



2<sup>nd</sup> February 2012

Companies Announcements Office  
ASX Limited  
20 Bridge Street  
Sydney NSW 2000

## LITHIUM PROJECT SOUTH AMERICA

The Board of Leopard Resources NL (ASX: LRR, “**Leopard**” or “**the Company**”) wishes to advise the following:

The Company, through its appointed representatives, has negotiated an agreement to acquire an advanced stage lithium project located in South America. The terms of the proposed transaction are yet to be finalised, but, in principle, agreement has been reached between the parties.

The global lithium market is dominated by producers in Chile, Argentina and Australia, with lithium having applications for pharmaceutical and battery technologies. The automotive sector is a rapidly expanding market with the development of hybrid battery powered vehicles. Lithium is commercially produced by two methods, one through mining and processing and the other more economical and significant method through evaporation of lithium – containing brine ponds or salt flats.

This type of lithium production is based on the chemical reaction between the purified solutions of lithium chloride with a saturated solution of soda ash, which generates a precipitate lithium carbonate. The current owner has plans to start up operations producing 1,000 tons of lithium carbonate annually, subject to the required funding being provided.

The location and full details of the project will be released following completion and execution of the appropriate documentation and will be subject to regulatory and shareholder approval.

Further, the Company wishes to thank John Geary for his service to the Company as he resigns from the Board. The Company anticipates the appointment of three new Directors shortly to strengthen the Board of Directors.

The Company anticipates completing a placement of up to \$2,000,000 to fund the due diligence process and general working capital.

Yours faithfully

**DAMON SWEENEY**  
Company Secretary