

ASX / MEDIA ANNOUNCEMENT



7 December 2020

Strategic collaboration with Cornish Lithium

- **Lepidico and Cornish Lithium have established a strategic collaboration to commercialise the L-Max[®] and LOH-Max[®] technologies on zinnwaldite and polyolithionite mica mineralisations**
- **Cornish Lithium has acquired a process technology licence, including a pilot plant design package and certain technical plant data for the consideration of C\$4 million**
- **Lepidico will provide technical support for the fast tracking of an L-Max[®] and LOH-Max[®] pilot plant to be built in Cornwall for processing lithium mineralisation from the St Austell granite**

Lepidico Ltd (ASX:LPD) ("Lepidico" or "Company") is pleased to announce that it has entered into a strategic collaboration with Cornish Lithium Ltd ("CLL"), a UK registered private company pioneering the development of lithium mica deposits within the large St Austell granite complex in Cornwall, UK. The collaboration will focus on fast tracking the development of a new lithium chemical manufacturing centre with industry leading environmental and social attributes, using Lepidico's suite of eco-technologies and the geothermal energy potential in the Cornwall region.

Lepidico has granted CLL an exclusive technology licence covering approximately 93km² of the St Austell granite region. The technologies include the proprietary L-Max[®], LOH-Max[®] and caesium-rubidium manufacturing processes, which provide excellent environmental attributes versus conventional process technology. The technology suite allows lithium mica minerals to be converted into a range of fine alkali metal chemicals including nominal battery grade lithium hydroxide, without the requirement for energy intensive roasting and calcination, and without production of potentially problematic sodium sulphate.

In recognition of the collaboration to pioneer Lepidico's technologies on zinnwaldite and polyolithionite mineralisations several one-off special terms were included in the licence; including, up to a 15 year royalty holiday, a concessionary royalty rate of 1.5% of gross revenue from all chemical conversion plant products and geographic exclusivity over the St Austell granite. The consideration for the licence and technology data package was C\$4 million. In addition, Lepidico will issue CLL 100 million options to acquire fully paid ordinary shares with a two year expiry and a strike price of A\$0.016, a 100% premium to Lepidico's last closing price.

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Lepidico's Managing Director, Joe Walsh said, "We are thrilled to be working with the Cornish Lithium team to commercialise our eco-technologies into the processing of a broader suite of lithium mica minerals. This region of Cornwall is ideal for generation of geothermal power which coupled with the benefits of our technologies should allow for the production of some of the lowest environmental impact chemical products in the industry. This collaboration provides a second pathway, along with Lepidico's Phase 1 Project, for the commercialisation of L-Max® and LOH-Max®. Furthermore, Lepidico has booked its first material revenue with this transaction, underscoring the potential for the Company to develop a significant technology business unit."

Cornish Lithium's CEO, Jeremy Wrathall said, "We are delighted that we have purchased a licence from Lepidico that enables Cornish Lithium to fast track its Trelavour Project to commercial production of high purity lithium chemicals for the UK battery industry. As part of our due diligence a sample of nominal battery grade lithium hydroxide was produced from Trelavour lithium micas using the L-Max® and LOH-Max® processes. We look forward to active collaboration with Lepidico and to optimise their proprietary processes for zinnwaldite and polyolithionite micas in Cornwall. Importantly, the Lepidico's technologies are in keeping with Cornish Lithium's desire to produce lithium in an environmentally friendly, low carbon manner, given their ability to directly leach lithium bearing mica minerals at atmospheric pressure and moderate temperature."

Further Information

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About Lepidico Ltd

Lepidico Ltd is an ASX-listed Company focused on exploration, development and production of lithium chemicals. 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 carbonate supply from alternative sources. More recently Lepidico has added LOH-Max® to its technology base, which produces lithium hydroxide from lithium sulphate without by-product sodium sulphate. The Company has completed a Definitive Feasibility Study for a nominal 5,000 tonne per annum Lithium Carbonate Equivalent (LCE) capacity Phase 1 lithium chemical plant, targeting commercial production for 2023. The Project incorporate the Company's proprietary L-Max® and LOH-Max® technologies into the chemical conversion plant design. Feed to the Phase 1 Plant is planned to be sourced from the Karibib Project in Namibia, 80% owned by Lepidico where a predominantly Measured and Indicated Mineral Resource of 11.24 Mt grading 0.43% Li₂O, (including Measured Resources of 2.20 Mt @ 0.57% Li₂O, Indicated Resources of 6.66 Mt @ 0.38% Li₂O and Inferred Resources of 2.37 Mt @ 0.43%, at a 0.15% Li₂O cut-off) is estimated. (ASX announcement of 30 January 2020). Ore Reserves total 6.72 Mt @ 0.46% Li₂O, 2.26% rubidium, 2.02% potassium and 320ppm caesium (ASX announcement of 28 May 2020).

About Cornish Lithium

Cornish Lithium is a highly innovative mineral exploration and development company focused on the environmentally sustainable extraction of lithium from geothermal brines waters and hard-rock in the historic mining district of Cornwall, UK. The company has secured agreements with the owners of mineral rights over a large area of the County and is using modern technology to re-evaluate the region's potential for low carbon extraction of for lithium and other vital technology metals such as tin, copper and cobalt. A secure domestic supply of such metals is considered vital to the industrial strategy of the UK as it moves towards the production of electric vehicles.

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.