

18 July 2023

Detailed Planning Approval Granted

- **Detailed Planning Approval granted to Lepidico for the UAE chemical plant**
- **Detailed Planning Approval signals the formal commencement of the chemical plant project in KEZAD and allows the following to be advanced:**
 - **Detailed site survey and establishment of survey controls**
 - **Application to Abu Dhabi Civil Defence for Project safety & security systems**
 - **Planning and execution of site ground improvement works**

Lepidico Ltd (ASX:LPD) (“Lepidico” or “Company”) is pleased to advise that Detailed Planning Approval has been granted to Lepidico Chemicals Manufacturing Ltd (Lepidico Ltd’s UAE entity) by Abu Dhabi Ports Group (ADP) for the Phase 1 lithium chemical plant in the UAE. This represents an important milestone for the project that allows certain site works to commence and approval applications submitted to other regulators.

Detailed planning approval now allows building permit applications to be made. Detailed design for non-process infrastructure has been completed and is ready for inclusion in the first building permit application. Process plant detailed design will be staged as major mechanical equipment vendors complete their respective workstreams once finance is in place, allowing the remaining building permit applications to be made.

The Phase 1 Project is based on an integrated mine, concentrator and chemical plant development that has compelling investment fundamentals, with a Base Case unlevered NPV_{8%} for the Project is US\$452M (A\$675M) and the Internal Rate of Return (IRR) is 41% (ASX Announcement, Phase 1 Economics Updated & Improved, 22 November 2022).

The Chemical plant is designed to process 56,700tpa (dry basis) of lithium mica/phosphate concentrate for a production capacity of 5,600tpa of lithium hydroxide. Concentrate feed grade is predicted to range from 2.5% to 3.9% Li₂O over the project life with an average of 2.7%, giving average annual lithium hydroxide output of 4,350/t. The significant excess process capacity in the impurity removal and lithium recovery circuits provides an opportunity for optimisation and higher output once in production. The relatively modest size of Phase 1 for a lithium chemical conversion facility, along with its high level of installed capacity are important risk mitigants, as development and operating risks tend to increase exponentially with scale.

Lepidico’s Phase 1 Project represents a unique development opportunity to produce four valuable alkali metal streams; lithium, caesium, rubidium – all designated as Critical Minerals by the U.S. Government – and potassium. This is enabled by the Company’s proprietary process technology, L-Max[®], coupled with lepidolite as the mineral feed source. LOH-Max[®] further differentiates Phase 1 from other lithium projects by providing a single process step solution to produce lithium

hydroxide without the costly and potentially problematic production of sodium sulphate. Phase 1 is demonstrated, including by multiple pilot trials, to be robust technically, economically and from a sustainability perspective. The immediate focus is now on banking the Project to transition the business into development and production.

Managing Director, Joe Walsh, commented, "Granting of the Detailed Planning Approval by ADP is a further essential milestone in the progress of the Phase 1 Project. The Company appreciates the cooperation and support shown by Abu Dhabi Ports Group for the development of the Project and we look forward to continuing to work with them in a constructive and mutually beneficial relationship. Further updates will be provided as finance is secured and other Project milestones are achieved. Phase 1 is a strategically important development that will demonstrate that lithium and other Critical Minerals can be sustainably produced from lepidolite and other mica minerals."

The Managing Director has authorised this announcement for release to the market.

Further Information

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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 – is due in 2025. The Phase 1 Project will provide a meaningful contribution to the decarbonisation of 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.