International Lithium Amends Ontario Project Agreements

written by Raj Shah | August 30, 2018

August 29, 2018 (Source) – International Lithium Corp. (TSXV: ILC) (the "**Company**" or "**ILC**") is pleased to announce that that it has entered into an agreement (the "**PIO Agreement**") with Pioneer Resources Limited (ASX: PIO) ("**Pioneer**") whereby:

- Pioneer is deemed to have completed its first earn-in under a 2016 joint venture agreement (the "**Mavis JV Agreement**"), by which it will hold a 51% interest in the Mavis property in Ontario, Canada, with ILC retaining the other 49%.
- The joint venture agreement for ILC's Raleigh property in Ontario, Canada is terminated, so that ILC will regain its 100% ownership in the property with no liabilities to any party in respect of earn-in or royalty obligations.
- ILC shall receive 2,500,000 shares of Pioneer.

The achievement of Pioneer's first earn-in on the Mavis property automatically generates a 1.5% net smelter royalty ("NSR") in favour of ILC under the Mavis JV Agreement, and this will come into effect upon completion of the transaction.

Pursuant to the PIO Agreement, ILC will receive a CAD $75,000 credit against its share of any development expenditures on Mavis and Pioneer will retain the right granted pursuant to the Mavis JV Agreement to elect to increase its interest in Mavis to 80% by sole funding CAD $8,500,000 of exploration expenditures on the Mavis property over the next 7 years.

Commenting on the PIO Agreements John Wisbey, Chairman and CEO of ILC, said, "I am glad that we have been able to construct a

deal with Pioneer that meets the goals of both parties and creates a true win-win. We have worked well with the team at Pioneer on this agreement, and are pleased to retain Pioneer as our partner on Mavis."

About International Lithium Corp.

International Lithium Corp. has a significant portfolio of projects, strong management, and a strategic partner and keystone investor, Jiangxi Ganfeng Lithium Co. Ltd., ("**Ganfeng Lithium**") a leading China-based lithium product manufacturer.

The Company's primary focus is the strategic stake in the Mariana lithium-potash brine project located within the renowned South American "Lithium Belt" that is the host to the vast majority of global lithium resources, reserves and production. The Mariana project strategically encompasses an entire mineral rich evaporite basin, totalling 160 square kilometres that ranks as one of the more prospective salars or 'salt lakes' in the region. Current ownership of the project is through a joint venture company, Litio Minera Argentina S. A., a private company registered in Argentina, owned 82.754% by Ganfeng Lithium and 17.246% by ILC. In addition, ILC has an option to acquire 10% in the Mariana project through a back-in right.

Complementing the Company's lithium brine project are three rare metals pegmatite properties in Ontario, Canada known as the Mavis, Raleigh, and Forgan projects, and the Avalonia project in Ireland, which encompasses an extensive 50km-long pegmatite belt.

The ownership of the Avalonia project is currently 55% Ganfeng Lithum and 45% ILC. Ganfeng Lithium has an option to earn an additional 24% by either incurring CAD $10 million expenditures on exploration activities or delivering a positive feasibility study on the project, at which time the ownership will be 79%

Ganfeng Lithum and 21% ILC.

The ownership of the Mavis project will shortly be 51% Pioneer Resources Limited (ASX: PIO) (“Pioneer”) and 49% ILC. In addition, ILC owns a 1.5% NSR on Mavis. Pioneer has an option to earn an additional 29% by sole-funding a further CAD $8.5 million expenditures of exploration activities, at which time the ownership will be 80% Pioneer and 20% ILC.

The Raleigh and Forgan projects are wholly-owned by ILC.

With the increasing demand for high-tech rechargeable batteries used in electric vehicles and electrical storage as well as portable electronics, lithium has been designated “the new oil”, and is a key part of a “green tech”, sustainable economy. By positioning itself with solid strategic partners and projects with significant resource potential, ILC aims to be one of the lithium and battery metals resource developers of choice for investors and to continue to build value for its shareholders.

International Lithium Corp.’s mission is to find, explore and develop projects that have the potential to become world-class lithium, potash and rare metal deposits. A key goal is to become a well funded company to turn that aspiration into reality.

On behalf of the Company,

John Wisbey
Chairman and CEO

www.internationallithium.com

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Cautionary Statement Regarding Forward-Looking Information

Except for statements of historical fact, this news release contains certain "forward-looking information" within the meaning of applicable securities law. Forward-looking information or forward-looking statements in this news release may include: the timing and anticipated results of drilling on the Mavis Lake Project, the expectation of feasibility studies, lithium recoveries, modeling of capital and operating costs, results of studies utilizing membrane technology at the Mariana Project, budgeted expenditures and planned exploration work on the Avalonia JV, and continued agreement between the Company and Jiangxi Ganfeng Lithium Co. Ltd. regarding the Company's percentage interest in the Mariana project. Such forward-looking information is based on a number of assumptions and subject to a variety of risks and uncertainties, including but not limited to those discussed in the sections entitled "Risks" and "Forward-Looking Statements" in the interim and annual Management's Discussion and Analysis which are available at www.sedar.com. While management believes that the assumptions made are reasonable, there can be no assurance that forward-looking statements will prove to be accurate. Should one or more of the risks, uncertainties or other factors materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking information. Forward-looking information herein, and all subsequent written and oral forward-looking information are based on expectations, estimates and opinions of management on the dates they are made that, while considered reasonable by the Company as of the time of such statements, are subject to significant business, economic and competitive uncertainties and contingencies. These estimates and assumptions may prove to be incorrect and are expressly qualified in their entirety by this cautionary statement. Except as required by law, the Company assumes no

obligation to update forward-looking information should circumstances or management's estimates or opinions change.

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