



Australian Government

Takeovers Panel

MEDIA RELEASE

No: TP17/35

Friday, 30 June 2017

Lepidico Limited 02 – Panel Receives Application

The Panel has received an application from Lepidico Limited in relation to its affairs. Lepidico was the subject of an off-market takeover bid by Lithium Australia NL. Lithium's takeover bid closed on 19 June 2017.

Details of the application, as submitted by Lepidico, are below.

A sitting Panel has not been appointed at this stage and no decision has been made whether to conduct proceedings. The Panel makes no comment on the merits of the application.

Details

On 6 February 2017, Lithium Australia NL announced an off-market scrip bid for Lepidico Limited of one fully paid Lithium share for every 13.25 fully paid Lepidico shares.

On 7 February 2017, Lithium released a notice of initial substantial holding in Lepidico advising that it had acquired a relevant interest in 17.76% of Lepidico as a consequence of pre-bid agreements.

On 1 and 10 March 2017, Lepidico dispatched letters to its shareholders noting that further information was required regarding the viability of Lithium's assets and processes, in particular the reagents used by Lithium's proprietary Sileach™ process and the risks associated with the Sileach™ process.

On 13 March 2017, Lithium made an announcement to ASX that Lithium's Sileach™ process "*does not use hydrofluoric acid (HF)*".

On 11 May 2017, Lithium lodged a third supplementary bidder's statement. The third supplementary bidder's statement noted, amongst other things, that "*Sileach™ does not use hydrofluoric acid as a reagent*".

On 19 June 2017, Lithium's takeover bid closed. Lithium currently holds a relevant interest in 15.82% of Lepidico.¹

Lepidico submits that Lithium has made statements in its announcements, including in its third supplementary bidder's statement, in relation to the Sileach™ process that Lithium does not have objectively reasonable grounds to make. For this reason, Lepidico submits that Lithium's statements are likely misleading.

Lepidico has sought final orders that Lithium provide withdrawal rights to Lepidico shareholders who accepted Lithium's offer between 16 March and 19 June, including all parties to any pre-bid agreements.

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¹ Lithium's relevant interest in Lepidico was diluted following an entitlement offer announced by Lepidico on 16 March 2017