

# Noram Lithium Announces Binding LOI For Strategic USD\$14 Million Financing With Lithium Royalty Corp. And Waratah Capital Advisors Ltd.

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VANCOUVER, February 7, 2022 - [Noram Lithium Corp.](#) ("Noram" or the "Company") (TSXV:NRM)(OTCQB:NRVTF)(Frankfurt:N7R) is pleased to announce that it has entered into a binding letter of intent (the "LOI"), dated February 4, 2022, in connection with a proposed royalty sale and equity investment (the "Investment"), Lithium Royalty Corp. ("LRC") and the Waratah Electrification and Decarbonization AIE LP ("E&D"). The Investment consists of the purchase of a 1.0% gross overriding royalty ("GOR") on its wholly-owned high-grade Zeus Lithium Project ("Zeus") in Clayton Valley, Nevada for USD\$5.0 million and a concurrent strategic investment through a USD\$9.0 million private placement.

## Key Terms and Highlights of the LOI:

- Subject to final due diligence, Noram will enter into a royalty agreement with LRC for the sale of a 1.0% GOR over Noram's Zeus sedimentary lithium claims in Clayton Valley, Nevada, for total compensation of USD\$5.0 million, with payments scheduled upon completion of the two following milestones:
- USD\$4.0 million on closing of the Investment.
- USD\$1.0 million on the completion of a definitive feasibility study.
- LRC and E&D will also co-invest USD\$9.0 million via a private placement alongside the GOR purchase at the price of CDN\$0.825 per share. No warrants are to be issued in relation to the private placement, and no finders' fees or commissions are payable.
- LRC and E&D will also be granted the right but not the obligation to invest an additional USD\$9.0 million once and only if the common shares of Noram reaches CDN\$1.50 per share. LRC and E&D shall have this right for only thirty (30) calendar days from the date Noram's share price reaches CDN\$1.50 per share.
- LRC and E&D have agreed that the maximum number of shares to be co-owned by LRC and E&D will not exceed 19.9% of the total outstanding shares of Noram at any given time on a partially diluted basis. LRC and E&D shall have the right to maintain its pro-rata ownership percentage for a period of two (2) years from closing of the investment.
- The LOI contains the agreed commercial terms of the proposed royalty agreement, completion of which is subject to the satisfaction of certain conditions precedent by February 18, 2022, including satisfactory due diligence and a site visit from LRC.
- Due diligence is underway, with the Investment expected to be completed and funded by February 25, 2022.

"2021 was an outstanding year for the Company and its shareholders with the advancement of its 100%-owned high-grade Zeus Lithium Project through to the PEA stage, the expansion of our management team, and in setting the stage for an even more active year in 2022," stated Mr. Sandy MacDougall, CEO of Noram Lithium. "We are absolutely thrilled to have Lithium Royalty Corp. and its globally recognized financial and technical team as a key strategic and cornerstone shareholder. LRC's strong vote of confidence in our advanced Zeus Project and alignment with Noram's strategy is significant and we look forward to developing our strategic relationship over time."

Proceeds from the strategic investment will be used to assist in accelerating the advancement of the Zeus Lithium Project through to the completion of Definitive Feasibility Study. A recent Preliminary Economic Assessment dated December 2021 highlights an after-tax NPV(8) of USD\$2.67 Billion with an Internal Rate of Return of 52% at \$14,250/tonne Lithium Carbonate Equivalent ("LCE"). LCE currently trades at ~USD\$60,000 per tonne.

Mr. Peter A. Ball, President and COO added, "2022 will be an extremely busy year as we aggressively

advance towards the completion of a Pre-Feasibility Study and further de-risk the Zeus Lithium Project on all fronts. We are now fully funded through 2022 and beyond to ramp up our activities on site as we advance through further detailed engineering and metallurgical studies, complete additional drilling to further add to our already significant lithium resource and accelerate baseline environmental studies and preliminary work for future permitting. LRC's acknowledgement or "stamp of approval" of the Zeus Project and their significant investment in Noram provides the platform and capital to significantly advance the Project."

#### 2022 Catalysts and Planned Corporate Activity:

- A Pre-Feasibility Study ("PFS") for the Zeus Lithium Project is planned for completion in the second half of 2022.
- A 12-hole drill program is planned for Q1 2022 to further expand and upgrade the existing 43-101. The focus of the program is to upgrade existing inferred resources into the indicated category to be utilized in the PFS.
- Additional metallurgical studies are planned to further understand and enhance the mineral processing opportunities to extract LCE at the Zeus deposit. Previous studies indicated up to 91% metallurgical recovery of LCE.
- Initiate and further expand baseline environmental studies, social and green initiatives.
- Significantly expand our investor relations and awareness branding efforts within the institutional and retail investment community, expand our business and corporate development activities, and further increase analyst coverage and global exposure.

The Company is at arms-length from each of LRC and Waratah E&D. Completion of the Investment remains subject to completion of ongoing due diligence by LRC and Waratah E&D as well as approval of the TSX Venture Exchange. In connection with the Investment, a marketing fee of \$150,000 is owing to an arms-length third-party. On closing, the fee will be satisfied through the issuance of 181,818 common shares at a deemed price of \$0.825. All securities issued in connection with the investment will be subject to statutory restrictions on resale prescribed by applicable securities laws.

The technical information contained in this news release has been reviewed and approved by Bradley C. Peek, MSc, CPG, Vice President Exploration, [Noram Lithium Corp.](#), who is a Qualified Person with respect to the Clayton Valley Lithium Project as defined under National Instrument 43-101.

#### About LRC

Lithium Royalty Corp ("LRC") is a North American royalty corporation focused on investing in high quality low-cost projects in the battery materials sector with an emphasis on lithium. LRC was founded in 2018 and has now established itself as a leading financier in the lithium industry having completed 17 royalties since inception exclusive of this transaction. Its investments are diversified across the world with exposure in Australia, Argentina, Brazil, Canada, Serbia, and the United States of America. LRC is a signatory to the United Nations Principles for Responsible Investing and seeks to invest in companies with high environmental, social, and governance standards. Waratah Capital Advisors is the sponsor and general partner of Lithium Royalty Corp.

#### About E&D and Waratah

Waratah Capital Advisors is the sponsor and general partner for the recently launched Waratah Electrification and Decarbonization (E&D) Fund. The Fund seeks to achieve attractive risk-adjusted returns through investments in battery material, decarbonization, and electric vehicle related opportunities. Waratah Capital Advisors is a Toronto-based asset manager that specializes in alternative strategies. Waratah Capital Advisors manages over \$3 billion in assets from high-net-worth individuals, family offices, foundations, Canadian bank platforms, and pension funds.

#### About Noram [Lithium Corp.](#)

[Noram Lithium Corp.](#) (TSXV: NRM | OTCQB: NRVTF | Frankfurt: N7R) is a well-financed Canadian based advanced Lithium development stage company with less than 75 million shares issued. Noram is aggressively advancing its 100%-owned Zeus Lithium Project in Nevada from the development-stage level

through the completion of a Pre-Feasibility Study in 2022. The Company's flagship asset is the Zeus Lithium Project ("Zeus"), located in Clayton Valley, Nevada. The Zeus Project contains a current 43-101 measured and indicated resource estimate\* of 363 million tonnes grading 923 ppm lithium, and an inferred resource of 827 million tonnes grading 884 ppm lithium utilizing a 400 ppm Li cut-off. In December 2021, a robust PEA\*\* indicated an After-Tax NPV(8) of USD\$1.299 Billion and IRR of 31% using USD\$9,500/tonne Lithium Carbonate Equivalent (LCE). Using the LCE long term forecast of USD\$14,000/tonne, the PEA indicates an NPV (8%) of approximately USD\$2.6 Billion and an IRR of 52% at USD\$14,250/tonne LCE.

Please visit our web site for further information: [www.noramlithiumcorp.com](http://www.noramlithiumcorp.com).

#### ON BEHALF OF THE BOARD OF DIRECTORS

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SOURCE: [Noram Lithium Corp.](#)

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