Neo Lithium Announces Filing of Final Short-Form Prospectus Qualifying Shares Underlying Previously Issued Special Warrants and Updates to Previous Disclosure

written by Raj Shah | April 2, 2021

April 1, 2021 (Source) – Neo Lithium Corp. ("**Neo Lithium**" or the "**Company**") (TSXV: NLC) (OTCQX: NTTHF) (FSE:NE2) is pleased to announce that it has filed and obtained a receipt (the "**Receipt**") for a final short form prospectus (the "**Prospectus**") in the provinces of Ontario, Alberta, British Columbia and Nova Scotia (the "**Qualifying Jurisdictions**") in connection with its previously completed private placement of 9,900,000 special warrants (the "**Special Warrants**") for gross proceeds of $30,195,000 (the "**Offering**"). The Prospectus qualifies the distribution of the 9,900,000 common shares in the capital of the Company (each, an "**Underlying Share**") underlying the Special Warrants that will each be exercised for one Underlying Share for no additional consideration and without further action on the part of the holders. As a result of obtaining the Receipt, the Special Warrants shall be deemed to be exercised, and 9,900,000 Underlying Shares will be issued, effective at 9:00 a.m. (Toronto time) on April 6, 2021. For additional clarity, no penalty shares will be issued pursuant to the penalty provisions associated with the Special Warrants.

The Offering was led by Stifel GMP, as lead underwriter and sole bookrunner, on its own behalf and on behalf of a syndicate of

underwriters including Cormark Securities Inc., Canaccord Genuity Corp., Paradigm Capital Inc. and Eight Capital (together with Stifel GMP, the "**Underwriters**").

The Company also announces that it has filed a revised annual information form for the year ended December 31, 2019 (the "**AIF**"), and an amended technical report for the Company's 3Q Lithium Project (the "**3Q Report**") following a review of the Company's preliminary prospectus filed in connection with the Offering (including the documents incorporated by reference therein) dated March 3, 2021 by the Ontario Securities Commission (the "**OSC**").

The AIF has been revised to include additional disclosure about the prevailing global lithium price environment to provide readers with additional context for the use of the lithium price sensitivity analysis in the 3Q Report. The Company reminds investors to use caution and consider the additional disclosure in the AIF, including the risk factors described therein, when making an investment decision based on the economic analysis in the 3Q Report. The Company expects to commission a new long-term lithium carbonate price forecast for the economic assumptions in the expected definitive feasibility for the 3Q Project. The revised AIF also specifies the directors and officers of the Company's subsidiaries in a revised corporate chart.

The Company has also filed an amended technical report for the 3Q Project entitled "Preliminary Feasibility Study (PFS) – 3Q Project, NI 43-101 Technical Report Catamarca, Argentina" with an effective date of May 7, 2019 and amended as of May 8, 2019, and subsequently amended as of April 1, 2021. The 3Q Report has been amended to replace information about sources of information that were previously disclosed under the heading in Section 3 – "Reliance on Other Experts" to Section 2.3 – "Introduction – Sources of Information". The replacement was effected at the

OSC's request to avoid suggestions that the authors of the 3Q Report were "relying" on sources of information other than as permitted under the limited exceptions for reliance on other experts described in Section 3 of National Instrument 43-101F1 – *Reliance on Other Experts*.

The re-filings of the AIF and 3Q Report described above and the issuance of this news release as it pertains thereto are at the request of staff of the Ontario Securities Commission in connection with the review conducted in connection with the filing of the Prospectus.

Each of the AIF, 3Q Report and Prospectus are available under the Company's profile on SEDAR at www.SEDAR.com.

The Company plans to use the net proceeds from the Offering to fund development work at the 3Q Lithium Project located in Catamarca, Argentina and for working capital and general corporate purposes. More specifically, the Company intends to use the majority of the net proceeds to advance the construction of the concentration pond system at a commercial scale with a view to accelerating future production from the 3Q Project. As at the date of this press release the Company has a significant cash position of approximately C$59 million. The Company currently has 129,214,654 common shares outstanding, which includes 860,870 common shares issued to a subsidiary of Contemporary Amperex Technology Co., Limited ("**CATL**") pursuant to the exercise of a participation right in connection with the Offering as disclosed on March 16, 2021, and upon the exercise of the Special Warrants, the Company will have 139,114,654 common shares outstanding. The common shares issued to CATL are subject to restrictions on trading until July 17, 2021.

About Neo Lithium Corp.

Neo Lithium Corp. has quickly become a prominent new name in

lithium brine development by virtue of its high quality 3Q Project and experienced team. Neo Lithium is rapidly advancing its 100% owned 3Q Project – a unique high-grade lithium brine lake and salar complex in Latin America's "Lithium Triangle".

The 3Q Project is located in Catamarca Province, the largest lithium producing area in Argentina covering approximately 35,000 ha including a salar complex of approximately 16,000 ha.

Additional information regarding Neo Lithium Corp. is available on SEDAR at www.sedar.com under the Company's profile and at its website at www.neolithium.ca, including various pictures of ongoing work at the project.

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 press release.

Cautionary Statements Regarding Forward-Looking Statements

Forward-Looking Statements – Certain information set forth in this news release may contain forward-looking statements. Such statements include but are not limited to, statements as to the intended use of proceeds of the Offering, the exercise of the Special Warrants and the expected timing therefor, and the completion of a definitive feasibility study for the 3Q Project and the economic analysis to be used therein. Generally, forward-looking statements can be identified by the use of words such as "plans", "expects" or "is expected", "scheduled", "estimates" "intends", "anticipates", "believes", or variations of such words and phrases, or statements that certain actions, events or results "can", "may", "could", "would", "should", "might" or "will", occur or be achieved, or the negative connotations thereof. These forward-looking statements are subject to numerous risks and uncertainties, certain of which

are beyond the control of the Company, which could cause the actual results, performance or achievements of the Company to be materially different from the future results, performance or achievements expressed or implied by such statements. These risks include, without limitation, risks related to failure to obtain adequate financing on a timely basis and on acceptable terms, political and regulatory risks associated with mining and exploration activities, including environmental regulation, risks and uncertainties relating to the interpretation of drill and sample results, risks related to the uncertainty of cost and time estimation and the potential for unexpected delays, costs and expenses, risks related to metal price fluctuations, the market for lithium products, and other risks and uncertainties related to the Company's prospects, properties and business detailed elsewhere in the Company's disclosure record. Although the Company believes its expectations are based upon reasonable assumptions and has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended and undue reliance should not be placed on forward-looking statements.