ASX/Media Announcement
11 September 2018

Multiple lithium mica pegmatites confirmed by drilling at Youanmi

- **Lepidico confirms multiple lepidolite mineralised pegmatites through drilling at the Youanmi Lepidolite Project**
- **Target 1 hosts a 4 – 5 m thick lepidolite-bearing pegmatite 250 m in strike and open in all directions**
- **Target 2 returned a pegmatite intercept of 9 m @ 20% lepidolite**
- **Follow up drilling program planned prior to end of field season**

Lepidico Ltd (ASX:LPD) ("Lepidico" or "Company") is pleased to announce that it has completed its maiden reverse circulation ("RC") drilling program at the Youanmi Lepidolite Project located in the Murchison District in Western Australia, approximately 570 km NE of Perth.

Drilling has confirmed the presence of multiple lepidolite-bearing pegmatites within three separate targets in the northern half of E57/983 (Figure 1).

Highlights include a 4 m - 5 m thick pegmatite extending for over 250 m along strike at the Target 1 area (Figures 2 - 4), and a 9 m pegmatite intercept grading approximately 20% lepidolite at the Target 2 area (Figure 5).

A follow up program is being planned for implementation following receipt of assay results to collect additional information on this extensive lepidolite field prior to the onset of summer and the end of the current field season.

As announced on 26 July 2018, Lepidico reached agreement with Venus Metals Corporation Limited (ASX:VMC) ("Venus") on terms under which Lepidico can earn an 80% interest in the lithium rights over exploration licence E57/983. Venus is free carried to a decision to mine.

The program comprised 38 holes for a total of 936 metres of RC drilling (Table 1). Assay results are expected in late September.

Drilling concentrated on the initial three targets outlined during a reconnaissance field trip by Lepidico staff in early August over a 2 km portion of the northern half of E57/983. The balance of the northern half (2 km strike) as well as the entire southern half of the tenement (an additional 4 km of strike) is yet to be evaluated for lepidolite mineralisation.

As reported on 31 August 2018, the reconnaissance work found evidence of lepidolite-bearing pegmatites at each target area with lepidolite content in rock chips ranging from 5% to 35% and commensurate Li_2O contents of 0.25% to 1.7%.

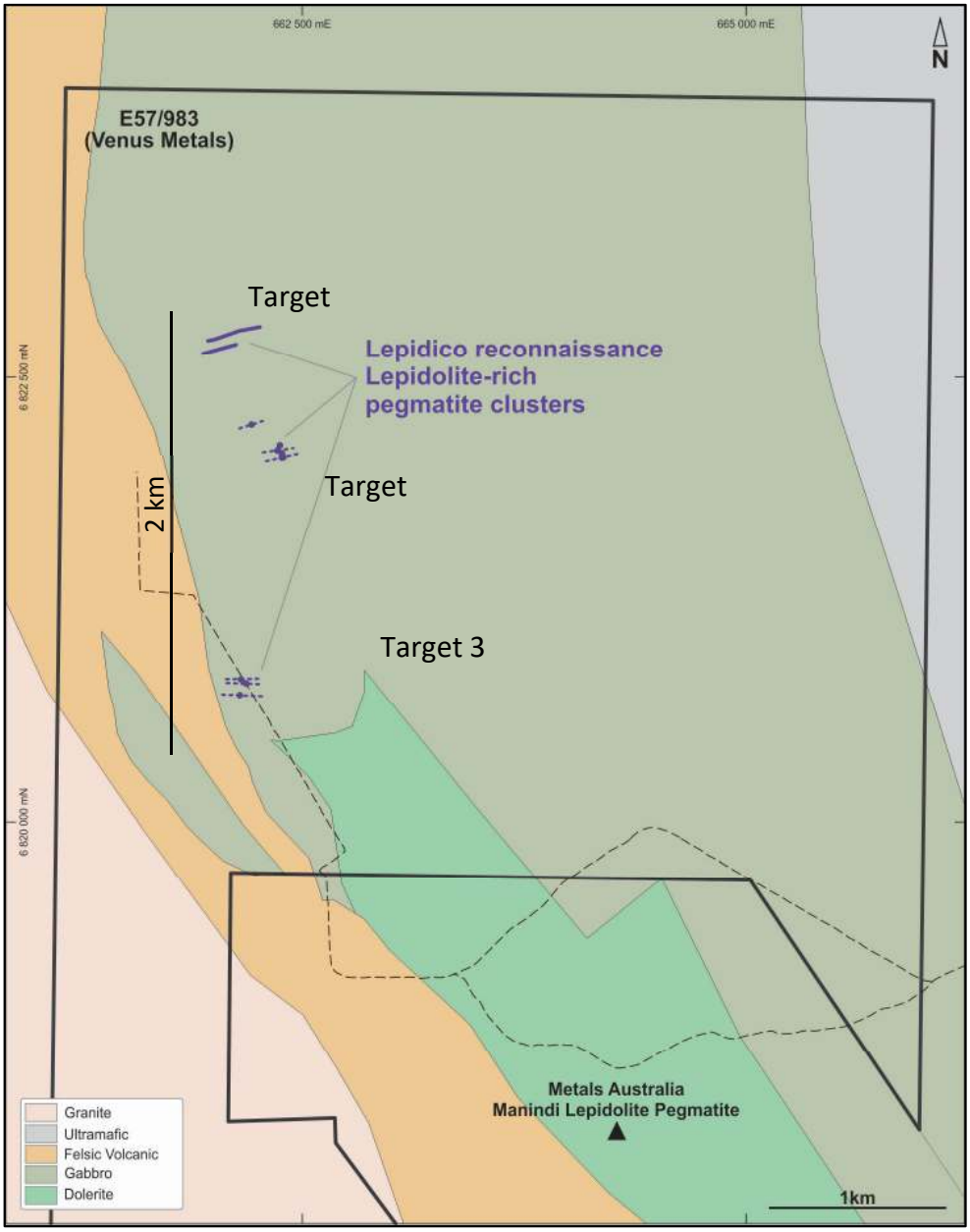

Figure 1. *Three initial targets drilled tested by the current program. The presence of lepidolite-bearing pegmatites over the balance of the 4 km strike in the northern half of E57/983 as well as the southern half (not shown) is yet to be evaluated.*

Drilling intercepted numerous lepidolite-bearing pegmatites with best results stemming from the Target 1 area, which hosts a pegmatite of simple geometry, 4m to 5m thick, dipping at 45 degrees to the north and striking approximately E-W. This pegmatite has been intercepted over a 250 m strike, to at least 40 m down dip, averages 15%-20% lepidolite, and remains open in all directions (Figures 2 - 4).

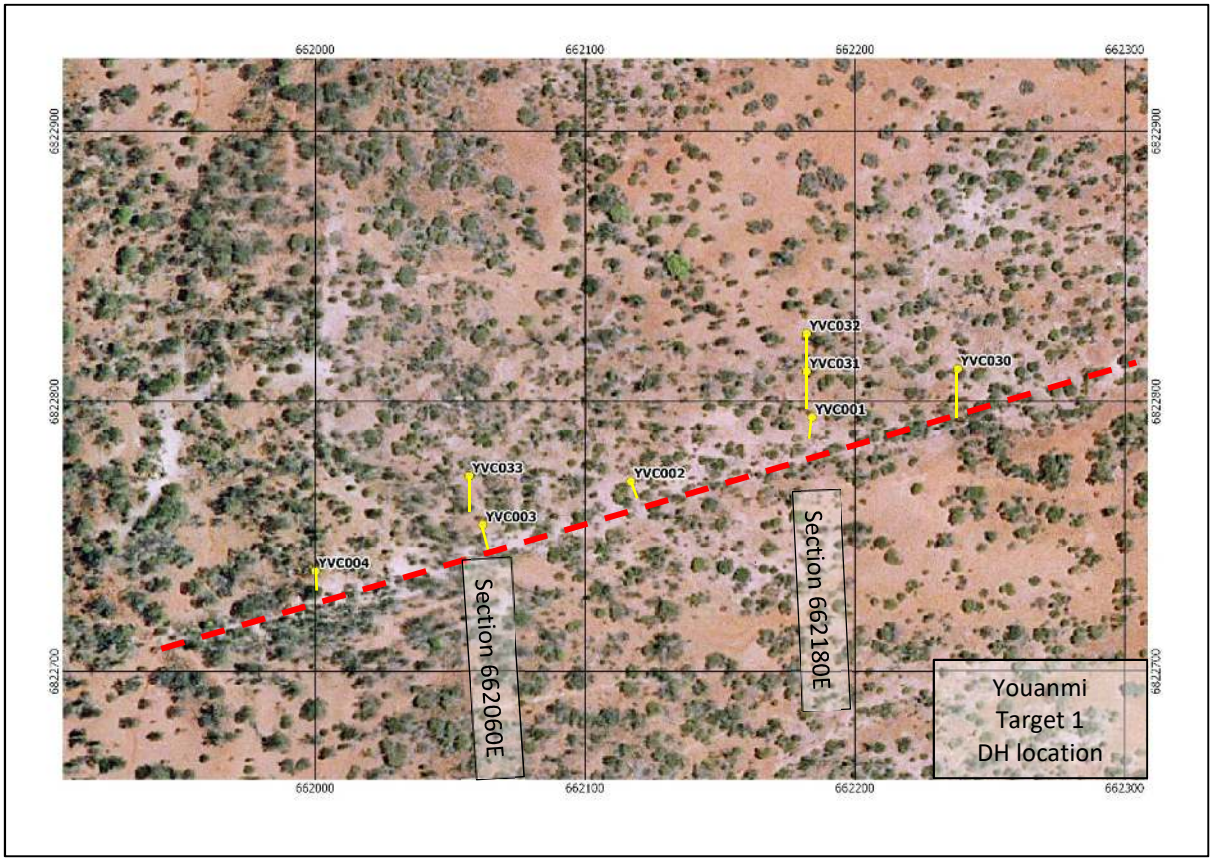

Figure 2. *Target 1 drill hole location. Each of the eight holes intersected lepidolite-bearing pegmatite. Dashed line indicates trend of the 4m-5m thick pegmatite. Sections, as marked, presented in Figures 3 and 4.*

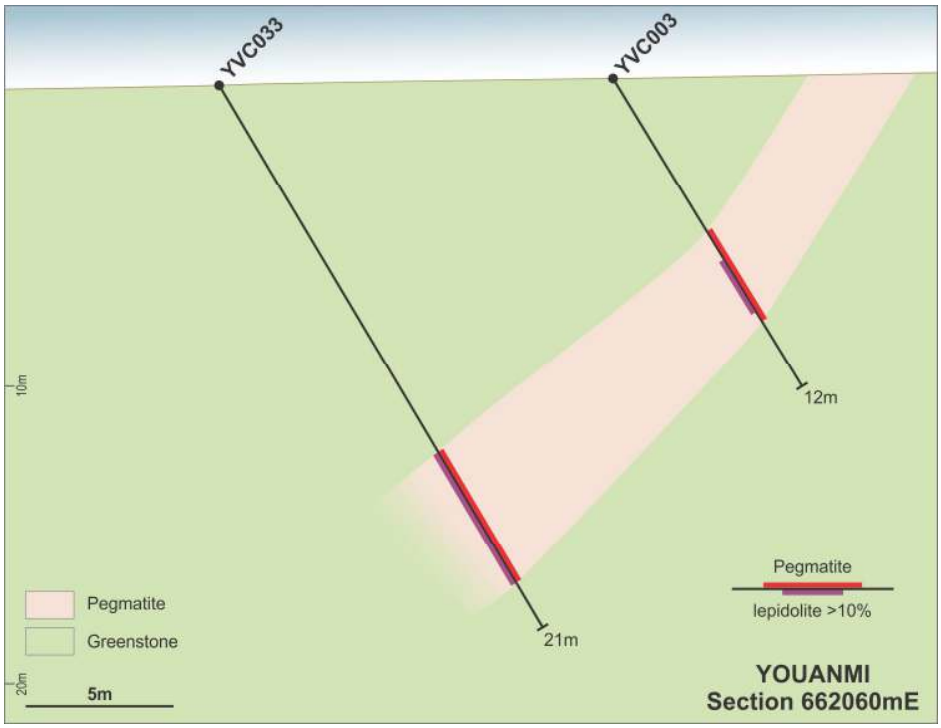

Figure 3. *Target 1, draft cross section at 662060 mE showing 3m – 6m thick lepidolite pegmatite open 25 m down dip. Lepidolite in hole YVC003, 3m @ 8%; hole 033, 5m @ 20%.*

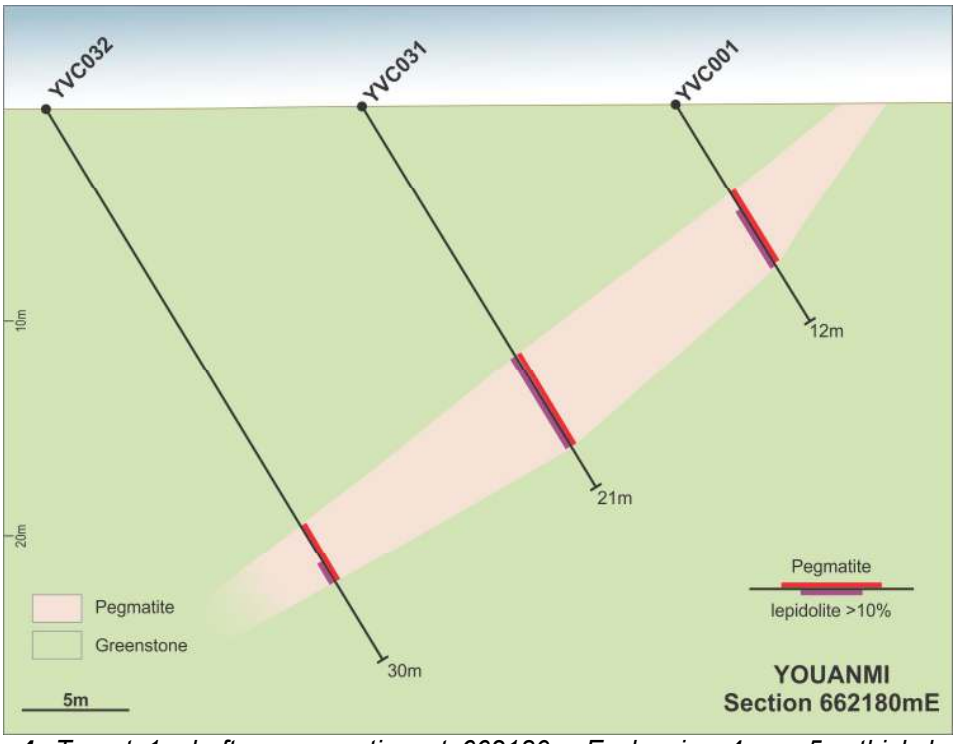

Figure 4. *Target 1, draft cross section at 662180 mE showing 4m – 5m thick lepidolite pegmatite open 40m down dip. Lepidolite in hole YVC001, 4 m @ 15%; hole 031, 5 m @ 15%; hole 032, 3 m @ 3% + 1 m @40%.*

Target 2 contains a complex of thin pegmatites of varying orientations over a 200 m x 100 m area. This area returned a thick intercept of 9 m @ 10%-30% lepidolite from a complex array of multiple pegmatites. This area requires further information to properly interpret it's prospectivity.

Figure 5. *Target 2, 12 m-thick lepidolite-rich pegmatite intersection returned by hole YVC022 with a high-grade core zone of 9 m @ 10%-30% lepidolite (shown).*

Target 3 is marked by dispersed surface indications, over an area of 300 m x 200 m, of sub-cropping lepidolite pegmatites which drilling shows to be 1 m - 3 m thick with lepidolite contents from 2% to 10%. This area is provisionally interpreted as a transition zone, from muscovite-dominant pegmatites in the south to lepidolite-bearing pegmatites to the north.

In each case, prospectivity will be better understood on receipt of assays, which are expected in late September.

Lepidico is encouraged by the indications of extensive lepidolite mineralisation at Youanmi that have been confirmed within a short period of time and which validate the Company's focus on this region as a potential source of lithium mica feedstock for its planned Phase 1 L-Max® Plant processing facility.

Further Information
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Figure 6. *Reverse circulation drill rig operating at the Youanmi Lepidolite Project, September 2018.*

Table 1. Youanmi (E57/983) RC drilling hole information

Hole	Northing (m)	Easting (m)	RL (masl)	Depth (m)	Dip	Azim
YVC001	6822794	662184	500	12	-60	185
YVC002	6822770	662117	500	18	-60	155
YVC003	6822754	662062	500	12	-60	165
YVC004	6822737	662000	500	12	-60	178
YVC005	6820714	662239	500	30	-60	160
YVC006	6820734	662226	500	36	-60	160
YVC007	6820751	662216	500	48	-60	160
YVC008	6820803	662191	500	48	-60	150
YVC009	6820821	662178	500	42	-60	150
YVC010	6820848	662165	500	48	-60	150
YVC011	6820898	662135	500	48	-60	150
YVC012	6820914	662124	500	48	-60	150
YVC013	6820936	662113	500	42	-60	150
YVC014	6820963	662100	500	30	-60	150
YVC015	6822065	662486	500	30	-60	200
YVC016	6822054	662482	500	17	-60	200
YVC017	6822079	662440	500	14	-60	180
YVC018	6822097	662438	500	18	-60	180
YVC019	6822045	662404	500	19	-60	180
YVC020	6822079	662401	500	24	-60	180
YVC021	6822070	662402	500	12	-60	180
YVC022	6822057	662401	500	18	-60	360
YVC023	6822023	662401	500	54	-60	360
YVC024	6822082	662401	500	15	-60	360
YVC025	6822104	662396	500	11	-60	360
YVC026	6822096	662357	500	10	-60	360
YVC027	6822093	662398	500	6	-60	180
YVC028	6822062	662441	500	10	-60	360
YVC029	6822036	662470	500	18	-60	360
YVC030	6822812	662238	500	24	-60	180
YVC031	6822811	662182	500	21	-60	180
YVC032	6822825	662182	500	30	-60	180
YVC033	6822772	662057	500	21	-60	175
YVC034	6820736	662149	500	18	-60	160
YVC035	6820686	662180	500	18	-60	160
YVC036	6820646	662203	500	18	-60	160
YVC037	6820772	662122	500	12	-60	160
YVC038	6820748	662155	500	24	-60	230

Notes:

1. *Coordinates based on MGA94 50S, located using handheld GPS*
2. *RL taken as nominal 500 metres above sea level*
3. *Dip and azimuth measured by handheld compass*

The information in this report that relates to Exploration Results is based on information compiled by Mr Tom Dukovcic, 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 Dukovcic consents to the inclusion in this report of information compiled by him in the form and context in which it appears.

About Lepidico Ltd

Lepidico Ltd is an ASX-listed Company focused on exploration, development and production of lithium. Lepidico owns the technology to a metallurgical process that has successfully produced lithium carbonate from non-conventional sources, specifically lithium-rich mica minerals including lepidolite and zinnwaldite. The L-Max® Process has the potential to complement the lithium market by adding competitive low-cost lithium supply from alternative sources. The Company is currently conducting a Feasibility Study for a Phase 1 L-Max® plant, targeting production in 2020. Feed for the planned Phase 1 Plant is proposed to be sourced from the Alvarrões Lepidolite Mine in Portugal under an ore access agreement with owner-operator Grupo Mota. Lepidico has delineated a JORC Code-compliant Inferred Mineral Resource estimate of 1.5 Mt grading 1.1% Li_2O (see ASX announcement of 7 December 2017). More recently Lepidico has added S-Max™ to its technology base, which can produce marketable quality amorphous silicas at low cost versus existing industry processes.

Lepidico has a strategic alliance with Galaxy Resources Limited (ASX:GXY, which holds a 12% interest in LPD) based on a shared vision for the significant global opportunity provided by the commercialisation of L-Max®. With its strong industry contacts and relationships in the lithium industry, Galaxy will assist Lepidico with future business and growth opportunities, that include the evaluation and potential synergies with its Mt Cattlin Mine and James Bay Project.

APPENDIX 1. JORC Code (2012) Table 1 Report: Reverse Circulation Drilling, Youanmi Lepidolite Project, August – September 2018.

Section 1: Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*	Reverse Circulation (RC) percussion drill chips collected through a cyclone at 1m intervals down the hole and laid on ground. Scoop used to collect 1m samples through pegmatite intercepts, and selected samples of host rock, of 2kg - 3kg weight.
	Include reference to measures taken to ensure sample representativeness and the appropriate calibration of any measurement tools or systems used.	Samples were kept dry; when compositing, equal portions taken from each sample pile to produce representative composite sample.
	Aspects of the determination of mineralisation that are Material to the Public Report.	Samples were sent to ALS laboratories in Perth for sample prep, with analysis for a multi-element suite by ALS method ME-MS89L (sodium peroxide fusion and ICP-MS finish).
	In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	The drilling program was designed to test a series of outcropping lepidolite-bearing pegmatites to gauge the presence and continuity of lepidolite mineralisation at depth.
Drilling techniques	*Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	All holes were completed by the reverse circulation (RC) drilling method. A 4.5" face sampling hammer was used to a maximum depth of 54 m.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	Samples were visually inspected for recovery with any sample differing from the norm noted in the logs.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	Samples were kept dry.
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	Sample recovery was adequate for the drilling technique with no sample bias occurring.
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	Chip samples were geologically logged on a 1m interval by the geologist on site overseeing the drill program. A small sample of each metre was washed, collected and archived in chip trays.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	Logging recorded abundance and type of minerals, veining, alteration, mineralisation, colour, weathering and rock types using a standardised logging system.
	The total length and percentage of the relevant intersections logged.	All holes were logged over their entire length.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	Not applicable, no core drilling was conducted.
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	All chip samples were dry and collected using a scoop. Equal portions were taken from each sample pile to produce representative samples.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	Samples were sent to ALS Minerals laboratories in Perth where the entire sample was crushed, >70% -6mm fraction, then pulverised to 85% passing 75 microns or better.
	Quality control procedures adopted for all sub-sampling stages to maximise representativeness of samples.	RC drilling maximising sample size for each metre interval is considered appropriate for representativeness of samples.

	Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.	Sampling technique and size is considered appropriate for this early stage drilling program.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	The larger sample size of RC drilling is considered appropriate for the style of mineralisation and material being sampled.
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	Samples were sent to ALS laboratories, with analysis of a multi-element suite (Ag, As, Ba, Be, Bi, Ca, Cd, Ce, Co, Cs, Cu, Dy, Er, Eu, Fe, Ga, Gd, Ge, Ho, In, K, La, Li, Lu, Mn, Mo, Nb, Nd, Ni, Pb, Pr, Rb, Re, Sb, Se, Sm, Sn, Sr, Ta, Tb, Th, Ti, Tl, Tm, U, V, W, Y, Yb, Zn) by sodium peroxide fusion (ME-MS89L ICP-MS).
	For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	Not applicable, no instruments used.
	Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	No standards or field duplicates were used in this initial phase of drilling.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	A minimum of 2 company geologists have verified significant intersections.
	The use of twinned holes.	No twinned holes were drilled and are not considered necessary for this early stage if drilling.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Drill hole data and geological logs were recorded on paper in the field then entered into digital format before being uploaded to the company's server hosted database.
	Discuss any adjustment to assay data.	There has been no adjustment to assay data.
Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	Drill hole coordinates were determined using a handheld GPS.
	Specification of the grid system used.	MGA94 50S
	Quality and adequacy of topographic control.	RL determined using handheld GPS
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	Thirty-eight drill holes (YVC001-YVC038) were spaced on nominal 60 m sections and otherwise as determined by the site geologist.
	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	The drilling is first-pass in nature and not at a stage where a Mineral Resource estimation is appropriate.
	Whether sample compositing has been applied.	One metre samples were collected though pegmatite intervals. The host rock was sampled as and when deemed anomalous by the site geologist.
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	The holes were drilled on nominally N-S orientation and essentially perpendicular to the target anomalies. The drill orientation is considered appropriate for the early stage of drilling and the target type.
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	No sampling bias is considered to have been introduced.
Sample security	• *The measures taken to ensure sample security.*	The samples were bagged and securely transported by company personnel to the ALS laboratory in Perth.

Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	No audits or reviews were conducted for this sampling program.

Section 2: Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*	Exploration is contained to E57/983 located in the Murchison District in Western Australia, approximately 20 km southwest of the historical Youanmi gold mine. The tenement is owned by Venus Metals Corporation Limited. Lepidico Ltd is earning an 80% interest in the lithium rights within the tenement, with Venus is free-carried to decision to mine. There is no Native Title claim over the area. A Program of Works was approved by DMIRS in August 2018.
	• *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	Tenure is secure with no known impediments other than as detailed immediately above.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	Exploration was conducted by Lepidico Ltd staff and contractors.
Geology	• *Deposit type, geological setting and style of mineralisation.*	LCT-type pegmatites within Archean greenstones of the east Murchison distict.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*	Refer to Table 1 of the report.
	○ *easting and northing of the drill hole collar*	Refer to Table 1 of the report.
	○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar*	Refer to Table 1 of the report.
	○ *dip and azimuth of the hole*	Refer to Table 1 of the report.
	○ *down hole length and interception depth*	Refer to Table 1 of the report.
	○ *hole length.*	Refer to Table 1 of the report.
	• *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	N/A
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.*	N/A
	• *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.*	N/A
	• *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	N/A
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.*	Mineralised widths are approximately equal to downhole intercepts.

	• *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.*	Pegmatite orientations are mostly dipping towards drill holes at approximately 45 degrees and thus intercept widths are reasonably close to true widths.
	• *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	As above.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	Refer to figures in the report.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	Reporting is only of relevant pegmatite intercepts as logged by the site geologist. Assay results are not yet to hand.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	Reporting is only of relevant pegmatite intercepts as logged by the site geologist. Assay results are not yet to hand.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*	Future work includes additional drilling, mapping, and geochemical survey of the balance of the area for additional LCT-type anomalism, and subsequent drilling of anomalies if warranted.
	• *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	N/A

The information in this report that relates to Exploration Results is based on information compiled by Mr Tom Dukovcic, 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 Dukovcic consents to the inclusion in this report of information compiled by him in the form and context in which it appears.

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