Critical Elements Lithium Corporation signs impact and benefit Agreement with the Cree Nation of Eastmain, the Grand Council of the Crees (Eeyou Istchee) and the Cree Nation Government: A road map for a mutually beneficial development of the Rose Lithium-Tantalum Project

written by Raj Shah | July 8, 2019

July 8, 2019 (Source) – Critical Elements Lithium Corporation (the "**Corporation**" or "**Critical Elements**") (TSX-V: CRE) (US OTCQX: CRECF) (FSE: F12) is pleased to announce that the Cree Nation of Eastmain, the Grand Council of the Crees (Eeyou Istchee), the Cree Nation Government and the Corporation have signed an impact and benefit agreement, referred to as the Pikhuutaau Agreement (the "**Pikhuutaau Agreement**"), concerning the development and operation of the Rose Lithium-Tantalum Project ("**Rose Lithium-Tantalum Project**" or the "**Project**") in Eeyou Istchee.

The Pikhuutaau Agreement is a binding agreement that will govern the long-term working relationship between the parties while respecting Cree traditional activities and ensuring the

promotion of Cree economic and social development based on mutual trust and respect during all phases of the Project through a sustainable development approach. It provides for training, employment and business opportunities for the Crees and particularly the Crees of Eastmain at the Project, as well as for the cooperation and involvement of the Cree parties with Critical Elements in the environmental monitoring during all phases of the Project. The Pikhuutaau Agreement also ensures financial benefits for the Cree parties on a long term basis, consistent with the Cree Nation Mining Policy and with Critical Elements' approach to develop the Project while ensuring the promotion of Cree economic and social development in a mutually beneficial manner.

"We are very proud of this agreement, which is the first impact and benefit agreement signed with the Cree Nation of Eastmain regarding a mining project, and we are grateful to all members of the Cree Nation of Eastmain and the Cree Nation as a whole for their support towards the further development of the Rose-Lithium-Tantalum Project. It has always been a high priority of the Corporation to collaborate with local communities and the Pikhuutaau Agreement provides a road map for all parties to make this project a mutually beneficial success," stated Jean-Sébastien Lavallée, CEO of Critical Elements.

"The Pikhuutaau Agreement embodies the partnership that the Crees have forged with Critical Elements. This partnership will endure because it was built on trust and respect. It is another vibrant example of how the Crees can strike the right balance between protection of our traditional way of life and environment and our growing need to participate in the modern economy. The Pikhuutaau Agreement will further allow for the active participation of the Cree in the economic development of Eeyou Istchee," stated Grand Chief Dr Abel Bosum of the Grand Council of the Crees (Eeyou Istchee) and of the Cree Nation

Government.

“The signing of the Pikhuutaau Agreement marks the beginning of an important partnership that will allow for the development of the community through joint effort and cooperation. This Agreement constitutes an important step forward by ensuring us, the Cree Nation of Eastmain, to have an active voice in the decision-making process. Future generations will continue to benefit from this Agreement as well as from the employment and business opportunities it will bring,” stated Chief Kenneth Cheezo of the Cree Nation of Eastmain.

Critical Elements, the Cree Nation of Eastmain, the Grand Council of the Crees (Eeyou Istchee) and the Cree Nation Government are planning to hold an official signing ceremony in the Cree community of Eastmain to celebrate this significant milestone in the fostering of their long-term relationship. Details about this ceremony will be communicated at a later date.

Jean-Sébastien Lavallée (OGQ #773), geologist, shareholder and Chairman and Chief Executive Officer of the Corporation and a Qualified Person under NI 43-101, has reviewed and approved the technical content of this release.

About Critical Elements Lithium Corporation

The Company recently released a financial analysis for Critical Elements’ wholly-owned Rose Lithium Tantalum project (Rose Lithium-Tantalum project feasibility study, WSP, November 29, 2017), which is based on price forecasts of US $750/tonne for chemical-grade lithium concentrate (5% Li2O), US $1,500/tonne for technical-grade lithium concentrate (6% Li2O) and US $130/kg for Ta2O5 in tantalite concentrate, and an exchange rate of US $0.75/CA $. The internal rate of return (“IRR”) for the Rose Lithium-Tantalum project is estimated at 34.9% after tax, and

net present value (“NPV”) is estimated at CA $726 million at an 8% discount rate. The estimated payback period is 2.8 years. The pre-tax IRR for the Rose Lithium-Tantalum Project is estimated at 48.2% and the pre-tax NPV at CA $1,257 million at an 8% discount rate (see press release dated September 6, 2017). The financial analysis is based on the Indicated mineral resource. An Indicated mineral resource is that part of a mineral resource for which quantity, grade or quality, densities, shape and physical characteristics can be estimated with a level of confidence sufficient to allow the appropriate application of technical and economic parameters, to support mine planning and evaluation of the economic viability of the deposit. The life-of-mine (LOM) plan provides for the extraction of 26.8 million tonnes of ore, 182.4 million tonnes of waste, and 11.0 million tonnes of overburden for a total of 220.2 million tonnes of material. The average stripping ratio is 7.2 tonnes per tonne of ore. The nominal production rate is estimated at 4,600 tonnes per day, with 350 operating days per year. The open pit mining schedule allows for a 17-year mine life. The mine will produce a total of 26.8 million tonnes of ore grading an average of 0.85% Li2O and 133 ppm Ta2O5, including dilution. The mill will process 1.61 million tonnes of ore per year to produce an annual average of 236,532 tonnes of technical and chemical-grade spodumene concentrate and 429 tonnes of tantalite concentrate.

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