Elcora and Gold Lion finalize agreement to begin exploitation of a Manganese Mining License in Morocco

written by Raj Shah | September 21, 2022

September 21, 2022 (Source) – ELCORA ADVANCED MATERIALS CORP. (TSX.V:ERA | Frankfurt:ELM | OTCQB – ECORF), (the "**Company**" or "**Elcora**"), announced today that it has signed a Mineral Option Agreement effective September 19, 2022 with Gold Lion Resources Inc. ("**Gold Lion**"), to start exploitation on its Manganese mining research license in Morocco.

Upon execution of the Option Agreement, Gold Lion has acquired a 25% interest in the Manganese License by making a cash payment of $75,000 (including any amounts previously paid by Gold Lion as a deposit) and by issuing an aggregate of 5,000,000 common shares of Gold Lion (each, a "**Share**"), at a deemed price of $0.05 per Share, representing an aggregate value of $250,000 for the Shares. The Shares were issued pursuant to available prospectus exemptions and will be subject to a hold period of four month and one day from the date of issuance pursuant to applicable securities laws.

The Manganese research mining license in Morocco (the "**Property**") is held by Ermazon SARL ("**Ermazon**"), a wholly owned subsidiary of Elcora. Elcora will use the proceeds from the transaction to initiate the ore production on the Manganese concession once the Exploitation license has been granted.

Gold Lion has the option to: (1) acquire a further 15% interest in the License (for a total interest of 40%) by making a cash of

payment of $125,000 within five business days of receiving notice that Ermazon has secured the exploitation license of the Manganese concession; and (2) acquire a further 10% interest in the License (for a total interest of 50%) by making an additional cash payment of $50,000 within 15 business days of receiving notice of anticipated commencement of commercial production on the License.

Pursuant to the Option Agreement, Ermazon will operate and manage the mining of the ore from the License for a fee equal to 20% of the pre-tax profits generated from such mining; Ermazon will manage the processing and refining of the ore mined from the License for a fee equal to 20% of the pre-tax profits generated by such processing and refining; Ermazon and Gold Lion will share the net profit from the License on an ownership pro rata basis; and Ermazon and Gold Lion will share on an ownership pro rata basis, the additional capital expenditures required to develop the License and for processing and refining.

The Manganese site is a former French mine that was in operation for decades, therefore Elcora will leverage on-site infrastructure, facilities and up to 600 tonnes of raw ore ready for processing. Furthermore, this development and exploration project will determine whether an open pit or underground mining operation will be used in the future.

Manganese represents a critical link in the lithium-ion battery supply chain. Electrolytic Manganese dioxide (EMD) is an upgraded form of Manganese that serves as a key ingredient of lithium-ion, alkaline and zinc-Manganese batteries.

Manganese is used, among other things, to produce batteries for EVs and other renewable energy applications such as electricity grid storage batteries. Its status as a battery metal is expected to propel its demand in the wake of what experts

predict will be a widespread transition to EVs driven by lofty climate policy goals and zero-emission targets.

Europe’s energy crisis will propel the demand for (EV) electric vehicles that can serve as a back-up battery or utility storage bank. Batteries are necessary to fast forward electromobility, they store green energy, and can ensure that critical European infrastructure runs smoothly.

Morocco’s proximity to Europe is a significant benefit that will support the European battery manufacturing infrastructure that is largely dependent on critical raw material imports, notably Vanadium, Copper, Lead and Manganese.

Troy Grant, Elcora CEO commented “Elcora is pleased to work with Gold Lion to develop the Manganese site. Manganese is a critical metal used in the EV battery industry and is an important piece of our strategy to supply the increasing global demand for Manganese, Vanadium, Lead and Copper. We are looking forward to begin Manganese production during Q4 2022.”

About Elcora Advanced Materials Corp.

Elcora was founded in 2011 and has been structured to become a vertically integrated battery material company. Elcora can process, refine, and produce battery related minerals and metals. As part of the vertical integration strategy Elcora has developed a cost-effective process to purify high-quality battery metals and minerals that are commercially scalable. This combination means that Elcora has the tools and resources for vertical integration of the battery minerals and metals industry.

For further information please visit the company’s website at:

http://www.elcoracorp.com

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