Elcora applies for the Exploitation Licenses of its Vanadinite Concessions and Closes Private Placement

written by Raj Shah | October 19, 2022

October 19, 2022 (Source) – ELCORA ADVANCED MATERIALS CORP. (TSX.V:ERA | Frankfurt:ELM | OTC – ECORF), (the "Company" or "Elcora"), is pleased to announce that it has closed its private placement after having obtained conditional approval from the TSX Venture Exchange on October 18, 2022 pursuant to a price reservation Form 4A filed with the TSX Venture Exchange on October 1, 2022, and a subsequent Form 4B filed on October 11, 2022. The Company issued 14,040,000 units at a price of $0.05 per Unit for gross proceeds of $702,0000.

The Company intends to use the Placement net proceeds for general working capital purposes with the objective to initiate the ore production on the Vanadinite (Vanadium and Lead) concessions as soon as the Exploitation licenses have been granted. As of October 11, 2022, V2O5 Vanadium Pentoxide Flake 98% Price was USD$7.20/lb, Ferro Vanadium 80% Price was USD$30.75/kg (www.vanadiumprice.com) and LME Lead Official Cash Price was USD$2095.00/ton (www.lme.com).

Elcora through its wholly owned subsidiary Ermazon, has applied for the exploitation licenses of its seventeen Vanadinite concessions (total of 272 square kilometers) which will strengthen its ongoing strategy to supply the production of steel alloys; as catalyst for the chemical industry; in the making of ceramics, glasses, and pigments; and in the high-capacity Vanadium Redox Flow Batteries "VRFB" for large-scale

storage of electricity.

The battery segment has been an exciting area in Vanadium, as interest in energy storage continues to increase. VRFBs are a viable option for large-scale storage because they are able to provide hundreds of megawatt hours at grid scale.

Troy Grant, Elcora CEO commented, “Elcora focuses on near-term production of battery materials in geo-political safe jurisdictions with a proven team both in mining and processing. Elcora is pleased to start developing the first two of its 17 Vanadinite sites for which a NI43-101 Report is available. Vanadinite contains Vanadium which is a critical metal used in the high-capacity VRFBs and is an important piece of our strategy to supply the increasing global demand for both Vanadium and Manganese. Vanadium battery demand expectations are difficult to meet with issues of supply for the battery projects themselves being common, creating a large opportunity for Elcora. China and Russia are the main worldwide suppliers of Vanadium. The war in Ukraine caused increased uncertainty surrounding supply of Russian material, and the COVID lockdown in China also created immense supply Vanadium logistics challenges. We look forward to updating investors on our achievements and execution of our strategy to become a significant battery metals supplier.”

Terms of the Placement

The Company issued 14,040,000 units (“**Units**”) at a price of $0.05 per Unit for total gross proceeds of $702,0000 (the “**Offering**”).

Each Unit consists of one (1) common share and one (1) share purchase warrant (a “**Warrant**”). Each Warrant will be exercisable for an additional share at a price of $0.20 for a period of eighteen (18) months from issuance. In the event that the common

shares of the Company trade at a closing price of greater than $0.50 per Share for ten (10) consecutive trading days, the Company may accelerate the expiry date of the Warrants to expire on the 30th day after the date on which such notice is given to the warrant holders.

No finder's fees will be paid and no control person has been created with respect to this Offering.

One of the Company's Directors participated in the Offering and will acquire an aggregate of 3,600,000 Units. The participation by insiders in the Offering is considered to be a "related party transaction" as defined under Multilateral Instrument 61-101 ("MI 61- 101"). The transaction is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101, as neither the fair market value of the securities being issued nor the consideration being paid exceeds 25% of the Company's market capitalization.

The Company intends to use the net proceeds for general working capital purposes. All securities issued pursuant to the offering will be subject to a statutory hold period of four months plus a day from issuance in accordance with applicable securities laws. Closing of the Offering is subject to receipt of all necessary regulatory approvals and final acceptance by the TSX Venture Exchange.

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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CAUTIONARY STATEMENT:

The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release. Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release. No stock Exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein.

This News Release includes certain "forward-looking statements". All statements other than statements of historical fact, included in this release, including, without limitation, statements regarding potential mineralization and reserves, exploration results, and future plans and objectives of Elcora, are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from Elcora's expectations are exploration risks detailed herein and from time to time in the filings made by Elcora with securities regulators.

Investors are cautioned that, except as disclosed in the filing statement prepared in connection with the transaction, any information released or received with respect to the transaction may not be accurate or complete and should not be relied upon.