

Neo Lithium Files Management Information Circular for Proposed Arrangement with Zijin

written by Raj Shah | November 19, 2021

November 18, 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 mailed its management information circular and related proxy materials (“**Meeting Materials**”) for the special meeting (the “**Meeting**”) of shareholders of the Company (“**Shareholders**”) to be held in connection with the proposed plan of arrangement (the “**Arrangement**”) between the Company, Zijin Mining Group Co., Ltd. (the “**Parent**”) and its wholly-owned subsidiary 2872122 Ontario Inc. (the “**Purchaser**”, and collectively with the Parent, “**Zijin**”), as previously announced on October 8, 2021.

The Meeting Materials have been filed under the Company’s profile on SEDAR at www.sedar.com.

The Arrangement

Under the terms of the Arrangement, the Purchaser will acquire all of the outstanding common shares of the Company (each, a “**Common Share**”) for cash consideration of C\$6.50 per Common Share by way of a statutory plan of arrangement under the *Business Corporations Act* (Ontario).

Board Recommendation

The board of directors of the Company (the “**Board**”), based in part on the recommendation of a special committee of independent

directors of the Board (the “**Special Committee**”) and the fairness opinion that the Special Committee and the Board received from Cormark Securities Inc., unanimously determined that the Arrangement is fair to Shareholders and is in the best interests of the Company.

The Board unanimously recommends that the Shareholders vote FOR the Arrangement Resolution.

As described in detail in the Meeting Materials, the Arrangement followed an extensive and comprehensive process of strategic alternatives.

Benefits of the Arrangement to Shareholders

- Crystallizes investment value with an immediate and significant premium of approximately 36% to the 20-day volume-weighted average share price on the TSXV prior to the announcement of the Arrangement, which also represents a premium to any previous trading price of the Common Shares, and a price greater than most covering research analyst target prices on the date of announcement of the execution of the Arrangement Agreement;
- All-cash offer that is not subject to a financing condition and that provides shareholders with immediate liquidity;
- Strong deal certainty with a highly credible and leading global mining company as purchaser with the financial resources necessary to complete the Arrangement and a demonstrated track record of completed transactions in the Canadian capital markets;
- The elimination of existing and anticipated financing, development and execution risks associated with building and operating the Company’s Tres Quebradas project in Catamarca, Argentina (the “**3Q Project**”) as an independent

public entity with limited liquidity, financing alternatives and resources, and subject to fluctuations in battery metal prices and electric vehicle sentiment.

Additional information with respect to the Arrangement can be found in the Meeting Materials.

The Meeting

In light of the ongoing concerns regarding the spread of the novel coronavirus and to ensure compliance with local laws and orders restricting the size of public gatherings, the Meeting will be held on Friday, December 10, 2021 at 9:00 a.m. (Toronto time), in a virtual-only format. Shareholders, regardless of geographic location, will have an equal opportunity to participate in the Meeting and ask questions. For details as to how to access and vote at the Meeting, Shareholders should refer to the detailed instructions in the Meeting Materials. In particular, beneficial shareholders (i.e., Shareholders whose shares are not registered in their own name but rather in the name of an intermediary, such as a broker or depository) must take certain additional steps in order to vote and ask questions at the Meeting. All shareholders have the opportunity to communicate their voting instructions prior to the Meeting.

At the Meeting, Shareholders will be asked to consider and vote upon a resolution to approve the Arrangement (the “**Arrangement Resolution**”).

Your vote is important regardless of the number of Common Shares you own. As a Shareholder, it is very important that you carefully read the Meeting Materials and vote your Common Shares. Only Shareholders of record at the close of business on November 8, 2021 are eligible to vote the Common Shares.

Shareholders may vote online, by telephone, by mail, or by any other methods listed in the form of proxy or voting instruction form included with the Meeting Materials.

The Meeting Materials have been mailed to Shareholders in accordance with applicable corporate and securities laws, and are also available on SEDAR under the Company's profile at www.sedar.com and on the Company's website at www.neolithium.ca.

To ensure that your Common Shares will be represented at the Meeting, you should carefully follow the voting instructions provided in the Meeting Materials. The deadline for receipt of proxies is 9:00 a.m. (Toronto time) on December 8, 2021 or at least two days (excluding Saturdays, Sundays and holidays in the Province of Ontario) before the Meeting or any adjournment or postponement of the Meeting. Non-registered Shareholders will need to submit their voting instructions prior to that time in accordance with the instructions received from their brokers or other intermediaries.

Shareholder Questions and Assistance

If you have any questions or require assistance voting your Common Shares, please contact our proxy solicitation agent, TMX Investor Solutions at 1-800-294-5107 toll-free in North America, or call collect outside North America at 1-416-682-3825, or by e-mail at inquiries@dfking.com.

About Neo Lithium Corp.


The 3Q Project is located in the Province of Catamarca, the largest lithium producing area in Argentina. The project covers approximately 35,000 ha and the salar complex within this area is approximately 16,000 ha.

Additional information regarding Neo Lithium and the Arrangement is available in the Meeting Materials and in other documents on SEDAR at www.sedar.com under the Company's profile and at its website at www.neolithium.ca.

Neither 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 release. The TSX Venture Exchange Inc. has in no way approved nor disapproved the contents of this press release.

Cautionary Note Regarding 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 with respect to the delivery of the Meeting Materials, the anticipated date of the Meeting, the anticipated closing of the Arrangement, completion of the arrangement with Zijin and the benefits to Shareholders from the Arrangement. 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. 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, the possibility that the Arrangement will not be completed on the terms and conditions, or on the timing, currently contemplated, and that it may not be completed at all, due to a failure to obtain or satisfy, in a

timely manner or otherwise, required Shareholder, court and regulatory approvals and other conditions of closing necessary to complete the Arrangement or for other reasons, the possibility of adverse reactions or changes in business relationships resulting from the announcement or completion of the Arrangement, political and regulatory risks associated with mining and exploration activities and operations in Argentina, environmental regulation, and other risks and uncertainties related to the Company's prospects, properties and business detailed elsewhere in the Company's disclosure record, including, but not limited to, the risk factors described in the Company's revised annual information form for the year ended December 31, 2019 available on SEDAR. 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.

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