

# Grid Metals Corp. Closes Cad \$6.3 Million Funding Agreements With Lithium Royalty Corp.

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TORONTO, January 14, 2022 - [Grid Metals Corp.](#) (TSXV:GRDM)(OTCQB:MSMGF) ("Grid" or the "Company") today announced it has closed its previously announced financing (the "Transaction") with Lithium Royalty Corp. ("LRC") (a leading pure play battery royalty and streaming company). The Transaction consists of a private placement financing, royalty sales on two properties pertaining to lithium minerals and asset sales of 25% interests in lithium rights on the two properties (Mayville Lithium and Campus Creek). Total funding to Grid in connection to the proposed Transaction is approximately CAD\$6.3 million. The working capital of Grid has increased to approximately \$ 8.8 million.

## The Transaction

1. Terms of the proposed private placement portion of the Transaction remain unchanged from those announced on November 17, 2021 and the Company press release of January 4, 2022. The Company has issued 13,962,404 shares in the private placement at an issue price of \$0.1182 per share for proceeds of \$1,650,356. There are no warrants or finders fees issuable as part of the private placement.
2. The Company has received aggregate proceeds of US\$1.5 million from the sale of 25% interests of the two lithium properties to LRC. The Company received US\$1,250,000 for a 25% interest in the lithium rights to the Mayville Property and US\$250,000 for a 25% interest in the lithium rights to the newly acquired Campus Creek Property which is located northwest of Thunder Bay. A joint venture for each project has been formed commencing as the date hereof with each party funding their respective (75/25) interest. A party diluting to less than a 5% interest will convert to a 1% NSR.
3. The Company has also received US\$ 2.25 million from the sale of a 2% gross overriding royalty on lithium and related mineral rights for the two properties.
4. The Company plans to spend proceeds from the sale of the royalties on lithium exploration. It is the intention of Grid to form a dedicated lithium subsidiary and list or sell the subsidiary later in 2022 (depending on market conditions and exploration results)

The Mayville Lithium Property comprises the Donner Lake pegmatite field and is located immediately south of the Company's Mayville Cu-Ni-PGE deposit located in the Bird River Greenstone Belt in southeastern Manitoba. There are numerous documented lithium bearing pegmatite dykes on the Grid LRC property including a historical resource of lithium. Part of the Grid/LRC property comprises claims that Grid acquired from Tantalum Mining Corporation of Canada (the "Tanco Claims") who is the current operating of the Tanco Mine, currently Canada's only lithium concentrate producer. Tanco has a right to purchase lithium products produced from the Grid/LRC Tanco Claims at commercial terms.

The Bird River Greenstone belt hosts multiple lithium bearing pegmatite fields (including the Donner Lake pegmatite field on the Grid/LRC Mayville claims) and the belt has attracted recent investment and exploration activity including from Mineral Resource Limited (ASX:MRL) currently the world's 5<sup>th</sup> largest lithium producer who together with [New Age Metals Inc.](#) recently completed a drill program adjacent to the Grid/LRC Lithium joint venture. (source NAM press release dated December 9, 2021)

## Grids Base Metal and PGE Assets

The Company has pending drill results from its Bannockburn Nickel Project with additional results expected to be released shortly. Further details of exploration plans for both the lithium interests in Manitoba and the Company's nickel assets will be forthcoming as well. The Company holds valid exploration permits for drilling at East Bull Lake (palladium), Bannockburn (nickel) and Makwa Mayville (lithium, nickel, copper and platinum group metals).

## ABOUT LITHIUM ROYALTY CORP

LRC is a dedicated battery material investor partnering with battery material companies whose assets exhibit high grade, low cost, and key technical attributes that will help drive this once in a hundred year thematic. LRC is predominantly focused on investing in lithium due to extremely low obsolescence risk. LRC brings a wealth of experience and expertise with industry executives, portfolio managers, geologists, chemical engineers, and others as part of its team. LRC is able to originate and execute niche transactions with the aid of its extensive network with the electric vehicle ecosystem.

For more information about LRC please visit <https://lithiumroyaltycorp.com/>

## ABOUT GRID METALS CORP.

[Grid Metals Corp.](#) has a portfolio of exploration and development stage properties focused on battery metals which are located in the Provinces of Manitoba and Ontario, Canada. Grid's lithium assets are the Mayville Lithium property which covers Donner Lake lithium pegmatites located on the north arm of the Bird River Greenstone Belt and in Ontario the Company has an option on the Campus Creek Lithium Property near Ignace Ontario.

Grid's base metal PGM properties include the East Bull Palladium Property, the Bannockburn Nickel Property near Timmins ON and the Makwa-Mayville Ni-Cu-PGM-Cobalt project in Manitoba which has a NI 43-101 compliant nickel copper PGM cobalt resource included in a 2014 PEA.

Dave Peck P. Geo is the qualified person for Grid Metals for purposes of National Instrument 43-101 and has reviewed the contents of this press release.

To find out more about Grid Metals Corp., please visit [www.gridmetalscorp.com](http://www.gridmetalscorp.com).

On Behalf of the Board of [Grid Metals Corp.](#)

Robin Dunbar - President, CEO & Director

Telephone: 416-955-4773 Email: [rd@gridmetalscorp.com](mailto:rd@gridmetalscorp.com)

David Black - Investor Relations Email: [info@gridmetalscorp.com](mailto:info@gridmetalscorp.com)

We seek safe harbour.

This news release contains forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995 and forward-looking information within the meaning of the Securities Act (Ontario) (together, "forward-looking statements"). Such forward-looking statements include the Company's closing of the proposed financial transactions, sale of royalty and property interests. the overall economic potential of its properties, the availability of adequate financing and involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements expressed or implied by such forward- looking statements to be materially different. Such factors include, among others, risks and uncertainties relating to potential political risk, uncertainty of production and capital costs estimates and the potential for unexpected costs and expenses, physical risks inherent in mining operations, metallurgical risk, currency fluctuations, fluctuations in the price of nickel, cobalt, copper and other metals, completion of economic evaluations, changes in project parameters as plans continue to be refined, the inability or failure to obtain adequate financing on a timely basis, and other risks and uncertainties, including those described in the Company's Management Discussion and Analysis for the most recent financial period and Material Change Reports filed with the Canadian Securities Administrators and available at [www.sedar.com](http://www.sedar.com).

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