

L-Max[®] Pilot Plant Development Commenced

- **Development work for the L-Max[®] pilot plant has commenced and a Construction Manager appointed**
- **The pilot facility will be built and operated in Perth, Western Australia and a suitable commercial property has been secured**
- **Plant commissioning is on schedule to commence in April 2019 with production the following month**
- **Pilot Plant operations will provide significant quantities of materials to further develop the quality and value of the L-Max[®] product suite, and allow prospective offtake/finance parties to conduct comprehensive due diligence**

Lepidico Ltd (ASX:LPD) (“Lepidico” or “Company”) is pleased to announce that metallurgical consultancy, Strategic Metallurgy Pty Ltd (“Strategic Metallurgy”) has commenced development activities for the L-Max[®] pilot plant. The 15 kilogram per hour research and development facility is on schedule for commissioning to commence in April 2019, with production starting the following month.

The pilot plant will be built and operated in Perth, Western Australia. Strategic Metallurgy has secured suitable commercial premises for the plant close to local support services. The Construction Manager has commenced work under contract.

Manufacture of the steel skids to house the L-Max[®] mechanical equipment, along with the placing of orders for long lead items are on the project critical path. Perth based mining and mineral processing engineering consultancy, Wilshaw, has been commissioned to design and construct the plant skids, which are due for delivery in December 2018. An order schedule for the nine equipment packages has been developed with orders to be placed for all major mechanical equipment by the end of October 2018.

Wherever practicable, processing equipment and the materials of construction will be selected to best reflect those intended for use in the Phase 1 L-Max[®] Plant, albeit at reduced scale. Final engineering for the Phase 1 Plant feasibility study remains on track for completion in December 2018.

The pilot plant capital cost is estimated to be A\$3 million with a further A\$1.5 million required for operation. The aggregate amount of A\$4.5 million is fully funded and falls within the cap (of approximately A\$9 million) placed on expenditures eligible for a research and development tax offset in Australia.

Concentrate feed for the pilot plant is planned to be sourced from the Alvarrões Lepidolite Mine in Portugal and one other deposit. A sample from the latter deposit has been assessed for its leach amenability with favourable results received. Further L-Max® amenability testwork on this sample is being conducted under confidentiality.

The pilot plant will provide material for further L-Max® product development work, in particular for: amorphous silica, SOP fertiliser, caesium brine and the evaluation of plant residue as an environmental remediation product. The considerable quantities of materials generated will enable further development work to enhance the quality and value of each product, and potentially allow new products to be identified. The lithium carbonate produced from the pilot plant is planned to be used to provide samples for testing by prospective customers. The pilot plant will also generate data for optimisation of Phase 1 Plant operating parameters.

Pilot plant commissioning is scheduled to coincide with completion of the Phase 1 Plant feasibility study, thereby allowing prospective offtake/finance partners the opportunity to conduct comprehensive due diligence from April 2019.

Further Information

For further information, please contact

Joe Walsh
Managing Director
Lepidico Ltd
+1 647 272 5347

Tom Dukovic
Director Exploration
Lepidico Ltd
+61 (0)8 9363 7800

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 low-cost lithium supply from alternative sources. The Company is currently conducting a Feasibility Study for a Phase 1 L-Max® plant, targeting commercial production for 2020. Feed to the planned Phase 1 Plant is planned 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 at Alvarrões of 1.5 Mt grading 1.1% Li₂O (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's current exploration assets include a farm-in agreements with Venus Metals Corporation Limited (ASX:VMC) over the lithium mineral rights at the Youanmi Lithium Project in Western Australia. Lepidico has also entered into a Letter of Intent with TSX listed Avalon Advanced Materials Inc. for planned lithium mica concentrate supply from its Separation Rapids Project in Ontario, Canada.

The information in this report that relates to Mineral Resources is based on information compiled by Mr Dean Carville, a full-time employee of AMC Consultants Pty Ltd. Mr Carville is a Member of the Australasian Institute of Mining and Metallurgy and 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 Carville consents to the inclusion in this report of information compiled by him in the form and context in which it appears.

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.