Lomiko Announces Successful Closing of Flow-Through Financing

written by Raj Shah | December 19, 2022

December 19, 2022 (Source) – **Lomiko Metals Inc.** (TSX.V: LMR) ("Lomiko Metals" or the "Company") announces the Company received TSX-V approval and closed its private placement. It has issued 18,625,000 flow-through units (the "FT Units") at a price of $0.04 per FT Unit for aggregate gross proceeds of $745,000. The Company is pleased to have offered the 30% Critical Mineral Exploration Tax Credit, its second time in 2022, which was introduced to support specified critical minerals exploration expenditures incurred in Canada.

Each FT Unit consists of one common share that will qualify as a "flow-through share" within the meaning of the *Income Tax Act* (Canada) and the *Taxation Act* (Québec) and one common share purchase warrant (a "Warrant") with each whole Warrant exercisable at a price of $0.06 per share for a period of two years following closing.

An insider of the Company subscribed for 1,875,000 FT Units. As such, this participation constitutes a "related party transaction" as defined under Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* ("MI 61-101"). Such participation is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as neither the fair market value of the FT Units acquired by the insiders nor the consideration for the FT Units paid by such insiders, exceed 25% of the Company's market capitalization. The Company did not file a material change report 21 days prior to the closing date of the Offering

as details of the respective participation of such insiders in the Offering was unknown at such time.

The Company has paid cash finder's fees of $7,500.00 and will issue 187,500 non-transferable finder warrants exercisable at a price of $0.06 per share for a period of two years following closing.

The Company intends to use the gross proceeds of the flow-through private placement to incur Canadian Exploration Expenses and "flow-through mining expenditures" as defined in the *Income Tax Act* (Canada) and the *Taxation Act* (Québec) on the Company's Laurentides regional graphite exploration program and the Bourier Lithium property, which will be incurred on or before December 31, 2023, and renounced with an effective date no later than December 31, 2022 to the subscribers of FT Units in an aggregate amount not less than the gross proceeds from the sale of the FT Units.

All the securities issued under the Offering are subject to a hold period of four months and one day expiring on April 20, 2023.

About Lomiko Metals Inc.

Lomiko Metals has a new vision and a new strategy in new energy. Lomiko represents a company with a 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. Lomiko is ECOLOGO certified.

The Company holds exclusive mineral interests in its La Loutre

graphite development 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 1 large, continuous block with 76 minerals claims totaling 4,528 hectares (45.3 km^2). Lomiko Metals published a Preliminary Economic Assessment ("PEA") on September 10, 2021 which indicated the project had a 15-year mine life producing per year 100,000 tonnes of the graphite concentrate at 95%Cg or a total of 1.5Mt of the 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. 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.

Mr. Mike Petrina, Project Manager, a Qualified Person ("QP") under National Instrument 43-101 – Standards of Disclosure for Mineral Projects, has reviewed and approved the technical disclosure in this news release.

For more information on Lomiko Metals, review the website at www.lomiko.com

Contact Vince Osbourne at 647-528-1501
Belinda Labatte at 647-402-8379 or at 1-833-456-6456 or 1-833-4-LOMIKO
or email: info@lomiko.com.

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 news 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 satisfactory completion of due diligence and ability to reach an agreement with third party owners in connection with projected acquisitions, 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. 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: potential of future acquisitions presently evaluated by the Company; current market for critical minerals; current technological trends; the business relationship between the Company, local communities 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.

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

Contacts

For more information, please contact:

Lomiko Metals Inc.
info@lomiko.com
1-833-456-6456