

# ASX / MEDIA ANNOUNCEMENT



13 April 2021

## Letter of Intent for Product Offtake Signed with BJR

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- **BJR is a leading Chinese manufacturer of lithium, caesium and rubidium salts, supplied to domestic and international customers**
- **Letter of Intent signed for Lepidico to supply BJR with lithium hydroxide, caesium sulphate and rubidium sulphate from the planned Phase 1 Project**
- **Further product evaluation will be undertaken in parallel with consideration of commercial terms for offtake**
- **Product offtake strategy progressing for chemical supply to both fine chemicals manufacturers and the electric vehicle supply chain**

**Lepidico Ltd (ASX:LPD) (“Lepidico” or “Company”)** is pleased to announce that it has entered into a non-binding Letter of Intent (LOI) with Hubei Baijierui Advanced Materials Corporation (BJR) for supply of lithium, caesium and rubidium chemicals from the Company’s planned Phase 1 chemical plant in Abu Dhabi. BJR successfully tested a caesium-rubidium intermediate product from the Company’s pilot plant in 2020 and further product evaluation is planned in parallel with consideration of commercial terms for offtake.

Lepidico’s Managing Director, Joe Walsh said, “Lepidico looks forward to working with BJR and establishing a mutually rewarding long-term relationship. Lepidico’s Phase 1 Project provides a unique opportunity for the supply of caesium and rubidium sulphates for both industrial use and/or conversion to fine specialty chemicals. The Company’s lithium marketing strategy is to supply both industrial users such as BJR and lithium-ion battery supply chain manufacturers via direct sales agreements, with a smaller proportion of output allocated to other industrial users and spot market sales via agency agreement to broaden the customer base. This approach is designed to both manage offtake risk and establish a customer base that will support Lepidico’s longer term growth plans for a Phase 2 Project. This strategy also contemplates a U.S. supply nexus to support the debt funding envisaged under the formal Mandate with International Development Finance Corporation.”

### About BJR

BJR specialises in the manufacture of a broad range of high purity lithium, caesium and rubidium salts, supplied to both domestic Chinese and international customers. It also has an active research and development capability to support specific customer needs, with its intellectual property protected by 14 proprietary innovation patents. BJR has three manufacturing locations within Hubei Province, China.

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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<sup>®</sup> 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<sup>®</sup> 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<sup>®</sup> and LOH-Max<sup>®</sup> 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% Li<sub>2</sub>O, (including Measured Resources of 2.20 Mt @ 0.57% Li<sub>2</sub>O, Indicated Resources of 6.73 Mt @ 0.39% Li<sub>2</sub>O and Inferred Resources of 2.94 Mt @ 0.50%, at a 0.15% Li<sub>2</sub>O cut-off) is estimated. (ASX announcement of 12 March 2021). Ore Reserves total 6.72 Mt @ 0.46% Li<sub>2</sub>O, 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.