Lithium Ionic Announces Closing of Underwritten Financing

written by Raj Shah | July 31, 2023

July 31, 2023 (Source) – Lithium Ionic Corp. ("**Lithium Ionic**" or the "**Company**") (TSXV:LTH) reports that it has closed its underwritten private placement financing (previously announced on July 13, 2023), including the exercise in full of the underwriters' over-allotment option. A total of 13,690,635 common shares (the "**Shares**") of the Company were issued at a price of $2.10 per Share (the "**Offering Price**") for aggregate gross proceeds of $28,750,334 (the "**Offering**").

The Company intends to use the net proceeds from the Offering to continue funding mineral exploration and development activities at its Brazilian properties and for working capital requirements and general corporate purposes.

Blake Hylands, P.Geo., Chief Executive Officer of Lithium Ionic, commented *"We are very encouraged by the strong investor demand from this financing and we are pleased to welcome a new group of prominent global institutional funds and large retail investors to our share registry. We look forward to building on the momentum we've experienced so far as we quickly advance and grow the Itinga Lithium Project, and our other prospective properties in Brazil's Lithium Valley."*

The Offering was led by Clarus Securities Inc. and Canaccord Genuity Corp., as co-lead underwriters and joint bookrunners, on behalf of a syndicate of underwriters (collectively, the "**Underwriters**") that included Desjardins Securities Inc. In connection with the Offering, the Underwriters received an

aggregate cash fee equal to 6% of the gross proceeds from the Offering. In addition, the Company issued to the Underwriters 821,438 non-transferable broker warrants (the "**Broker Warrants**"). Each Broker Warrant will entitle the holder thereof to purchase one common share of the Company at an exercise price equal to the Offering Price for a period of 24 months following the closing of the Offering.

The Shares issued will be subject to a four-month and one day hold period under applicable securities laws in Canada. The Offering remains subject to final approval of the TSX Venture Exchange (the "**TSXV**").

About Lithium Ionic Corp.

Lithium Ionic is a Canadian mining company exploring and developing its lithium properties in Brazil. Its flagship Itinga and Salinas projects cover 14,182 hectares in the northeastern part of Minas Gerais state, a mining-friendly jurisdiction that is quickly emerging as a world-class hard-rock lithium district. The Itinga Project is situated in the same region as CBL's Cachoeira lithium mine, which has produced lithium for +30 years, as well as Sigma Lithium Corp.'s Grota do Cirilo project, which hosts the largest hard-rock lithium deposit in the Americas.

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Cautionary Note Regarding Forward-looking Information

This press release contains "forward-looking information" within the meaning of applicable Canadian securities legislation.

Forward-looking information includes, without limitation, statements regarding the Offering, the use of proceeds of the Offering, TSXV's final approval of the Offering and the expected exploration program in Brazil. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company, as the case may be, to be materially different from those expressed or implied by such forward-looking information, including but not limited to: general business, economic, competitive, geopolitical and social uncertainties; the actual results of current exploration activities; risks associated with operation in foreign jurisdictions; foreign operations risks; and other risks inherent in the mining industry. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

This news release does not constitute an offer to sell or a

solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

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