LPD) ("Lepidico" or "Company") is pleased to advise that the Renounceable Entitlements Offer announced on 20 May 2021 (the "**Offer**") has been well supported by the Company's eligible directors, shareholders and new investors and closed significantly oversubscribed.

The Offer has raised \$9.6 million (before costs) and the Company will issue 741,125,690 new shares and 370,562,845 new options in accordance with the Offer timetable. The new options will be listed under the ASX code LPDOD.

High demand, particularly from new institutional and professional investors resulted in subscriptions being substantially scaled back, with the Company agreeing to place a further 223,076,924 fully paid ordinary shares at \$0.013 with 111,538,462 attaching LPDOD options to raise an additional \$2,900,000 ("**Placement**"). Shareholder approval is not required for the Placement, which will be made using the Company's existing capacity under Listing Rule 7.1. Funds from the Placement funds are intended to be used to manufacture additional lithium hydroxide and other Phase 1 product samples for consumer qualification assessment and working capital. This is motivated by growing unsolicited interest in lithium hydroxide supply for use in the rapidly developing electric vehicle supply chain in the United States and Europe.

The Company would like to thank all its shareholders for their ongoing support during these challenging times and welcomes new shareholders to the register. Mahe Capital advised the Company and acted as Lead Manager and Underwriter.

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Lepidico will use the net proceeds from the Offer to continue to fast-track development activities for the Phase 1 Project following the commencement of early services by Lycopodium in May and advance the Phase 2 growth projects. The drill rig which was mobilised to Karibib in May has started an initial 1,200m drilling program at four priority targets. Early indications are positive with the first four holes intersecting mineralised pegmatite, with assay results pending.

The new securities are expected to be issued on Monday 21 June 2021, in accordance with the timetable in the prospectus.

Further Information

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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 processes that have 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 Hydroxide Monohydrate capacity Phase 1 lithium chemical plant, targeting commercial production for 2023. The Project incorporates 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 11.87 Mt grading 0.45% Li₂O, (including Measured Resources of 2.20 Mt @ 0.57% Li₂O, Indicated Resources of 6.73 Mt @ 0.39% Li₂O and Inferred Resources of 2.94 Mt @ 0.50%, at a 0.15% Li₂O cut-off) is estimated. (ASX announcement of 12 March 2021). 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.