Lomiko announces Private Placement, Update on Coming Events and Investor Relations Agreement

written by Raj Shah | October 25, 2022

October 25, 2022 (Source) – **Lomiko Metals Inc. (TSX.V: LMR)** ("Lomiko Metals" or the "Company") is pleased to announce the initiation of a private placement, the engagement of a UK-based Investor Relations firm and events the team will be participating in.

Belinda Labatte, CEO and Director of Lomiko Metals: "Lomiko has accomplished many milestones in 2022 and is now looking to position itself for additional works on its exploration La Loutre graphite and Bourier lithium properties as it advances the studies from Preliminary Economic Assessment ("PEA") to Pre-Feasibility Study phase ("PFS"), at La Loutre. Funds will be primarily used at La Loutre for the resource update and additional metallurgical testing and value-added work activities, as the Company has initiated discussions with battery manufacturers and OEMs (Original Equipment Manufacturers). To complement the financing process, Lomiko is engaging with several organizations related to grant application processes to advance its projects and will seek additional financing to advance its portfolio of projects from strategic investors and cornerstone investors. The Company continues to evaluate regional corporate development opportunities in its vision to become an operator of choice in Quebec."

Private Placement

The Company announces that it intends to offer a private placement for gross proceeds of up to $1,000,000, as follows:

- Up to 33,333,333 common share units (the “units”) of the Company will be offered at a price of $0.03 per unit to raise gross proceeds of up to $1,000,000. Each unit will consist of one (1) common share and one common share purchase warrant. Each warrant shall entitle the holder to acquire one (1) common share at a price of $0.05 for a period of 60 month.

Finder fees and commissions may be paid in accordance with the TSX policies.

Pursuant to applicable Canadian securities laws, all securities issued under this private placement are subject to a hold period of four months and one day. The private placement remains subject to the final approval of the TSX Venture Exchange.

The net proceeds of the units will be used to incur expenses on its exploration graphite and lithium properties. Below is a summary of the major categories applied to the net proceeds as required by TSXV policy, in addition to working capital requirements:

- 15% – Technical report update to provide resource update.
- 30% – Metallurgical testing and value-added work activities including micronations, spheroidization, purification and coating as well as battery testing.
- Not more than 10% – Investor Relations and strategic advisory work. Please see the Investor Relations portion of this release for details of the services being provided.
- The balance will be applied to working capital, finder fees and other project expenses.

Closing is subject to several prescribed conditions, including, without limitations, approval of the TSX Venture Exchange. All the securities issued under the Offering are subject to resale restrictions under applicable securities legislation.

Background to financing and use of proceeds:

In 2022, Lomiko completed a comprehensive drill program featuring 79 holes totalling 13,113 metres drilled; 53 of these, totalling 9,037 metres, were drilled in the Electric Vehicles ("EV") Zone and 26 holes totalling 4,076 metres were drilled in the Battery Zone. The first initial drill results from the northern and central part of the EV Zone show very thick mineralization zones with high grades in the majority of the mineralized holes. Several wide intervals of near-surface, high-grade flake graphite mineralization including 11.02% Cg over 120.00m from 32.0 to 152.0m in hole LL-22-032 including 48.0m at 15.58% Cg from 50.0 to 98.0m. These results will be further evaluated as part of the resource update; Lomiko has retained InnovExplo Inc, a Quebec-based independent consulting firm specializing in geology, resource estimation, mining engineering and sustainable development, to prepare an updated NI 43-101 compliant resource estimate for the La Loutre project following the completion of the 2022 drill program.

In terms of the characterization and purification metallurgical tests performed by two independent laboratories, Corem and ProGraphite the graphite from the La Loutre deposit would be suitable for a wide range of traditional markets such as refractories, fire retardants, crucible, and friction products, or expanded graphite markets. Further, the purification results suggest that the La Loutre graphite may be suitable for high-value anode battery applications which require ultra-high purity graphite concentrate of 99.95% and that further testing will be required to confirm with greater certainty product suitability

and potential.

Investor Relations

A main focus of Lomiko Metals is to become a major supplier of graphite to the North American battery market whilst incorporating environmental, social and economic best practices. Europe accounts for over 80% of global fund assets invested with an ESG mandate; in our view, it is important to tap into this fast-growing investment sector.

European Governments have been actively encouraging the adoption of clean technologies, including electric vehicles which will require large amounts of graphite and lithium; 2 commodities that form the core of Lomiko's business. The range of capital providers includes retail investors, private equity funds, long only funds as well as specialist investors and family offices.

The Company would like to announce it has entered into an investor relations agreement with Stellium Services Ltd ("Stellium") effective November 1st, 2022. Stellium will provide investor relations services focused on UK, European and Australasian investors, institutions and family offices.

Under the terms of the agreement, compensation will be GBP 4,000 monthly, payable in cash to Stellium for a period of 3 months. There are no performance factors contained in the agreement. The agreement may be terminated upon 60 days' notice. Stellium and the Company are arm's-length parties.

Stellium is based in London, UK and its principal is Andrew Wilson. Further information on Stellium can be found on their website www.stelliumservices.com

Participation in Events and Speaking Engagements

Lomiko is pleased to be presenting and participating in the following upcoming events:

- Mining Investment North America, Toronto, October 27-28, 2022
- Energy and Mines, Toronto, November 1-2, 2022

Qualified Person

The technical content presented in this press release was reviewed by Mark Fekete, P.Geo. who actively participated in the La Loutre drill program as an independent consultant to the Company as the "Qualified Person" as that term is defined under National Instrument 43-101 – Standards of Disclosure for Mineral Projects.

About Lomiko Metals Inc.

Lomiko Metals has a new vision and a new strategy in new energy. Lomiko represents a company with purpose: a people-first company where we can manifest a world of abundant renewable energy with Canadian and Quebec critical minerals for a solution in North America. Our goal is to create a new energy future in Canada where we will grow the critical minerals workforce, become a valued partner and neighbour with the communities in which we operate, and provide a secure and responsibly sourced supply of critical minerals.

In addition to La Loutre, Lomiko is working with Critical Elements Lithium Corporation towards earning its 70% stake in the Bourier Project as per the option agreement announced on April 27th, 2021. The Bourier project site is located near Nemaska Lithium and Critical Elements south-east of the Eeyou Istchee James Bay territory in Quebec which consists of 203 claims, for a total ground position of 10,252.20 hectares (102.52 km2), in Canada's lithium triangle near the James Bay

region of Quebec that has historically housed lithium deposits and mineralization trends.

About the La Loutre Graphite Project

The Company holds a 100% interest in its La Loutre graphite development project in southern Quebec. The La Loutre project site is located within the Kitigan Zibi Anishinabeg (KZA) First Nations territory. The KZA First Nations are part of the Algonquin Nation and the KZA territory is situated within the Outaouais and Laurentides regions. Located 180 kilometres northwest of Montreal, the property consists of one large, continuous block with 76 mineral claims totalling 4,528 hectares (45.3 km2).

The Property is underlain by rocks belonging to the Grenville Province of the Precambrian Canadian Shield. The Grenville was formed under conditions that were very favourable for the development of coarse-grained, flake-type graphite mineralization from organic-rich material during high-temperature metamorphism.

Lomiko Metals published a July 29, 2021 Preliminary Economic Estimate (PEA) which indicated the project had a 15-year mine life producing per year 100,000 tonnes of graphite concentrate at 95% Cg or a total of 1.5Mt of graphite concentrate. This report was prepared as National Instrument 43-101 Technical Report for Lomiko Metals Inc. by Ausenco Engineering Canada Inc., Hemmera Envirochem Inc., Moose Mountain Technical Services, and Metpro Management Inc., collectively the Report Authors.

On behalf of the Board,
Belinda Labatte
CEO and Director, Lomiko Metals Inc.

Cautionary Note Regarding Forward-Looking Information

This news release contains “forward-looking information” within the meaning of the applicable Canadian securities legislation that is based on expectations, estimates, projections and interpretations as at the date of this news release. The information in this news release about the Company; and any other information herein that is not a historical fact may be “forward-looking information” (“FLI”). All statements, other than statements of historical fact, are FLI and can be identified by the use of statements that include words such as “anticipates”, “plans”, “continues”, “estimates”, “expects”, “may”, “will”, “projects”, “predicts”, “proposes”, “potential”, “target”, “implement”, “scheduled”, “intends”, “could”, “might”, “should”, “believe” and similar words or expressions. FLI in this new release includes, but is not limited to: the Company’s objective to become a responsible supplier of critical minerals, exploration of the Company’s projects, including expected costs of exploration and timing to achieve certain milestones, including timing for completion of exploration programs; the Company’s ability to successfully fund, or remain fully funded for the implementation of its business strategy and for exploration of any of its projects (including from the capital markets); any anticipated impacts of COVID-19 on the Company’s business objectives or projects, the Company’s financial position or operations, and the expected timing of announcements in this regard. FLI involves known and unknown risks, assumptions and other factors that may cause actual results or performance to differ materially, and statements relating to the intended use of proceeds of the Offering and the receipt of final acceptance of the TSX Venture Exchange. This FLI reflects the Company’s current views about future events, and while considered reasonable by the Company at this time, are inherently subject to significant uncertainties and

contingencies. Accordingly, there can be no certainty that they will accurately reflect actual results. Assumptions upon which such FLI is based include, without limitation: current market for critical minerals; current technological trends; the business relationship between the Company and its business partners; ability to implement its business strategy and to fund, explore, advance and develop each of its projects, including results therefrom and timing thereof; the ability to operate in a safe and effective manner; uncertainties related to receiving and maintaining exploration, environmental and other permits or approvals in Quebec; any unforeseen impacts of COVID-19; impact of increasing competition in the mineral exploration business, including the Company's competitive position in the industry; general economic conditions, including in relation to currency controls and interest rate fluctuations.

The FLI contained in this news release are expressly qualified in their entirety by this cautionary statement, the "Forward-Looking Statements" section contained in the Company's most recent management's discussion and analysis (MD&A), which is available on SEDAR at www.sedar.com, and on the investor presentation on its website. All FLI in this news release are made as of the date of this news release. There can be no assurance that such statements 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 or revise any such forward-looking statements or forward-looking information contained herein to reflect new events or circumstances, except as may be required by applicable securities laws.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or

accuracy of this news release. No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein.

Contacts

For more information on Lomiko Metals, review the website at www.lomiko.com or please contact:

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