Lithium Ionic Acquires Ownership Interest in Strategic Mining Claims in Brazil

written by Raj Shah | January 25, 2023

January 25, 2023 (Source) – Lithium Ionic Corp. (TSXV: LTH; OTCQB: LTHCF; FRA: H3N) ("**Lithium Ionic**" or the "**Company**") announces that its Brazilian-based wholly owned subsidiary, MGLIT Empreendimentos Ltda. ("MGLIT"), has entered into a binding share purchase agreement (the "Agreement") with Exotic Mineração Ltda. ("Exotic") pursuant to which MGLIT has the option to acquire up to a 100% equity interest in Vale Do Lítio Mineração Ltda. ("Vale Litio"). Vale Litio has a 100% beneficial ownership interest in three lithium mining claims in Minas Gerais, Brazil that cover a total of 3,140 hectares (the "Vale Claims").

The first of three claims cover 1,738 hectares and is located adjacent to the recently acquired Galvani target. Spodumene-rich pegmatites have already been identified in old workings and outcrops at this property. The other two claims, covering 879 hectares and 523 hectares, are located in the northeastern portion of the prospective Araçuai-Itinga Pegmatite region (See Figure 1).

Blake Hylands, P. Geo., CEO of Lithium Ionic, commented, "We are very pleased with this agreement, which is in line with our strategy of acquiring and consolidating strategic lithium targets in this prospective lithium-producing region."

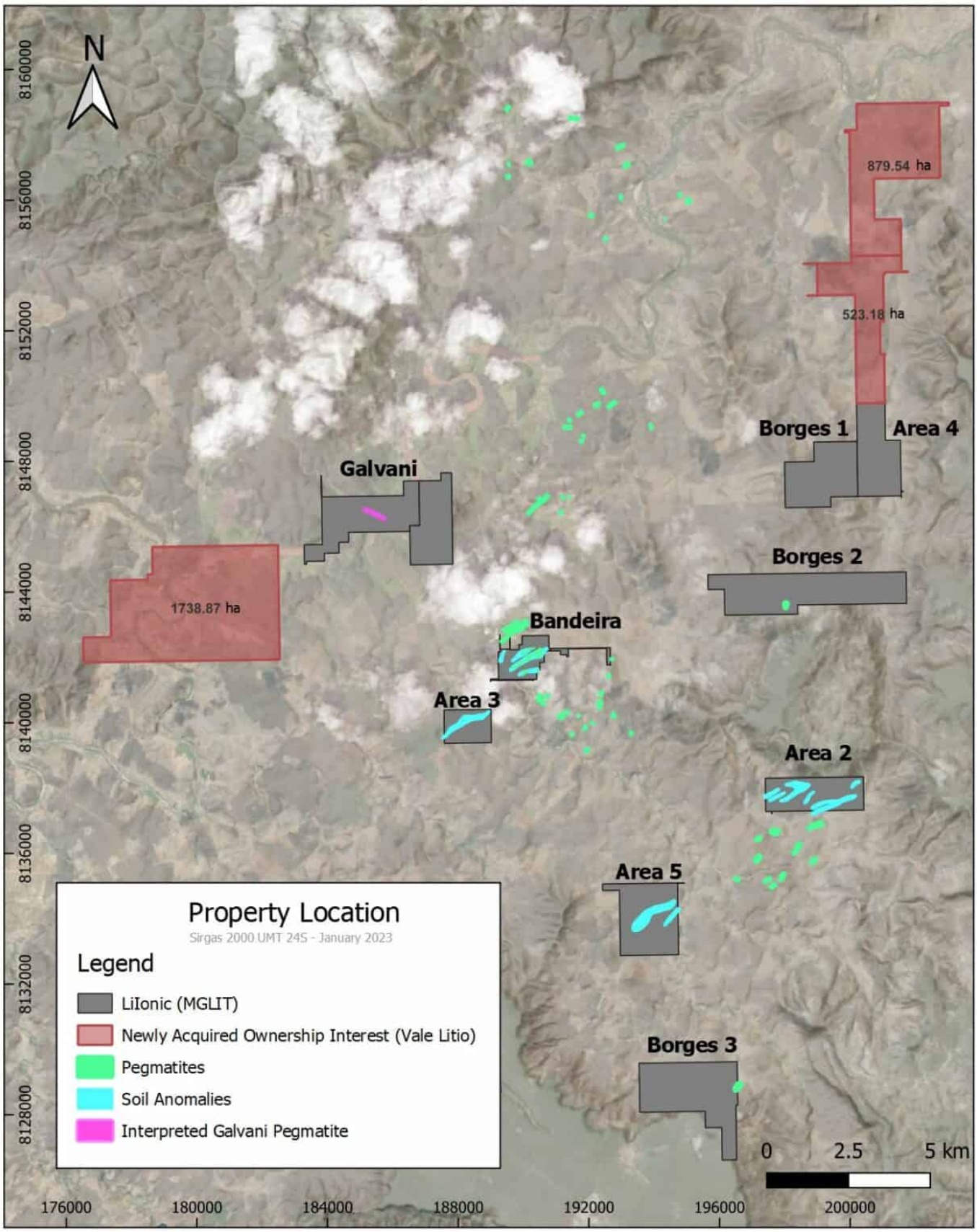


Figure 1 – Lithium Ionic Claims and Vale Litio Lithium Mining Claims

View Figure 1 here: https://www.globenewswire.com/NewsRoom/AttachmentNg/da993568-9298-46e4-a43e-1df2efd49d1e

The Transaction

Pursuant to the terms of the Agreement, Lithium Ionic has acquired an initial 2.78% equity ownership interest in Vale Litio by paying R$900,000.00 (approximately C$235,000) in cash to Exotic. Lithium Ionic may acquire the following ownership interests in Vale by making the following payments to Exotic:

- R$500,000 (approximately C$130,000) in cash to acquire an additional 1.54% equity ownership in Vale on or before February 20, 2023;
- R$500,000 (approximately C$130,000) in cash to acquire an additional 1.54% equity ownership in Vale on or before July 20, 2023;
- R$500,000 (approximately C$130,000) in cash to acquire an additional 1.54% equity ownership in Vale on or before February 20, 2024; and
- R$30,000,000 (approximately C$7,800,000) in cash to acquire the remaining 92.60% equity ownership in Vale on or before July 20, 2024.

If the Company establishes a NI 43-101 compliant mineral resource estimate on the Vale Claims of at least **six million tons with an average content greater than 1.30% Li_2O**, Lithium Ionic shall pay Exotic a cash bonus of R10,000,000.00 (approximately C$2,630,000).

Lithium Ionic may terminate the Agreement at any time without incurring any additional financial penalties.

The transaction is an arm’s length transaction for the purposes

of the policies of the TSX Venture Exchange ("TSXV") and qualifies as an "Exempt Transaction" under TSXV Policy 5.3. Lithium Ionic is not paying any finder fees in connection with the transaction.

About Lithium Ionic Corp.

Lithium Ionic is a Canadian-based lithium-focused mining company with properties covering ~3,600 hectares located in the prolific Aracuai lithium province in Minas Gerais State, Brazil, which boasts excellent infrastructure, including highways, access to hydroelectrical grid power, water, and nearby commercial ports. Its Itinga and Galvani claims are located in the same district as the lithium-producing CBL mine and construction-stage Sigma Lithium Corp.'s large Barreiro and Xuxa lithium deposits.

Qualified Persons

The technical information in this news release has been prepared by Carlos Costa, Vice President Exploration of Lithium Ionic and Blake Hylands, CEO and director of Lithium Ionic, and both are "qualified persons" as defined in NI 43-101.

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Cautionary Note Regarding Forward-Looking Statements

This press release contains statements that constitute "forward-statements." Such forward looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements, or developments to differ materially from the anticipated results,

performance or achievements expressed or implied by such forward-looking statements. Although the Company believes, in light of the experience of its officers and directors, current conditions and expected future developments and other factors that have been considered appropriate that the expectations reflected in this forward-looking information are reasonable, undue reliance should not be placed on them because the Company can give no assurance that they will prove to be correct. When used in this press release, the words "estimate", "project", "belief", "anticipate", "intend", "expect", "plan", "predict", "may" or "should" and the negative of these words or such variations thereon or comparable terminology are intended to identify forward-looking statements and information. The forward-looking statements and information in this press release include information relating to the prospectivity of the Vale Claims, the ability to produce an NI 43-101 compliant mineral resource estimate, the mineralization and development of the Itinga Project and the Vale Claims and other mining projects and prospects thereof; the Vale Claims transaction and the Company's ability to acquire 100% of Vale Litio. Such statements and information reflect the current view of the Company. Risks and uncertainties that may cause actual results to differ materially from those contemplated in those forward-looking statements and information. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The forward-looking information contained in this news release represents the expectations of the Company as of the date of this news release and, accordingly, is subject to change after such date. Readers should not place undue importance on forward-looking information and should not rely upon this information as of any other date.

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.

Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this press release.