

LEPIDICO LTD
ACN 008 894 442
SUPPLEMENTARY PROSPECTUS

IMPORTANT INFORMATION

This is a supplementary prospectus (**Supplementary Prospectus**) intended to be read with the prospectus dated 20 May 2021 (**Prospectus**) issued by Lepidico Ltd (ACN 008 894 442) (**Company**).

This Supplementary Prospectus is dated 15 June 2021 and was lodged with the Australian Securities and Investments Commission (**ASIC**) on that date. The ASIC, the ASX and their respective officers take no responsibility for the contents of this Supplementary Prospectus.

This Supplementary Prospectus should be read together with the Prospectus. Other than as set out below, all details in relation to the Prospectus remain unchanged. Terms and abbreviations defined in the Prospectus have the same meaning in this Supplementary Prospectus. If there is a conflict between the Prospectus and this Supplementary Prospectus, this Supplementary Prospectus will prevail.

This Supplementary Prospectus will be issued with the Prospectus in hard copy or as an electronic copy and may be accessed on the Company's website at www.lepidico.com.

This is an important document and should be read in its entirety. If you do not understand it, you should consult your professional advisers without delay.

1. BACKGROUND

By this Supplementary Prospectus, the Company makes the amendments to the Prospectus as set out in section 2 and section 3 by making an additional offer under the Prospectus of up to 223,076,924 Shares at an issue price of \$0.013 per Share to raise up to \$2,900,000 together with one (1) free attaching New Option for every two (2) Shares subscribed for and issued (**Additional Offer**). The Additional Offer is being made due to the significant number of applications and interest received for the Shortfall Offer.

The amendments to the Prospectus outlined in section 2 and section 3 below should be read in conjunction with the Prospectus.

2. AMENDMENTS TO THE PROSPECTUS

2.1 General

The Company has resolved to seek to raise up to an additional \$2,900,000 by way of an offer of Shares (at the same price) and New Options (on the same ratio) as those securities offered under the Prospectus.

The Additional Offer is being made pursuant to this Supplementary Prospectus to remove any trading restrictions on the sale of the Shares and New Options to be issued under the Additional Offer.

2.2 The Additional Offer

Section 4.1 of the Prospectus is amended to include the following:

The Additional Offer is being made by way of a placement to third parties of up to 223,076,924 Shares at an issue price of \$0.013 per Share to raise up to \$2,900,000 together with one (1) free attaching New Option for every two (2) Shares subscribed for and issued.

A maximum of 223,076,924 Shares and 111,538,462 New Options will be issued pursuant to the Additional Offer to raise up to \$2,900,000. No funds will be raised from the issue of the New Options.

2.3 Use of funds

Section 5.1 of the Prospectus is amended to include the following:

The Company intends to apply the \$2,900,000 raised pursuant to the Additional Offer as set out in the table below.

Item	Proceeds of the Additional Offer	Full Subscription (\$)	%
1.	Manufacture of additional lithium hydroxide and other Phase 1 product samples for consumer qualification assessment	\$2,500,000	86%
2.	Working capital	\$400,000	14%
	TOTAL	\$2,900,000	100%

2.4 Effect of the Offer and the Additional Offer

Section 5.2 of the Prospectus is amended as follows:

The principal effect of the Offer, assuming all Entitlements are accepted and no Options are exercised prior to the Record Date, and the Additional Offer will be to:

- (a) increase the cash reserves by \$14,704,239 (after adding the Additional Offer and the \$2,925,000 raised from the Controlled Placement Agreement as announced on 19 April 2021 (refer to Note 1 of the Pro-forma balance sheet in section 2.5 below) and deducting the estimated expenses of the Offer and the Additional Offer) immediately after completion of the Offer;
- (b) increase the number of Shares on issue from 5,187,879,832 as at the date of this Prospectus to 6,152,082,446 Shares; and
- (c) increase the number of Options on issue from 809,337,935 as at the date of this Prospectus to 1,291,439,242 Options following completion of the Offer.

2.5 Pro-forma balance sheet

Section 5.3 of the Prospectus is amended by deleting the table in Section 5.3 and including the following:

The pro-forma balance sheet has been prepared assuming all Entitlements are accepted, the Additional Offer is fully-subscribed, no Options are exercised prior to the Record Date and including expenses of the Offer and the Additional Offer.

	UNAUDITED 31 March 2021	PROFORMA 31 March 2021
CURRENT ASSETS		
Cash and cash equivalents ¹	1,478,551	16,182,790
Trade and other receivables	207,118	207,118
TOTAL CURRENT ASSETS	1,685,739	16,389,978
NON-CURRENT ASSETS		
Trade and other receivables	70,875	70,875
Property, plant and equipment	1,726,842	1,726,842
Exploration costs capitalised	43,358,907	43,358,907
Intangible asset	24,363,183	24,363,183
TOTAL NON-CURRENT ASSETS	69,519,807	69,519,807
TOTAL ASSETS	71,205,546	85,909,785
CURRENT LIABILITIES		
Trade and other payables	118,725	118,725
Short-term provisions	133,371	133,371
TOTAL CURRENT LIABILITIES	252,096	252,096
NON-CURRENT LIABILITIES		
Deferred revenue	5,991,229	5,991,229
Deferred tax liability	3,462,581	3,462,581
TOTAL NON-CURRENT LIABILITIES	9,453,810	9,453,810
TOTAL LIABILITIES	9,705,906	9,705,906
NET ASSETS	61,499,640	76,203,879
EQUITY		
Share capital ²	81,142,902	94,847,141
Reserves	6,762,683	6,762,683
Equity component of convertible note	990,000	990,000
Accumulated losses	(33,072,427)	(33,072,427)
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	54,823,158	69,527,397

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	UNAUDITED 31 March 2021	PROFORMA 31 March 2021
NON-CONTROLLING INTEREST	6,676,482	6,676,482
TOTAL EQUITY	61,499,640	76,203,879

Notes:

1. Proforma cash and cash equivalents includes \$9,027,283 assuming all Entitlements are accepted and \$2,925,000 raised from the Controlled Placement Agreement as announced on 19 April 2021.
2. Proforma share capital includes \$9,027,283 assuming all Entitlements are accepted and \$2,925,000 raised from the Controlled Placement Agreement as announced on 19 April 2021.

2.6 Capital Structure

Section 5.4 of the Prospectus is amended to include the following:

The effect of the Offer and the Additional Offer on the capital structure of the Company, assuming all Entitlements are accepted and no Options are exercised prior to the Record Date, is set out below.

Shares

	Number
Shares currently on issue	5,187,879,832
Shares offered pursuant to the Offer	741,125,690
Shares offered pursuant to the Additional Offer	223,076,924
Total Shares on issue after completion of the Offer and the Additional Offer	6,152,082,446

Options

	Number
Options currently on issue:	
Unquoted exercisable at \$0.04 on or before 25 October 2021	9,450,000
Unquoted exercisable at \$0.026 on or before 22 November 2021	65,000,000
Unquoted exercisable at \$0.10 on or before 31 March 2022	945,000
Quoted exercisable at \$0.045 on or before 30 September 2020	220,518,031
Quoted exercisable at \$0.05 on or before 11 July 2022	190,746,921
Unquoted exercisable at \$0.10 on or before 21 June 2022	3,921,982
Unquoted exercisable at \$0.025 on or before 21 November 2022	73,000,000
Unquoted exercisable at \$0.016 on or before 8 December 2022	100,000,000
Unquoted exercisable at \$0.35 on or before 26 February 2023	5,967,000
Unquoted exercisable at \$0.012 on or before 19 November 2023	67,500,000
Unquoted exercisable at \$0.02 on or before 14 January 2024	18,090,000

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	Number
New Options to be issued pursuant to the Offer:	
<i>Quoted exercisable at \$0.026 on or before the second anniversary of date of issue</i>	370,562,845
New Options to be issued pursuant to the Additional Offer:	
<i>Quoted exercisable at \$0.026 on or before the second anniversary of date of issue</i>	111,538,462
Total Options on issue after completion of the Offer and the Additional Offer	1,291,439,242

2.7 Payments to Underwriter

Section 8.4 of the Prospectus is amended as follows:

Mahe Capital Pty Ltd will be paid a fee of 5% of the total amount raised under the Additional Offer (equating to \$145,000).

Mahe Capital Pty Ltd has given its written consent to being named in this Supplementary Prospectus, in the form and context in which it is named.

3. EXPENSES OF THE OFFER AND THE ADDITIONAL OFFER

Section 8.8 of the Prospectus is amended as follows:

In the event that all Entitlements are accepted, the total expenses of the Offer and the Additional Offer are estimated to be approximately \$755,395 (excluding GST) and are expected to be applied towards the items set out in the table below:

	\$
ASIC fees	4,008
ASX fees	28,742
Underwriting fees	361,299
Manager to the Offer fees	156,346
Additional Offer fees	145,000
Legal fees	15,000
Printing and distribution	45,000
Total Expenses	755,395

4. DIRECTORS' AUTHORISATION

This Supplementary Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with Section 720 of the Corporations Act, each Director has consented to the lodgement of this Supplementary Prospectus with the ASIC.



Gary Johnson
Non-Executive Chairman
For and on behalf of
LEPIDICO LTD