Hertz Energy Enters Option To Acquire Agastya Lithium Property In Quebec

written by Raj Shah | December 13, 2024

December 13, 2024 (Source) – Hertz Energy Inc. ("**Hertz**" or the "**Company**") (CSE: HZ; OTCQB: HZLIF; FSE: QE2) is pleased to announce the acquisition of the Agastya Lithium Property ("**Agastya Property**") comprised of 209 mineral claims covering approximately 10,650 hectares located in the Province of Québec through an arms-length option agreement (the "**Agreement**") dated December 9, 2024 between prospector Prospectus Capital Inc. (the "**Vendor**") and Canuck Lithium Corp. (the "**Buyer**"), a wholly-owned subsidiary of Hertz.

AGASTYA LITHIUM PROPERTY, JAMES BAY, QUEBEC

The Agastya Property consists of three non-contiguous claim blocks along the greenstone belt that hosts the Adina, Trieste, and Galinée properties. These adjacent properties are known for their significant LCT (Lithium-Cesium-Tantalum) pegmatite potential hosted within greenstone/ metasediment packages:

- **Winsome Resources – Adina Lithium Project:** One of the Top 3 largest lithium resources in North America with an Indicated Mineral Resource of 60.5 Mt at 1.14% LiO and Inferred Resource of 15.9 Mt at 1.17% LiO using a 0.5% LiO cut-off (*source:* NI 43-101 Technical Report on PEA and MRE for Adina Lithium Project authored by Synectiq Inc. with a report date of September 30, 2024 and filed under Winsome's SEDAR+ profile). Winsome also has an exclusive option to acquire the nearby Renard Operation, a fully

permitted, former diamond mine located 60 km south of Adina with a convertible processing facility for future lithium production.

- **Loyal Lithium – Trieste Lithium Project:** Discovery of six spodumene-bearing pegmatites including a significant drilling result of 31.8 m at 2.2% LiO.
- **50% Azimut Exploration / 50% SOQUEM JV – Galinée Lithium Property:** Drilling results include 1.62% LiO over 158.0 m including 3.33% LiO over 29.6 m, and Galinée features a 20 km long lithium-cesium anomaly.
- **Rio Tinto/Midland Galinée Project:** Spodumene-bearing pegmatite dykes discovered over several hundred metres along a 7 km favourable contact zone. Significant drilling results include 1.38% LiO over 37.86 m including 1.88% LiO over 21.35 m.

The Agastya Property covers the western extent of the greenstone belt that trends through Trieste, Adina, and Galinée (**Figure 1**). Greenstone belts are known to host LCT pegmatite mineralization and are commonly targeted by exploration companies as they are favourable hosts for lithium and other valuable metals including gold.

Lake bottom geochemistry data highlights the greenstone belt/LCT trend throughout the region, showing strong anomalies along the greenstone and known LCT pegmatite deposits. The Agastya Property claims fall within this strongly anomalous lake bottom sediment trend, indicating a potential for LCT pegmatite mineralization within the Property (**Figure 2** **and** **Figure 3**).

Due to the significant exploration activity, there is strong support for infrastructure development in the region. This includes the extension of the road from the Winsome-optioned Renard Operation, which is expected to run through the Agastya Property once constructed.

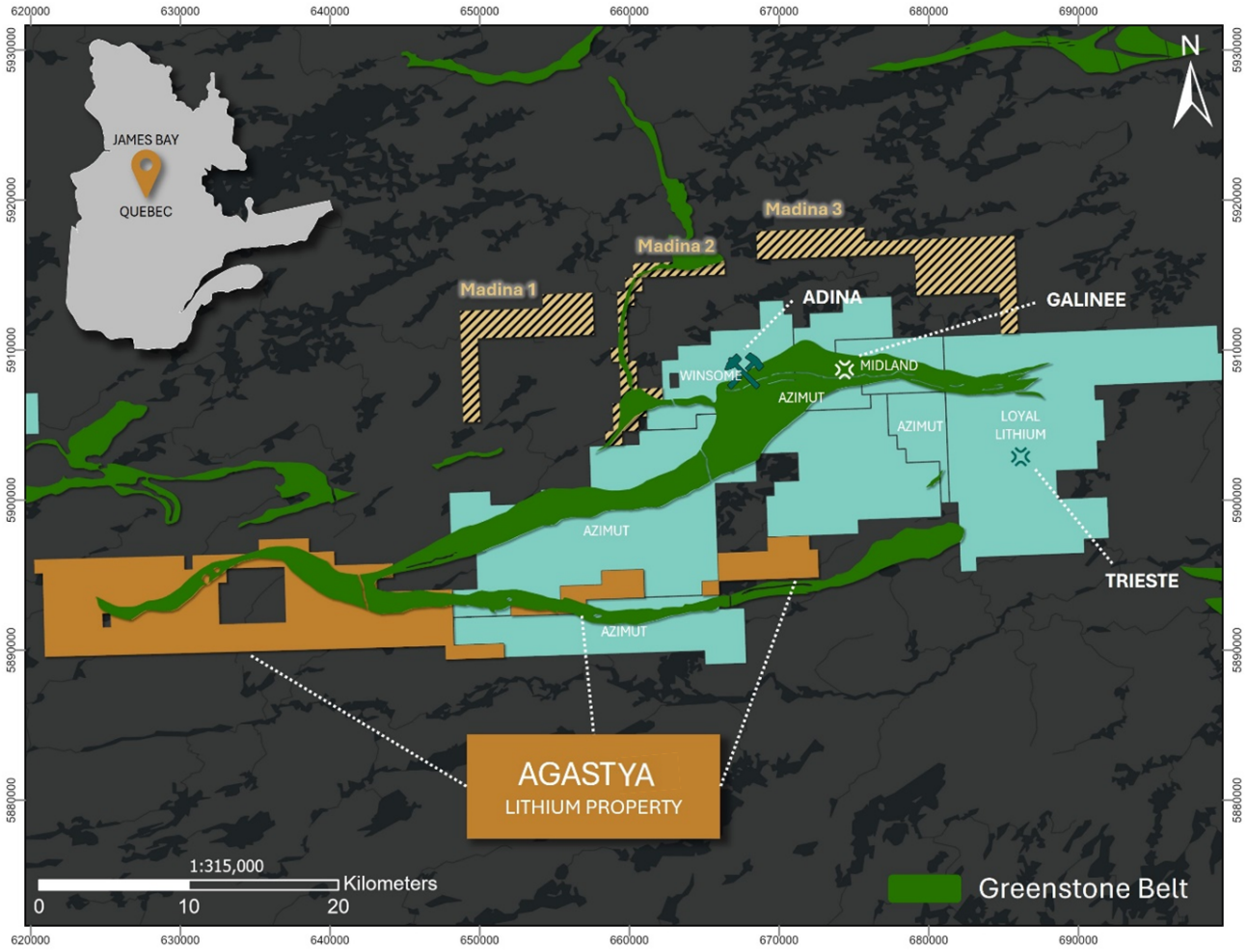

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Figure 1: Agastya Property Geology & Regional Activity

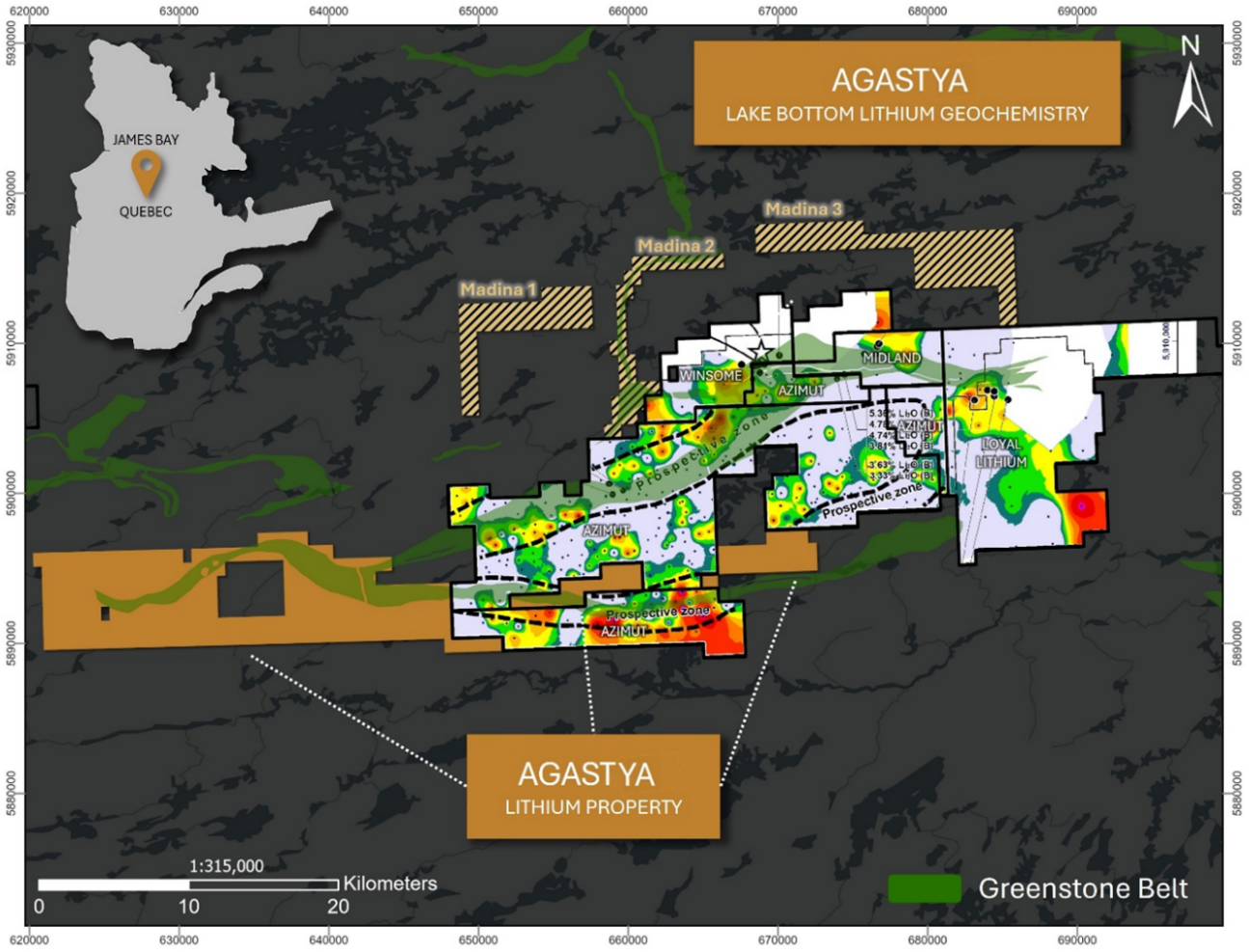

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Figure 2: Lake Bottom Sediment Lithium Geochemistry

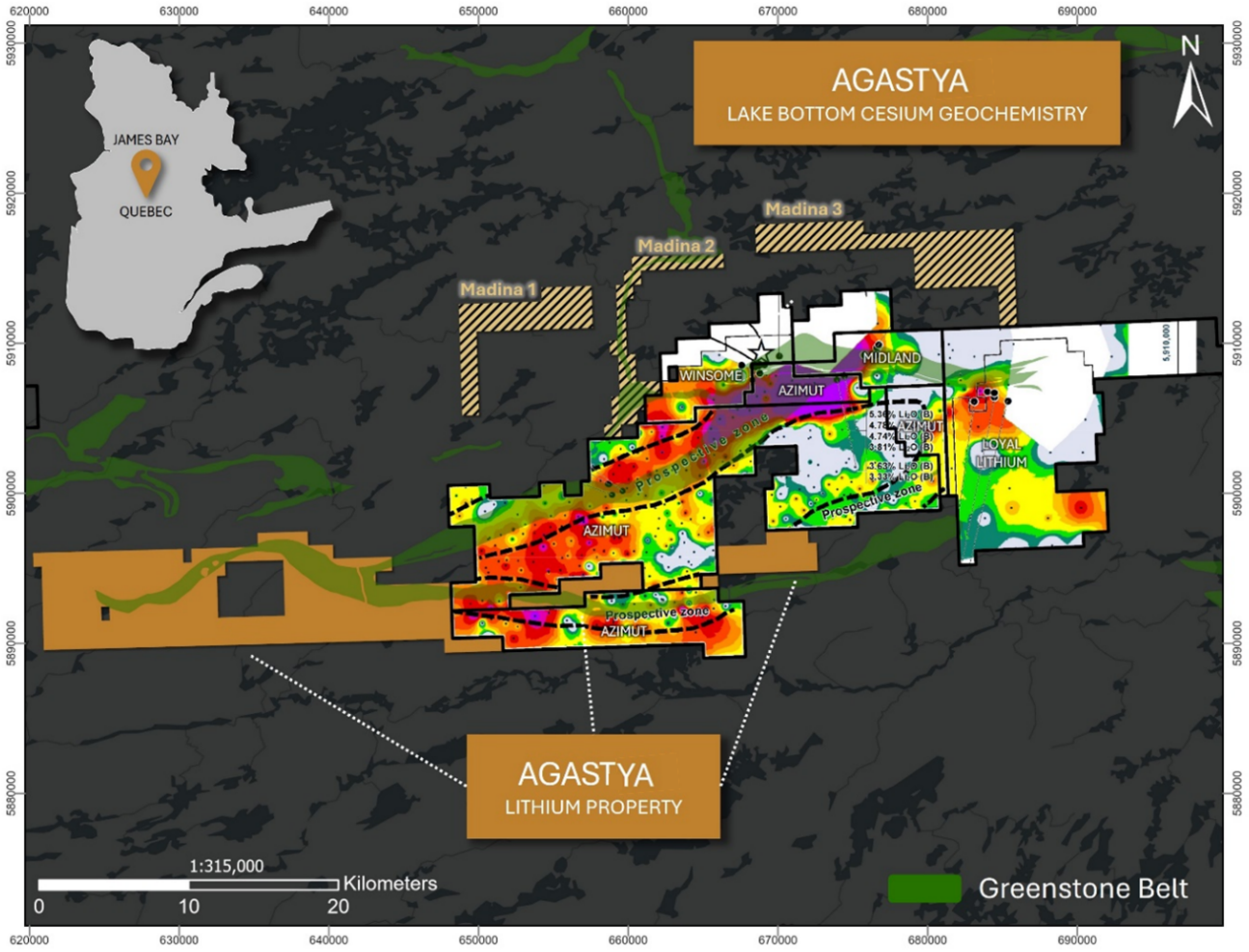

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Figure 3: Lake Bottom Sediment Cesium Geochemistry

No mineral resources or reserves have been defined on the Agastya Property. References herein to potential grades herein are historical and conceptual in nature. There has been insufficient exploration to define a mineral resource or deposit and there can be no assurance that further geological work will result in mineral resources, or a deposit being defined on the Agastya Property.

Hertz Energy currently holds approx. $750,000 in critical minerals Flow-Thru capital and intends to aggressively explore the Agastya Lithium Property.

OPTION AGREEMENT TERMS

As consideration for the acquisition of a 60% of the Vendor's legal, beneficial and registered interest in the Agastya Property, the sole shareholder of the Buyer, Hertz Energy Inc., shall, within ten business days of the Effective Date of the Agreement, issue 8,000,000 common shares in the capital of Hertz (the "**Consideration Shares**") as directed by the Vendor and the Buyer shall grant the Vendor a 2% Gross Metal Royalty (GMR). The 2% GMR shall be payable to the Vendor on all metals including but not limited to precious and base metals, produced from the Agastya Property.

PROJECTS UPDATE

The Company also announces it has elected not to proceed further with its Snake Lithium Project in the James Bay Region in Québec based on the lack of significant results from its prospecting and sampling programs in June 2024. No lithium and/or gold associated minerals were documented throughout the field traverses and no anomalies were observed.

The Company remains fully focused on exploring and developing its Agastya Lithium, AC/DC Lithium, and Harriman Antimony properties in Québec, Lake George Antimony Property in New Brunswick, and Namibia Uranium Project and will provide further updates as exploration programs are completed.

Cautionary Statement: This news release contains scientific and technical information with respect to adjacent properties to the Company's Agastya Property, which the Company has no interest in or rights to explore. Readers are cautioned that information regarding the geology, mineralization, and mineral resources on adjacent properties is not necessarily indicative of the mineralization potential on the Company's Agastya Property.

LOAN AGREEMENT

The Company also announces it has entered into a loan agreement (the "**Loan Agreement**") with Kulwant Malhi (the "**Lender**"). Pursuant to the terms and conditions of the Loan Agreement, the Lender has provided the Company with a non-revolving term loan in the principal amount of CAD$60,000, bearing interest at a rate of eight percent (8%) per annum (the "**Loan**"). The Loan has a term of one year maturing on December 5, 2025.

The Loan constitutes a related party transaction within the meaning of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**") as the Lender is the Chief Executive Officer and a director of the Company. The Company is relying on the exemptions from the formal valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101, as the fair market value of the Loan does not exceed 25% of the market capitalization of the Company in accordance with MI 61-101.

Qualified Person Statement

All scientific and technical information contained in this news release was prepared and approved by Simon Dahrouge, P.Geo., Technical Advisor of Hertz Energy, who is a "Qualified Person" as defined in National Instrument 43-101 ("NI 43-101").

About the Company

Hertz Energy (CSE:HZ; OTCQB:HZLIF; FSE:QE2) is a British Columbia-based junior exploration company primarily engaged in the acquisition and exploration of energy and critical minerals properties. The Company's lithium exploration projects include the AC/DC Lithium Project, and Snake Lithium Project in Jame Bay Québec and newly acquired Agastya Lithium Property. Hertz Energy

also holds the Harriman Antimony Project in Québec and the Lake George Antimony Project in New Brunswick, Canada. Hertz Energy also has permit application pending in Namibia for uranium exploration projects.

For further information, please contact Mr. Kal Malhi or view the Company's filings at www.sedarplus.ca.

On Behalf of the Board of Directors

Kal MalhiChief Executive Officer and Director Phone: 604-805-4602Email: kal@bullruncapital.ca		

Neither the Canadian Securities Exchange nor its Regulation Services Provider accepts responsibility for the adequacy or accuracy of this news release.

Cautionary Statement Regarding "Forward-Looking" Information

This news release includes certain statements that may be deemed "forward-looking statements". All statements in this new release, other than statements of historical facts, that address events or developments that the Company expects to occur, are forward-looking statements. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results may differ materially from those in the forward-looking statements. Factors that could cause the actual results to differ materially from those in forward-looking statements include market prices, continued availability of capital and financing, and general economic, market or business conditions.

Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. Forward-looking statements are based on the beliefs, estimates and opinions of the Company's management on the date the statements are made. Except as required by applicable securities laws, the Company undertakes no obligation to update these forward-looking statements in the event that management's beliefs, estimates or opinions, or other factors, should change.