

Lithium Australia share price moves on Lepidico settlement

Lithium Australia's (ASX: LIT) ("LIT") share price surged 14% when markets opened Tuesday morning after numerous positive developments were reported. The company broke the news over the weekend that the ongoing litigation with its soon-to-be subsidiary Lepidico had ended, as expected in mutual agreement. The share price was also bumped following the raising of \$4.3m by an IPO in which LIT has two-million shares, as well as agreements providing equity in six promising lithium-ore projects throughout Quebec.

The end of the legal proceedings represents the clearing of the road for Lithium Australia; they now have the go-ahead to fully realise their proprietary Sileach processing technology that is central to the company's mission. Lepidico has agreed that the 100% Lithium Australia owned proprietary Sileach process is not an improvement, enhancement or modification of the L-Max process, registered to Lepidico subsidiary Li-Technology Pty Ltd.

Regarding the settlement, CEO, Adrian Griffin had this to say,

"We are pleased with the outcome which allows Lithium Australia to pursue its strategy of building a global lithium business without unnecessary distractions or legal impediments. We can now continue with the business of delivering further positive results for our shareholders."

The technology is set to revolutionise lithium recovery from hard-rock sources. Sileach is designed to be a single effective process to extract metals from absolutely any silicate. It's really no wonder Griffin was eager to get settled and get on with commercialising a product that can dramatically lower energy requirements, and in turn cost.

Spodumene is the most common hard-rock lithium ore, and when conventionally processed, must be roasted in order for refinement to be possible. As is any heat generating technique, the whole affair is incredibly costly, and LIT committed to finding a better way. The challenge was to break the bonds in the silicate lattice in order to get at the lithium encased within, and the team quickly discovered that they could successfully recover lithium, entirely chemically, from every sample.

Due to the high efficacy of its processes, Lithium Australia is able to produce battery-grade lithium carbonate. The company already has a commercialisation agreement in place and is soon to process spodumene concentrates from the Pilgangoora Lithium-Tantalum Project in Western Australia's resource-rich Pilbara region. The spodumene concentrates can now be used in mobile phone batteries and such, all without the previous need for large quantities of energy.

Lithium Australia earlier this month launched a A\$23.8-million off-market script bid for Lepidico, offering one of its own shares for every 13.25 Lepidico shares. The move was CEO Adrian Griffin's way of verifying their ownership of the Sileach technology and creating one of the world's largest Lithium holdings under one roof. The companies are now a one-stop-shop for chemical based Lithium processing, as Lepidico also have their own limited processing technology known as L-Max, a method for which new owners Lithium Australia also have license to use.

These days, although most lithium prospectors are driving the development of proprietary technologies as a way of obtaining an edge in an ever-more crowded marketplace, not everyone is doing a great job, or even showing positive results. It's always nice to see a company that "gets stuff done;" it inspires a lot of investor confidence. Post-merger, Lithium Australia will boast a controlling position in a group of companies rapidly becoming one of the world's most

accomplished lithium producers. In a year in which a myriad of innovative solutions will be showcased, the way really is clear for the long-awaited Sileach process to show us what it can really do.