

Appia Signs MOU to Option Elliot Lake Property

written by Raj Shah | May 15, 2024

May 15, 2024 ([Source](#)) – Appia Rare Earths & Uranium Corp. (CSE: API) (OTCQX: APAAF) (FSE: A0I0) (MUN: A0I0) (BER: A0I0) (the “Company” or “Appia”) announced today that it has signed a non-binding memorandum of understanding (“MOU”) with 15997356 Canada Inc. (the “Purchaser”) to option up to a 100% working interest in the Company’s Elliot Lake Uranium Project (“Elliot Lake”) located in Elliot Lake Ontario (the “Transaction”).

The Transaction is subject to the parties entering into a Definitive Agreement setting out the terms and conditions for the Transaction. The Purchaser can earn a 51% interest in Elliot Lake by paying \$25 million (the “Initial Cash Consideration”) to Appia by October 31, 2024 (the “Closing Date of Stage One”). The Transaction is conditional upon the Purchaser providing a financing commitment to Appia on or before July 9, 2024, failing which Appia can terminate the Transaction. The Purchaser has the right to assign the MOU to another private or public company.

If the Purchaser pays the Initial Cash Consideration to Appia by October 31, 2024, the Purchaser will hold a 51% interest in Elliot Lake and the parties will form a joint venture with the purchaser holding a 51% interest and Appia holding a 49% interest in Elliot Lake. The Purchaser will then have 36 months to obtain a bankable feasibility study with respect to the development of Elliot Lake. If the bankable feasibility study is not delivered within 36 months of the Closing Date of Stage One, the Purchaser will have the right to take an additional 12 months to complete the bankable feasibility study by paying Appia \$5 million (the “Joint Venture Commencement Date”). The

Purchaser will be responsible to make all expenditures relating to the bankable feasibility study. Upon the delivery of a bankable feasibility study, the Purchaser can earn the remaining 49% interest in Elliot Lake by paying \$50 million to Appia. Appia will retain up to a 2% Uranium Production Payment Royalty and up to a 2% Net Smelter Returns Royalty in Elliot Lake, subject to the existing royalties on the Elliot Lake property.

If the Purchaser has not delivered the bankable feasibility study by the Joint Venture Commencement Date, the Purchaser and Appia will proceed with the joint venture with the Purchaser having the obligation to make the first \$15 million in expenditures at Elliot Lake to maintain its 51% interest. Thereafter, the parties will contribute pro rata to the further exploration and development of Elliot Lake subject to the standard terms of a joint venture pursuant to which the parties will be diluted pro rata for failure to make the required contributions to the joint venture. If the Purchaser fails to make the first \$15 million in expenditures within 24 months following the Joint Venture Commencement Date, it will immediately be reduced to a 33 1/3% interest in Elliot Lake with Appia's interest being increased to a 66 2/3% interest. Appia will then become the operator under the joint venture agreement for the further exploration and development of Elliot Lake.

The Transaction is subject to satisfactory completion of due diligence, the execution of a definitive agreement and the fulfilment of certain conditions precedent as are customary for a transaction of this nature including regulatory approval.

About Appia Rare Earths & Uranium Corp.

Appia is a publicly traded Canadian company in the rare earth element and uranium sectors. The Company holds the right to acquire up to a 70% interest in the PCH Ionic Adsorption Clay

Project (See June 9th, 2023 Press Release – Click [HERE](#)) which is 40,963.18 ha. in size and located within the Goiás State of Brazil. (See January 11th, 2024 Press Release – [Click HERE](#)) The Company is also focusing on delineating high-grade critical rare earth elements and gallium on the Alces Lake property, and exploring for high-grade uranium in the prolific Athabasca Basin on its Otherside, Loranger, North Wollaston, and Eastside properties. The Company holds the surface rights to exploration for 94,982.39 hectares (234,706.59 acres) in Saskatchewan. The Company also has a 100% interest in 13,008 hectares (32,143 acres), with rare earth elements and uranium deposits over five mineralized zones in the Elliot Lake Camp, Ontario.

Appia has 136.3 million common shares outstanding, 145 million shares fully diluted.

Cautionary note regarding forward-looking statements: This News Release contains forward-looking statements which are typically preceded by, followed by or including the words “believes”, “expects”, “anticipates”, “estimates”, “intends”, “plans” or similar expressions. Forward-looking statements are not a guarantee of future performance as they involve risks, uncertainties and assumptions. We do not intend and do not assume any obligation to update these forward-looking statements and shareholders are cautioned not to put undue reliance on such statements.

Neither the Canadian Securities Exchange nor its Market Regulator (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.

For more information, visit www.appiareu.com.

As part of our ongoing effort to keep investors, interested

parties and stakeholders updated, we have several communication portals. If you have any questions online ([X](#), [Facebook](#), [LinkedIn](#)) please feel free to send direct messages.

To book a one-on-one 30-minute Zoom video call, please [click here](#).

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