

**Form 605**  
Corporations Act 2001  
Section 671B

**Notice of ceasing to be a substantial holder**

To Company Name/Scheme      Lepidico Ltd

ACN/ARSN                              008 894 442

**1. Details of substantial holder(1)**

Name                                      Parkway Minerals NL

ACN/ARSN (if applicable)        147 346 334

The holder ceased to be a substantial holder on      28/03/2017

The previous notice was given to the company on    29/06/2016

The previous notice was dated                            29/06/2016

**2. Changes in relevant interests**

Particulars of each change in, or change in the nature of, a relevant interest (2) of the substantial holder or an associate (3) in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

| Date of change | Person whose relevant interest changed | Nature of change (4)                                                                       | Consideration given in relation to change(5)                                                                                          | Class (6) and number of securities affected | Person's votes affected |
|----------------|----------------------------------------|--------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|-------------------------|
| 28/03/2017     | Parkway Minerals NL                    | Acceptance of pre-bid agreement with Lithium Australia NL. Agreement annexed as Annexure A | Consideration to be offered under the proposed takeover bid is 1 share in Lithium Australia NL for every 13.25 shares in Lepidico Ltd | 96,977,330                                  | 5.61%                   |
|                |                                        |                                                                                            |                                                                                                                                       |                                             |                         |

**3. Changes in association**

The persons who have become associates (3) of, ceased to be associates of, or have changed the nature of their association (7) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

| Name and ACN/ARSN (if applicable) | Nature of association |
|-----------------------------------|-----------------------|
|                                   |                       |
|                                   |                       |

**4. Addresses**

The addresses of persons named in this form are as follows:

| Name                 | Address                                        |
|----------------------|------------------------------------------------|
| Parkway Minerals NL  | Level 1, 675 Murray Street, West Perth WA 6005 |
| Lithium Australia NL | Level 1, 675 Murray Street, West Perth WA 6005 |

**Signature**

print name Patrick McManus

capacity Managing Director

sign here



date 27/04/2017

**DIRECTIONS**

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 4 of the form.
- (2) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (3) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (4) Include details of:
  - (a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
  - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (5) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
- (6) The voting shares of a company constitute one class unless divided into separate classes.
- (7) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.

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**3 February 2017 9am**

Parkway Minerals NL  
 PO Box 1088  
 West Perth WA 6008

Attention: Mr Patrick McManus

Dear Sir

**LEPIDICO LIMITED**

Lithium Australia NL (LIT) believes a strong business rationale exists to combine the businesses of LIT and Lepidico Limited (LPD). LIT has sought engagement with LPD to pursue a merger by scheme of arrangement. Failing that, LIT is considering making an off-market takeover offer for LPD.

LIT understands that Parkway Minerals (PWN) is the holder of a parcel of 96,977,330 shares in Lepidico. (PWN Shares).

LIT is interested in entering into a pre-bid agreement with PWN, whereby PWN will by executing this document in the space provided below, agree to accept LIT's off-market takeover offer for LPD on the following basis:

- a. The Offer price will be no less than 1 LIT fully paid ordinary share for each 13.25 LPD fully paid ordinary shares.
- b. The Offer will include conditions to be set out in the Bidders Statement which will include:
  - i. no 'prescribed occurrences' occurring in relation to LPD;
  - ii. no material adverse change occurring in relation to LPD;
  - iii. LIT's share price on ASX not falling by 20% or greater after the date of the Offer; and
  - iv. LPD's share price on ASX not falling by 40% or greater after the date of the Offer.
- c. PWN will deliver a signed acceptance form (as set out in the Bidders Statement) in respect of the PWN Shares, to LIT within 10 days after the date of the Offer.
- d. PWN shall be entitled not to accept the Offer and may elect to terminate this agreement by written notice to LIT if no later than 10 days after the date of the Offer another party makes an unconditional offer to acquire at least 50.1% of the ordinary fully paid shares in LPD which offer values LPD shares at a premium of not less than 11% of the Offer price based on the LIT 10 day volume weighted average price for shares traded on ASX prior to the date the superior offer is made (and if that offer includes scrip consideration based on the value of that scrip over the same period).
- e. PWN agrees to a holding lock being applied to the PWN Shares until the earlier to occur of:
  - i. completion of the Offer; or
  - ii. 3 April 2017 if the Offer is not made on or before that date; or
  - iii. termination of this agreement by the parties, or by PWN under d or f.

LIT will use its best endeavours to complete the Bidder's Statement as soon as possible.

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- f. If, but for this agreement, PWN would be entitled to withdraw its acceptance under s650E of the Corporations Act 2001 (Cth), then PWN may withdraw its acceptance of the Offer and elect to terminate this agreement by written notice to LIT.

If PWN agrees to accept LIT's offer on the terms outlined above in consideration of LIT agreeing to make the takeover bid on or before 3 April 2017 please countersign this letter where indicated and return it to me no later than 2pm Perth Australia time, 3 February 2017. A request of a holding lock to be applied to the PWN Shares will then be made.

If you require any further information, please call me.

Yours faithfully,  
**LITHIUM AUSTRALIA NL**



**Mr George Bauk**  
**CHAIRMAN**

I, Mr Patrick McManus, Director of Parkway Minerals NL, accept the offer based on the terms and conditions as listed above.



**Mr Patrick McManus,**  
**Parkway Minerals NL**