

QUARTERLY ACTIVITIES REPORT

for the period ending 31 December 2017

(All figures are unaudited and in A\$ unless stated otherwise)

Key Points

Operations

- Engineering for the Phase 1 L-Max[®] Plant Feasibility Study completed by Lycopodium and capacity-cost trade-off evaluations to determine optimal configuration commenced.
- Installed capacity of 5,000t to 6,000t pa of LCE for major equipment is being evaluated versus nominal nameplate capacity of up to 3,000t pa.
- Sudbury, Canada selected as the preferred site for the Phase 1 L-Max[®] Plant.
- Permitting works for Sudbury continued and are scheduled for completion in the September 2018 quarter.
- JORC Code-compliant maiden Inferred Resource at Alvarrões of 1.5 Mt @ 1.1% Li₂O.
- Field work at Moriarty commenced in the December 2017 quarter with a drilling program expected to commence during the current quarter.

Corporate

- Cash position as at 31 December 2017 of \$7.6 million and no debt.
- National and regional patent process for the L-Max[®] Technology proceeding.
- \$7.0 million raised via Galaxy Resources subscription for \$2.9 million for a 12% interest in the Company and the heavily over-subscribed one-for-six entitlements offer.
- Two new non-executive directors appointed to the Board.

OVERVIEW & OUTLOOK

Proceeds from capital raisings completed during the quarter provide a full funding solution for the Phase 1 L-Max[®] Plant Feasibility Study. The Study remains on track for completion and final investment decision in the September 2018 quarter, subject to receipt of regulatory approvals.

Lycopodium completed the engineered design for a Phase 1 L-Max[®] Plant located in Sudbury, Canada, which highlighted potential for a higher optimal throughput rate of between 5,000t and 6,000t pa.

Both the Alvarrões Lepidolite Mine and Galaxy Resources Mt Cattlin Mine are being evaluated in the Feasibility Study as primary concentrate feed sources to the Phase 1 Plant Project.



PHASE 1 L-MAX[®] PLANT PROJECT

Feasibility Study

Work on all near critical path activities for the Phase 1 L-Max[®] Plant Feasibility Study (the “Study”) continued during the quarter, including: L-Max[®] process design and engineering; Mineral Resource definition and mine planning at Alvarrões; amenability testwork on Mt Cattlin lithium mica rich stockpile material; logistics trade-off studies to finalise site selections; permitting and regulatory approvals; and option assessments for product offtake and finance.

Lycopodium Minerals Pty Ltd, a subsidiary of Lycopodium Limited (ASX:LYL) (“Lycopodium”) completed the engineered design for a Phase 1 L-Max[®] Plant located in Sudbury, Canada (Figure 1). A design review identified areas where trade-off evaluations are warranted between reduced capital cost and realising higher installed plant capacity, to provide an optimal plant design for long term operation.

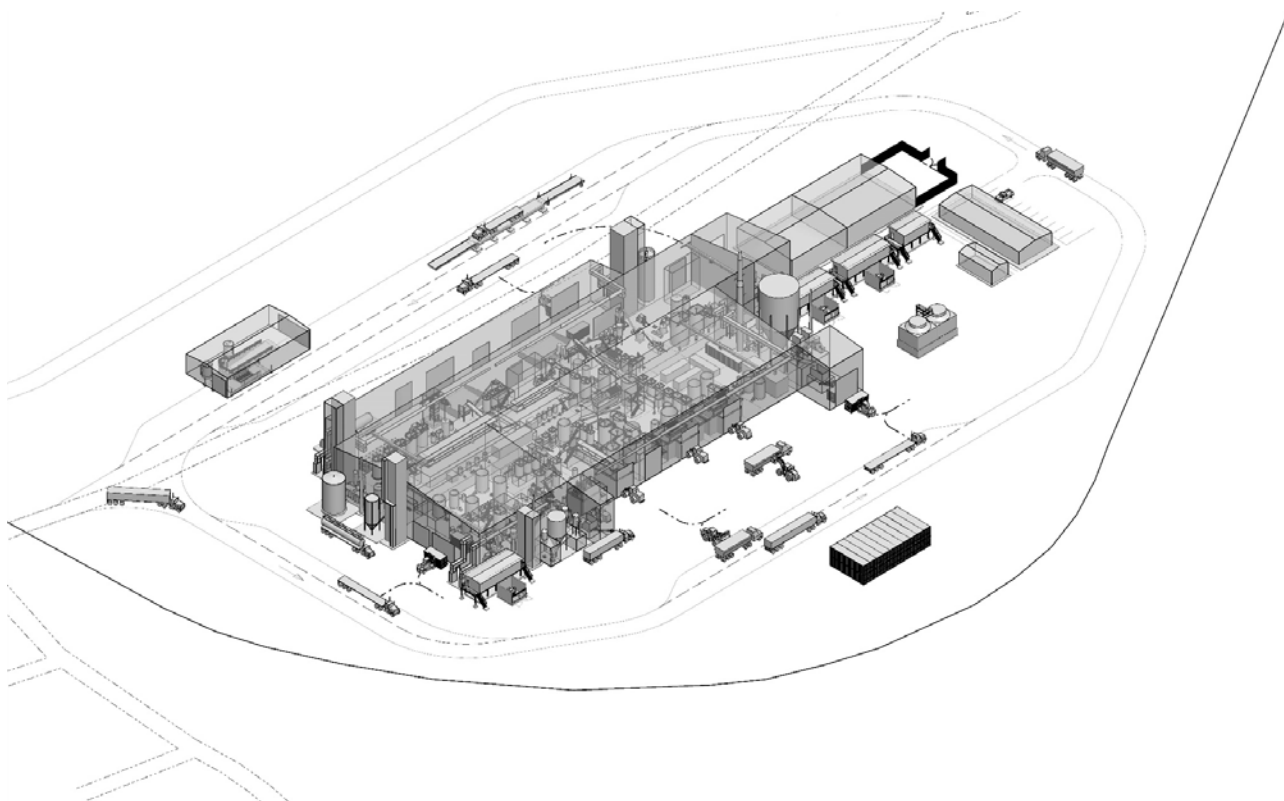


Figure 1. Phase 1 L-Max[®] Plant Site layout.

Nominal throughput for the Phase 1 Plant design is 3.6 tonnes per hour of lithium mica concentrate feed, to provide output of between 2,500 tonnes and 3,000 tonnes per year of lithium carbonate equivalent (LCE), depending of the feed grade. During the engineering design phase vendor specifications were received for all major capital equipment within the plant. In some instances, it is evident that unit capacity may significantly exceed the nominal plant design to allow either procurement of “off the shelf” items and/or accommodate flexibility to treat a broad range of feed grades for key revenue elements.

To precisely determine the capacity of major equipment within the plant a vendor testwork program has commenced, the cost of which is accommodated under the Feasibility Study budget. This work, which is not on the Study critical path is scheduled to be completed during the June 2018 quarter and will allow trade-offs between capacity and cost to be understood. The vendor testwork program will provide greater confidence on the actual capacity of each piece of equipment for its stated application and identify the incremental cost or cost saving of increasing or decreasing respectively its capacity. This is of particular importance when considering the ultimate optimal throughput for the Phase 1 Plant.

It was also identified during the engineering design phase that sodium sulphate may represent another valuable L-Max[®] by-product, in addition to sodium silicate and sulphate of potash (SOP) fertilizer. A preliminary design for the production of sodium sulphate was included by Lycopodium for the Phase 1 Plant.

Completion of logistics trade-off studies during the quarter resulted in Sudbury, Ontario being selected as the optimal location for the Phase 1 Plant. Sudbury is a university town with a population of approximately 160,000 and has been a major mining centre for over 100 years with excellent established infrastructure. Mining services and trades are readily available in the region and the two large local nickel smelters produce around 1 million tonnes of sulphuric acid per year, most of which goes for export. Sulphuric acid is the main L-Max[®] reagent and close proximity to abundant sources of acid will provide operating cost advantages and negate the considerable capital cost for building an acid generating plant. Furthermore, Sudbury's rail links into southern Ontario and the United States provide ready access to the substantial existing markets for L-Max[®] by-products, in particular sodium silicate.

The permitting and residue storage facility engineering work-streams being undertaken by Knight Piésold Consulting continued during the quarter. Initial work involved the desktop assessment of prospective L-Max[®] plant site and residue storage facility locations within Sudbury with two excellent locations identified. More detailed evaluations for short-listed sites is being undertaken.

Engagement with various Provincial Ministries and other potential key stakeholders including local First Nations groups continued during the quarter, with the objective of assessing the support and incentives that can be extended to Lepidico for expediting the development of its Phase 1 Plant Project in Sudbury.

The process design pack for the upstream concentrator is scheduled to be completed during the June 2018 quarter.

The Feasibility Study for the Phase 1 L-Max[®] plant remains on track and budget for completion during the September 2018 quarter, with the permitting and approvals processes forming the critical path. Selection of the primary feed source to the plant is expected during the first half of 2018 and is on the critical path for the integrated study.

Alvarrões Lepidolite Mine (Gonçalo), Portugal¹

On 7 December 2017 Lepidico announced its maiden Mineral Resource estimate for the Alvarrões Lepidolite Project in Portugal, which hosts an extensive system of stacked lithium-mineralised pegmatite sills.

The estimate was completed by AMC Consultants Pty Ltd (“AMC”) and was based on the results of 17 diamond core holes drilled by Lepidico between May and September 2017. AMC reports a JORC Code-compliant maiden Inferred Resource at Alvarrões of 1.5 Mt @ 1.1% Li₂O. Within this estimate is 1.1 Mt @ 1.1% Li₂O over approximately 400m of strike at Blocks 1 and 2 (Figure 2).

A preliminary mining study was also undertaken for Alvarrões and the results integrated with the Phase 1 L-Max[®] Plant Feasibility Study. This work shows that Blocks 1 and 2 alone have the potential to provide lithium mica concentrate feed to the planned plant for in excess of 10 years. Ore Reserve estimation and permitting schedules have yet to be finalised for Alvarrões and are now on the critical path for the integrated Feasibility Study.

Table 1. Alvarrões Mineral Resource Estimate¹

Block	Sill	Classification	Mt	Li ₂ O (%)
1 & 2	Sill M	Inferred	0.3	1.2
1 & 2	Sill N	Inferred	0.7	1.2
1 & 2	Sill O	Inferred	0.1	0.7
Sub total			1.1	1.1
3	Sill N	Inferred	0.3	1.2
3	Sill O	Inferred	0.2	1.1
Sub total			0.5	1.2
Total²		Inferred	1.5	1.1

¹ Mineral Resource reported in an optimisation shell based on a lithium carbonate price of US\$12,000/t. Reporting considers a minimum sill thickness of 0.5 m and a 1,750 ppm Li cut-off grade.

² Additive discrepancy caused by rounding.

Drilling at Alvarrões has so far identified 13 stacked sub-horizontal mineralised pegmatite sills, confirmed to extend over a 900m by 500m area and ranging in thickness from 0.5m to over 4.0m, with 15% to 30% lepidolite content. The system remains open in all directions.

The Mineral Resource estimate is based on the geological interpretation by Lepidico of just three of the identified pegmatite sills where continuity across the deposit was established by drilling, designated Sill M, Sill N and Sill O (Figures 3 and 4). The interpretation was based on broadly-spaced drill holes nominally 80m on section and 250m along strike.

Lepidico is in the process of designing a reverse circulation and diamond core drilling program to increase the data density in the central areas and to further extend the mineralisation to the north and west. The objective of this program will be to upgrade the Mineral Resource within Blocks 1 and 2 to

¹ Lepidico announced on 9 March 2017 that it had signed a binding term sheet for ore off-take from the Alvarrões lepidolite mine with Grupo Mota, the 66% owner and operator of Alvarrões.

Measured and Indicated categories and establish the resource potential for all pegmatite sills across Block 3.

Drilling has shown the Alvarrões lepidolite pegmatite system to be extensive, and suggests an Exploration Target of between 3 Mt to 5 Mt at a grade of 1.0% Li₂O to 1.5% Li₂O and 15% to 30% lepidolite content. It is noted that the potential quantity and grade of this Exploration Target is conceptual in nature as, to date, there has been insufficient exploration to estimate a Mineral Resource and it is uncertain whether further exploration will result in the estimation of a Mineral Resource.

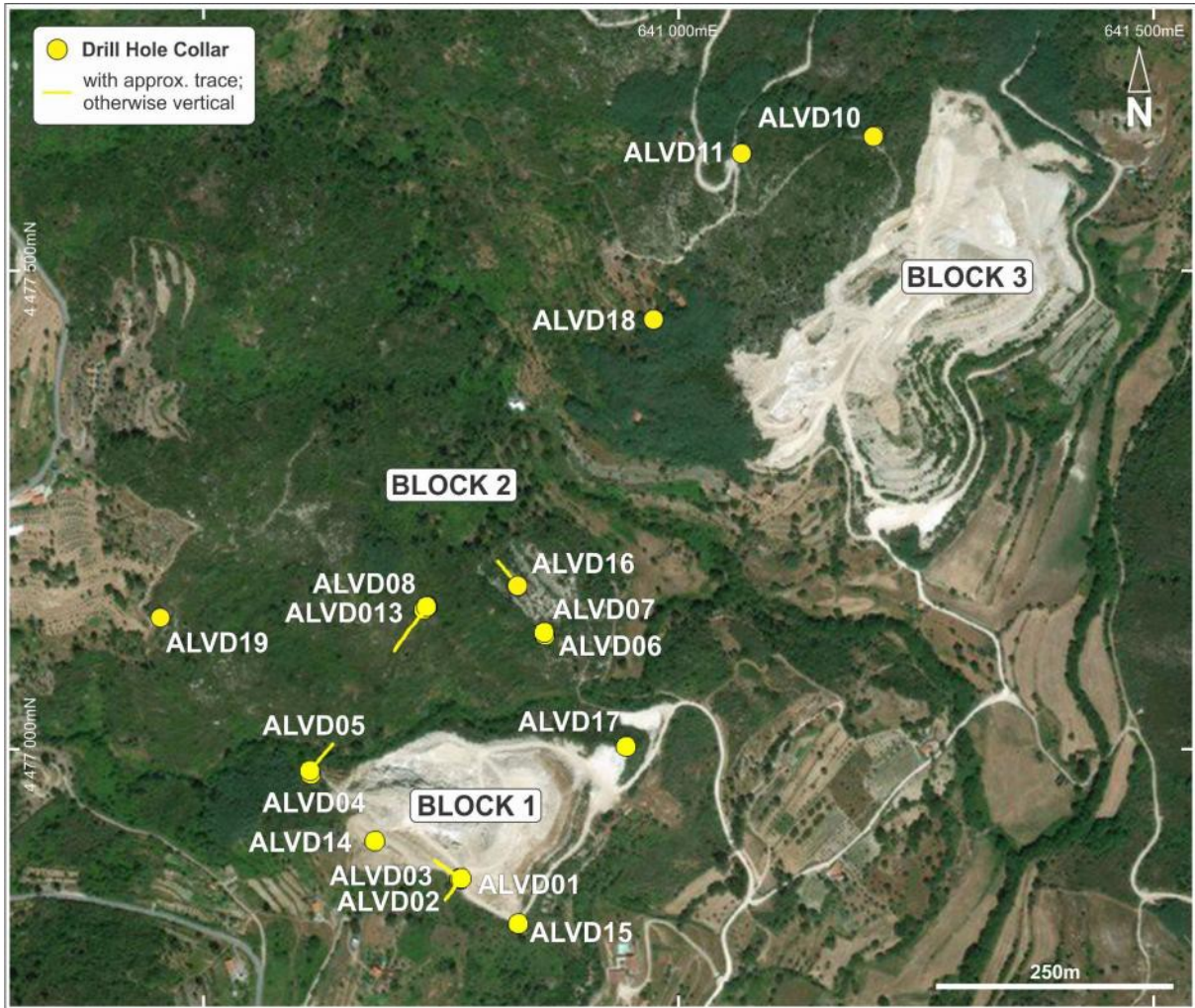


Figure 2. The lithium pegmatites at Alvarrões have been confirmed by drilling to extend at least 900 m along strike (ALVD19 to ALVD10) and 500 m down-dip (ALVD15 to ALVD19). All holes intersected mineralised lepidolite-bearing pegmatites. The system remains open in all directions.

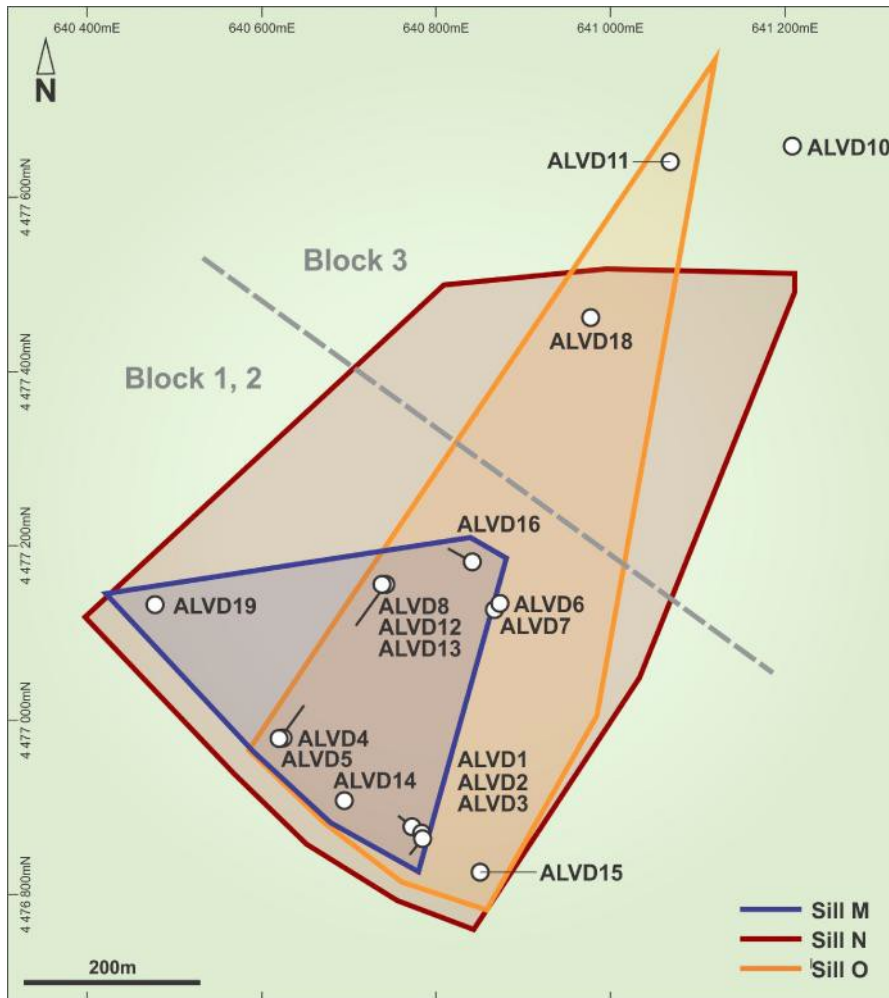


Figure 3. Plan view of the wireframes of the three mineralised pegmatite sills at Alvarrões used in the Mineral Resource estimation, before being cut to topography.

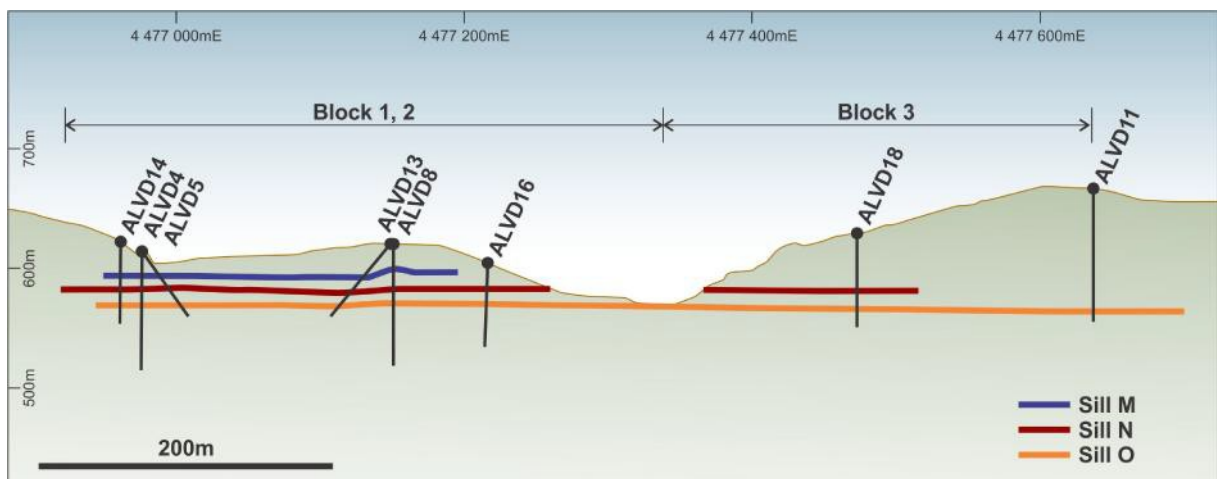


Figure 4. Long-section through the Alvarrões lithium deposit, showing continuity of the three lepidolite-bearing pegmatite sills used in the Mineral Resource estimate and separation by topography into the Block 1 & 2 and Block 3 domains. Note, sill thickness schematic; varies from 0.5 m to over 4.0 m.

The work at Alvarrões is part of Lepidico's Mineral Resource definition program to establish a multi-deposit inventory of high-quality lithium mica Mineral Resources to provide feedstock for not just the proposed Phase 1 L-Max[®] Plant to be located in Sudbury, Canada but also conceptual larger-scale L-Max[®] plants.

Mt Cattlin Operations, Western Australia²

A testwork program was jointly commissioned by Galaxy and Lepidico during the quarter to evaluate the potential of high mica content material generated by the Mt Cattlin dense media separation plant, which is currently being stockpiled. The objective of this testwork is to determine whether this mica rich material can be concentrated and form a viable feed for Lepidico's L-Max[®] process. Positive testwork results will allow Mt Cattlin to be considered as a potential concentrate feed source in the Phase 1 Plant Feasibility Study.

Trade-off studies between Lepidico's Phase 1 Plant Project planned for Sudbury versus locating an L-Max[®] plant near Mt Cattlin in Western Australia were undertaken during the quarter. The results strongly favour a strategically located plant in Sudbury with an operating cost benefit estimated at approximately US\$19 million per year after taking into account logistics costs for all reagents, concentrate feed and products. Operating costs in Australia could be reduced by foregoing various by-products, albeit with the loss of considerable revenue. Capital costs were also significantly lower for a Sudbury plant, in large part due to minimal infrastructure investment being required, there not being a requirement for the construction (or lease) of a sulphur burning acid plant and lower labour rates.

Separation Rapids Lithium Project, Ontario, Canada³

As previously advised, Avalon and Lepidico entered into a non-binding letter of intent ("LOI") in February 2017 under which it is contemplated that Avalon would sell a minimum of 15,000 tonnes per annum of lepidolite concentrate – produced from its planned demonstration-scale pilot flotation plant – to Lepidico for processing at its planned Phase 1 commercial lithium carbonate plant in Sudbury. Avalon is currently undertaking metallurgical studies and preliminary engineering work on its Separation Rapids Lithium Project.

EXPLORATION

Moriarty Lithium Project, Western Australia⁴

The Moriarty Lithium Project includes approximately 15 km of strike of mafic-ultramafic rocks of the Norseman-Wiluna greenstone belt, situated 20 km south of the Mt Marion Lithium Mine (Figure 5).

The presence of notable lithium micas within the Moriarty pegmatites gives rise to the potential for lithium mica resources that would be ideally suited for processing with the Company's proprietary L-Max[®] technology.

² The Mt Cattlin operations are 100% owned and operated by Galaxy Resources Limited (ASX: GXY) ("Galaxy"), which holds a 11.8% equity interest in Lepidico Ltd.

³ Lepidico announced on 6 February 2017 that it had entered into a Letter of Intent with Avalon Advanced Materials Inc. (TSX: AVL and OTCQX: AVLNF) ("Avalon") for an integrated lepidolite mining and lithium carbonate production partnership based on Avalon's 100% owned Separation Rapids deposit and leveraging Lepidico's L-Max[®] technology.

⁴ Lepidico announced on 21 August 2017 that it had entered into a farm-in agreement to earn 75% of lithium rights for the Moriarty Lithium Project from Maximus Resources Ltd (ASX: MXR).

Field work at Moriarty commenced in the December 2017 quarter and included a soil geochemical sampling program over three areas prospective for lithium mica pegmatites, the Lefroy, Sherlock and West Larkinville prospects. Preliminary results are encouraging and sufficient for drill target identification purposes. Final results are expected in late January. A program of works (“PoW”) application was lodged with the Department of Mines Industry and Safety Regulation (“DMIRS”) designed to implement an initial drill program across the three prospects. Drilling is expected to commence during the March 2018 quarter, subject to approval of the PoW by the DMIRS.

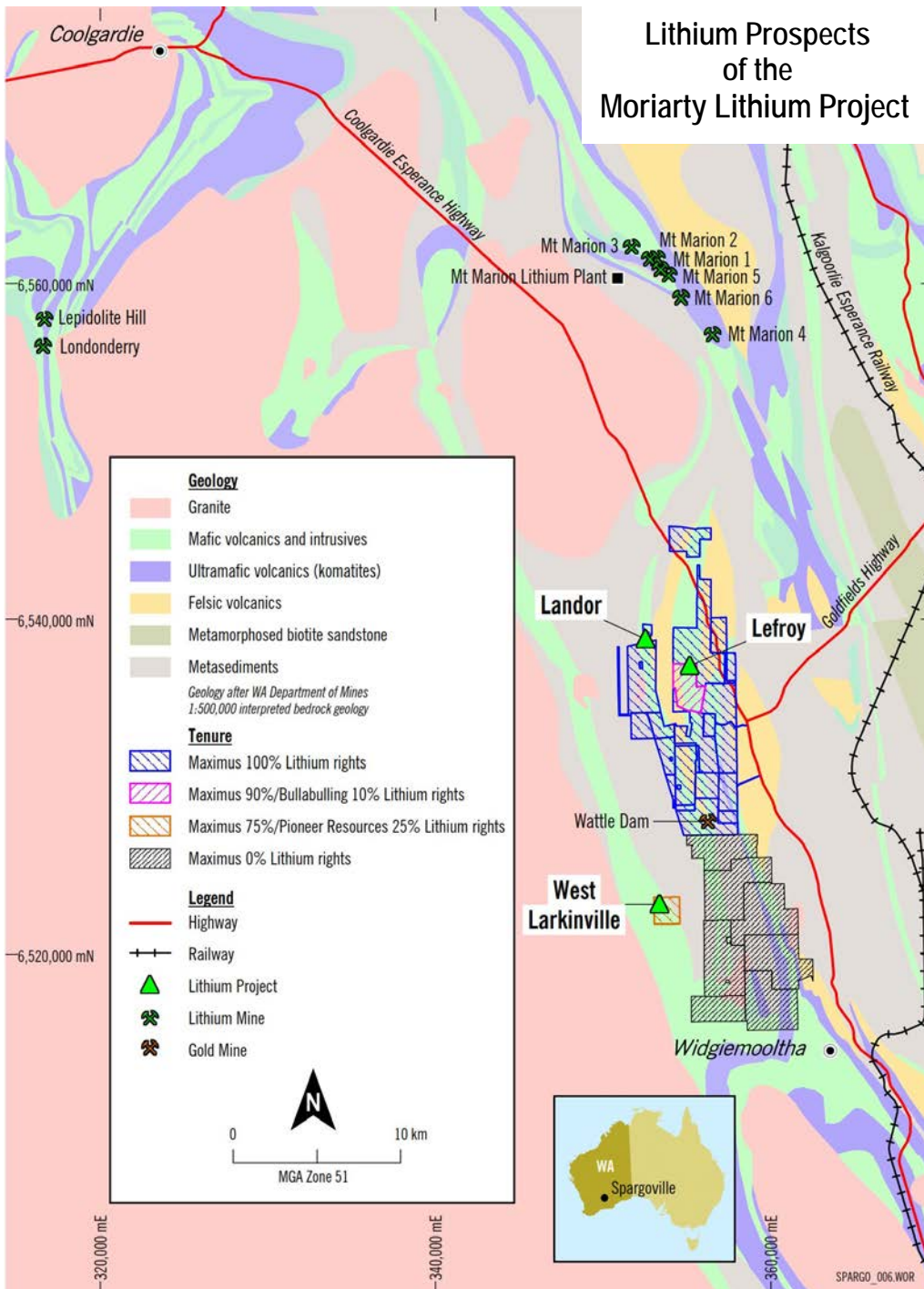


Figure 5. Moriarty Lithium Project, being the lithium rights held by Maximus Resources over the Spargoville Project (blue, pink and brown tenure). Lepidico is earning 75% of Maximus’s lithium rights. Maximus retains all gold and other metal rights.

PEG 9, Pioneer Dome, Norseman, Western Australia⁵

A Conservation Management Plan (CMP) for the Peg 9 area was approved by the Department of Biodiversity, Conservation and Attractions during the quarter. The CMP is now pending final approval by the DMIRS.

Lemare Spodumene Project, Quebec, Canada⁶

No work was completed at Lemare during the quarter under review. The Company and the owner, Critical Elements Corporation Inc, are preparing exploration programs as part of the next phase of work at Lemare, which is to be completed by 31 August 2018.

Other

The Gobbos Project, E45/3326, while prospective for copper mineralisation, is no longer a strategic fit for Lepidico and the Company divested its 51% interest in this project to a private buyer during the quarter.

The Euriowie exploration licence, EL 8468, in NSW was relinquished. Although amblygonite was present at several localities it was in insufficient quantities to constitute an economic deposit.

CORPORATE

As at 31 December 2017, Lepidico had cash of \$7.6 million and no debt.

Lepidico raised \$7.0 million during the quarter through a new strategic alliance with Galaxy Resources Ltd (ASX:GXY) and an Entitlement Offer to eligible shareholders. On 10 October 2017, the Company announced that one of the world's leading lithium mining companies, Galaxy Resources Limited, had subscribed for a 12 % private placement in Lepidico for approximately \$2.9 million, comprising 291.75 million shares at \$0.01 each.

In addition, the Company extended an opportunity to existing shareholders to participate on similar terms through a one for six renounceable entitlement offer at \$0.01 per share. The entitlement offer was heavily oversubscribed with valid applications for more than 800 million new shares being received under the offer, consisting of approximately 372.75 million as entitlements, representing 92% of the total eligible amount, raising approximately \$3.7 million and an additional 431.05 million as applications for any shortfall. The Company's Underwriter, CPS Capital ("CPS"), also received interest in more than \$10 million from new investors. The shortfall of \$0.3 million was placed by CPS and the excess application funds were returned to applicants.

The proceeds of the offer, along with those raised from the Galaxy private placement, provide a full funding solution for the Company's integrated Phase 1 L-Max[®] Plant Feasibility Study, as well as further advancing the Company's resource development and exploration activities.

⁵ Lepidico announced on 23 February 2017 that it had entered into a farm-in agreement to earn a 75% interest in the "PEG009" lepidolite prospect located within Pioneer Resources Ltd's (ASX: PIO) 100% owned Pioneer Dome project.

⁶ Lepidico announced on 17 August 2017 drill results from Lemare and revised terms for its farm-in agreement to earn a 75% interest in the Lemare spodumene project from 100% owner Critical Elements Corporation (TSX-V: CRE).

L-Max® Patents

The Company currently holds International Patent Application PCT/AU2015/000608 and a granted Australian Innovation Patent (2016101526) in relation to the L-Max® Process.

During the June 2017 quarter, the Company proceeded with the national and regional phase of patent applications in a number of jurisdictions in which L-Max® may operate in the future. This regional phase of the patent process is expected to continue into 2019.

By way of background, the Company submitted an international patent application for the L-Max® Process under the Patent Cooperation Treaty administered by the World Intellectual Property Organisation in October 2015. Australian Innovation Patent 2016101526 was filed as a divisional application of the international patent application for the L-Max® process. This process includes a rigorous 'preliminary' examination of the process described and claimed, based on internationally accepted criteria for patentability (the examination being conducted in this case by the Australian Patent Office as an International Searching & Examining Authority). As a result of this examination, it was acknowledged in the International Preliminary Report on Patentability that the L-Max® process as described and claimed in the international application was "novel, inventive, industry applicable and patentable".

On 8 February 2017, the L-Max® process (the subject of International Patent Application PCT/AU2015/000608), was granted a Certification Report of Innovation Patent (number 2016101526) in Australia. The conclusions of the International Preliminary Report on Patentability represent a guide for Patent Offices from which national and/or regional phase patent applications may proceed.

Two Non-Executive Directors Appointed

Subsequent to the quarter end the appointments of Ms Cynthia Thomas and Mr Brian Talbot as Non-Executive Directors of the Company were announced.

Ms Thomas joins the Board as an independent Non-Executive Director with over 30 years of banking and mine finance experience, and is currently the Principal of Conseil Advisory Services Inc. ("Conseil"), an independent financial advisory firm specialising in the natural resource industry which she founded in 2000. Prior to founding Conseil, Ms Thomas worked with Bank of Montreal, Scotiabank and ScotiaMcLeod in the corporate and investment banking divisions. Ms Thomas holds a Bachelor of Commerce degree from the University of Toronto and a Masters in Business Administration from the University of Western Ontario. Ms Thomas was formerly a Director of Polymet Mining Corp., KWG Resources Inc., Nautilus Minerals Inc. and is currently a Director and Chair of Victory Nickel Inc.

Mr Talbot joins the Board as a Non-Executive Director and shareholder representative of Galaxy Resources Ltd, which currently holds a 11.9% interest in the Company. Mr Talbot is the General Manager of Galaxy's Mt Cattlin Operations and brings over 25 years' experience in both mine management and processing of lithium ores. He was most recently with Bikita Minerals in Zimbabwe, where he was instrumental in expanding plant throughput and increasing metallurgical recovery. Mr Talbot holds a Bachelor of Science in Chemical Engineering from the University of Witwatersrand, South Africa.

Further Information

For further information, please contact

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The information in this report that relates to Exploration Results is based on information compiled by Mr Tom Dukovic, who is an employee of the Company and a member of the Australian Institute of Geoscientists and who has sufficient experience relevant to the styles of mineralisation and the types of deposit under consideration, and to the activity that has been undertaken, to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves." Mr Dukovic consents to the inclusion in this report of information compiled by him in the form and context in which it appears.

CORPORATE INFORMATION

Board

Gary Johnson	Non-Executive Chairman
Joe Walsh	Managing Director
Tom Dukovic	Director Exploration
Mark Rodda	Non-Executive Director
Cynthia Thomas	Non-Executive Director
Brian Talbot	Non-Executive Director
Shontel Norgate	CFO & Joint Company Secretary
Alex Neuling	Joint Company Secretary

Registered & Principal Offices

Level 1, 254 Railway Parade, West Leederville, WA 6007, Australia

Level 1, Mosaic Building, 826 Ann Street, Fortitude Valley, QLD 4006, Australia

Level 7, 1235 Bay Street, Toronto, Ontario, M5R 3K4, Canada

Stock Exchange Listings

Australian Securities Exchange (Ticker LPD)

Frankfurt Stock Exchange (Ticker AUB)

Forward Shareholder Enquiries to

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Telephone +61 (0) 8 9315 2333

Email registrar@securitytransfer.com.au

Website www.securitytransfer.com.au

Issued Share Capital

As at 31 December 2017, issued capital was 2,880,020,897

As at 24 January 2018, issued capital was 2,880,020,897

Quarterly Share Price Activity

	High	Low	Close
October – December 2017	7.4c	1.1c	5.9c

TENEMENT INFORMATION (Listing Rule 5.3.3)

The below table of interests in tenements held by the Company and its controlled entities is provided in accordance with ASX Listing Rule 5.3.3.

AUSTRALIAN OPERATIONS

Farm-in Agreements

Project/ Tenement ID	Registered Holder	Lepidico Interest in tenement	Expiry Date	Area
PEG 009 (part E63/1669) Norseman, WA	Pioneer Resources Limited	Earning 75% of Peg 9 prospect only	13 April 2020	2 sub-blocks
Moriarty Lithium Project Kambalda, WA		Earning 75% of MXR lithium rights		
P15/5545 M15/1475, M15/1101, M15/1263, M15/1264, M15/1323, M15/1338, M15/1474, M15/1769, M15/1770, M15/1771, M15/1772, M15/1773, M15/1774, M15/1775, M15/1776	Maximus Resources Ltd Maximus Resources Ltd & Tychean Resources Ltd	MXR 100% MXR 100%	Various.	Various
M15/1448	Maximus Resources Ltd, Tychean Resources Ltd & Bullabulling Pty Ltd	MXR 90%		
M15/1449, P15/5912	Maximus Resources Ltd, Tychean Resources Ltd & Pioneer Resources Ltd	MXR 75%		

CANADIAN OPERATIONS

Farm-in Option Agreement with Critical Elements Corporation (TSX-V:CRE); Company earning up to 75%

NTS Sheet	Claim Number	Expiry date	Area (ha)	NTS Sheet	Claim Number	Expiry date	Area (ha)
32011	CDC-2139598	11 Dec 2017	53.37	32011	CDC-2160114	8 June 2018	53.34
32011	CDC-2139599	11 Dec 2017	53.37	32011	CDC-2160120	8 June 2018	7.84
32011	CDC-2139600	11 Dec 2017	53.37	32011	CDC-2160123	8 June 2018	1.82
32012	CDC-2139618	11 Dec 2017	53.37	32011	CDC-2160124	8 June 2018	28.94
32012	CDC-2139619	11 Dec 2017	53.37	32011	CDC-2160125	8 June 2018	52.68
32012	CDC-2139620	11 Dec 2017	53.37	32011	CDC-2160126	8 June 2018	53.33
32012	CDC-101661	12 Dec 2017	0.1	32011	CDC-2160600	10 June 2018	1.06
32012	CDC-101662	12 Dec 2017	12.11	32011	CDC-2160601	10 June 2018	11.49
32012	CDC-101663	12 Dec 2017	32.33	32011	CDC-2160602	10 June 2018	44.51
32012	CDC-101667	12 Dec 2017	5.47	32011	CDC-2160603	10 June 2018	53.32
32012	CDC-103376	12 Dec 2017	2.13	32011	CDC-2160604	10 June 2018	53.32
32011	CDC-103379	12 Dec 2017	9.32	32011	CDC-2160605	10 June 2018	53.32
32011	CDC-103381	12 Dec 2017	53.34	32011	CDC-2160606	10 June 2018	53.32
32011	CDC-103382	12 Dec 2017	53.34	32014	CDC-2160610	10 June 2018	53.31
32012	CDC-2141610	23 Jan 2018	53.41	32014	CDC-2160611	10 June 2018	53.31
32012	CDC-2141611	23 Jan 2018	53.41	32014	CDC-2160612	10 June 2018	53.31
32012	CDC-2142017	23 Jan 2018	53.41	32014	CDC-2160613	10 June 2018	44.51
32014	CDC-2002394	8 March 2018	53.31	32014	CDC-2160614	10 June 2018	44.71
32014	CDC-2003026	21 March 2018	53.31	32014	CDC-2160615	10 June 2018	44.91

NTS Sheet	Claim Number	Expiry date	Area (ha)
32014	CDC-2003027	21 March 2018	53.31
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32014	CDC-2003035	21 March 2018	53.3
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32014	CDC-2003055	21 March 2018	44.42
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32011	CDC-2004630	30 March 2018	53.32
32011	CDC-2004631	30 March 2018	53.32
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32011	CDC-2234284	17 May 2018	53.38
32012	CDC-2158840	4 June 2018	50.41
32014	CDC-2160050	8 June 2018	44.33
32014	CDC-2160051	8 June 2018	44.24
32014	CDC-2160052	8 June 2018	46.67
32014	CDC-2160053	8 June 2018	30.08
32014	CDC-2160057	8 June 2018	53.27
32014	CDC-2160058	8 June 2018	20.03
32014	CDC-2160065	8 June 2018	53.26
32014	CDC-2160066	8 June 2018	9.99
32011	CDC-2160090	8 June 2018	53.37
32011	CDC-2160097	8 June 2018	53.36
32011	CDC-2160098	8 June 2018	53.36
32011	CDC-2160099	8 June 2018	53.36
32011	CDC-2160104	8 June 2018	53.35
32011	CDC-2160105	8 June 2018	53.35

NTS Sheet	Claim Number	Expiry date	Area (ha)
32014	CDC-2160616	10 June 2018	45.11
32014	CDC-2160617	10 June 2018	45.3
32014	CDC-2160618	10 June 2018	45.48
32014	CDC-2160619	10 June 2018	47.67
32014	CDC-2160621	10 June 2018	14.23
32014	CDC-2160625	10 June 2018	14.48
32014	CDC-2160626	10 June 2018	23.64
32014	CDC-2099284	3 July 2019	53.31
32014	CDC-2099285	3 July 2019	53.31
32014	CDC-2099286	3 July 2019	53.31
32014	CDC-2099289	3 July 2019	53.3
32014	CDC-2099290	3 July 2019	53.3
32014	CDC-2099291	3 July 2019	53.3
32014	CDC-2099292	3 July 2019	53.3
32014	CDC-2099293	3 July 2019	53.3
32014	CDC-2099294	3 July 2019	53.29
32014	CDC-2099295	3 July 2019	53.29
32014	CDC-2099296	3 July 2019	53.29
32014	CDC-2099297	3 July 2019	53.29
32014	CDC-2099298	3 July 2019	53.29
32014	CDC-2099299	3 July 2019	53.29
32014	CDC-2099300	3 July 2019	53.28
32014	CDC-2099301	3 July 2019	53.28
32014	CDC-2099302	3 July 2019	53.28
32014	CDC-2099303	3 July 2019	53.28
32014	CDC-2099304	3 July 2019	53.28
32014	CDC-2099305	3 July 2019	53.28
32014	CDC-2099306	3 July 2019	53.28
32014	CDC-2099307	3 July 2019	53.27
32014	CDC-2099308	3 July 2019	53.27
32014	CDC-2099309	3 July 2019	53.27
32014	CDC-2099310	3 July 2019	53.27
32014	CDC-2099311	3 July 2019	53.27
32014	CDC-2099312	3 July 2019	53.27
32014	CDC-2099313	3 July 2019	53.27
32014	CDC-2099314	3 July 2019	53.27
32012	CDC-2107873	18 July 2019	53.39
32012	CDC-2107875	18 July 2019	53.39
32012	CDC-2107877	18 July 2019	53.39
32012	CDC-2107881	18 July 2019	53.38
32012	CDC-2107883	18 July 2019	53.38
32012	CDC-2107885	18 July 2019	53.38
32012	CDC-2107887	18 July 2019	53.38
32012	CDC-2107890	18 July 2019	53.38
32012	CDC-2107894	18 July 2019	37.89
32012	CDC-2107895	18 July 2019	52.67
32012	CDC-2308539	18 Aug 2019	53.4
32012	CDC-2308540	18 Aug 2019	53.39
32012	CDC-2308541	18 Aug 2019	53.39
32012	CDC-2119927	30 Aug 2019	53.4
32012	CDC-2119929	30 Aug 2019	53.39
32012	CDC-2119930	30 Aug 2019	53.39
32014	CDC-2120984	11 Sept 2019	53.29
32014	CDC-2120989	11 Sept 2019	53.28
32014	CDC-2121343	13 Sept 2019	53.3
32014	CDC-2121344	13 Sept 2019	53.3

NTS Sheet	Claim Number	Expiry date	Area (ha)
32011	CDC-2160110	8 June 2018	13.87
32011	CDC-2160111	8 June 2018	45.73
32011	CDC-2160112	8 June 2018	53.34
32011	CDC-2160113	8 June 2018	53.34

NTS Sheet	Claim Number	Expiry date	Area (ha)
32014	CDC-2121346	13 Sept 2019	53.29
32014	CDC-2121347	13 Sept 2019	53.29
32012	CDC-2317957	13 Oct 2019	25.01
32012	CDC-2317958	13 Oct 2019	45.15
158			7433.55

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Lepidico Ltd

ABN

99 008 894 442

Quarter ended ("current quarter")

31 December 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	89
1.2 Payments for		
(a) exploration & evaluation	(405)	(1,056)
(b) development	(478)	(795)
(c) production		
(d) staff costs	(185)	(416)
(e) administration and corporate costs	(909)	(1,390)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	16	25
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	468	468
1.8 Other (Takeover Defence)	-	(18)
1.9 Net cash from / (used in) operating activities	(1,493)	(3,093)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(3)	(3)
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

Mining exploration entity and oil and gas exploration entity quarterly report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	110	110
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	107	107

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	7,080	7,080
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	643	643
3.4	Transaction costs related to issues of shares, convertible notes or options	(491)	(491)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	7,232	7,232

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,707	3,307
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,493)	(3,093)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	107	107
4.4	Net cash from / (used in) financing activities (item 3.10 above)	7,232	7,232
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	7,553	7,553

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	7,553	1,707
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	7,553	1,707

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	297
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Salaries	94,000
Directors Fees	38,000
Payments to Director Related Entities (Development)	165,000

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

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Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

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9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	347
9.2 Development	845
9.3 Production	-
9.4 Staff costs (includes exploration and evaluation)	390
9.5 Administration and corporate costs	410
9.6 Other	
9.7 Total estimated cash outflows	1,992

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	Euriowie (EL 8468) Broken Hill, NSW	Owned	100%	0%
	Gobbos (E45/3326), East Pilbara, WA	Earning up to 75%	51%	0%
10.2 Interests in mining tenements and petroleum tenements acquired or increased				

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:


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(Director/Company secretary)

Date: 24 January 2018

Print name: Shontel Norgate

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.