

Iconic Minerals and Nevada Lithium Enter into Letter of Intent to Consolidate 100% Ownership Interest in the Bonnie Claire Lithium Property, Nevada

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VANCOUVER, Jan. 9, 2023 - [Iconic Minerals Ltd.](#) ("Iconic") (TSXV: ICM) (OTCQB: BVTEF) (FSE: YQGB) and [Nevada Lithium Resources Inc.](#) ("Nevada Lithium") (CSE: NVLH) (OTCQB: NVLHF) (FSE: 87K) are pleased to announce that they have entered into a letter of intent dated January 6, 2023 (the "LOI"), whereby Nevada Lithium and Iconic would consolidate 100% interest in the Bonnie Claire Lithium project located in Nye County, Nevada (the "Project" or the "Bonnie Claire Project"), whereby Nevada Lithium would hold a 100% interest in the Project (the "Proposed Transaction"). The Proposed Transaction has the unanimous support of each company's board of directors.

Nevada Lithium CEO, Stephen Rentschler, commented: "We are pleased to announce the signing of the LOI with Iconic for the Bonnie Claire Property. With 100% consolidated ownership, the company's ability to negotiate with strategic investors and lithium end-users will be significantly enhanced. This is a key to unlocking shareholder value."

Richard Kern, Iconic's CEO, added, "The Proposed Transaction represents an opportunity for Iconic shareholders to be part of a reunification of the Bonnie Claire Project under consolidated ownership and to continue to participate in the benefits of the Project's future development and upside."

Mr. Rentschler continued, "Lithium remains a key commodity component of electric vehicles, and recent lithium prices reflect the outlook for persistent lithium supply deficits.

"Lithium Carbonate Equivalent (LCE) prices are now roughly five times higher than the assumed prices used in our robust Preliminary Economic Assessment, where at a base case pricing assumption of \$13,500/ tonne LCE the Project returned an NPV of \$1.5 Billion USD (ATAX 8%).¹ Recent 2022 drill program results have also returned the highest lithium values ever recorded at Bonnie Claire, including 3,079 ppm Li over 446 ft. (136 m) within a wider interval of 1,246 ppm Li over 1,994 ft (608 m)². With a projected annual production rate of over 30,000 tonnes of LCE, and a resource base that indicates the ability to upsize production further, Bonnie Claire has the potential to play a significant role in meeting global lithium needs.

Having seen Richard Kern's original theory of a significant lithium resource at Bonnie Claire borne out, I firmly believe that Bonnie Claire is one of the most attractive global lithium assets remaining in junior developers' hands. I look forward to continuing to work with Richard and welcome Iconic shareholders to Nevada Lithium".

Bonnie Claire Project

The Bonnie Claire Project is located within Sarcobatus Valley, which is approximately 30 km (19 miles) long and 20 km (12 miles) wide. Quartz-rich volcanic tuffs containing anomalous amounts of lithium occur within and adjacent to the valley. Drill results from the salt flat include 2,054 ppm Li over 67.1 m (220 ft) in drill hole BC-1601 as well as a 475 m (1560 ft) vertical intercept that averaged 1153 ppm Li.

The Bonnie Claire Project is one the largest lithium resources in North America with a current NI 43-101 inferred mineral resource 3,407 million tonnes (Mt) grading 1,013 ppm Li for 18,372 million kilograms of contained lithium carbonate equivalent, at a cut-off grade of 700 ppm Li. Mineral resources are not mineral reserves as they do not have demonstrated economic viability.

The gravity low that characterizes the valley is approximately 20 km (12 miles) long, and the current estimates of depth to basement rocks range from 600 to 1,200 meters (2,000 to 4,000 feet). The current

claim block covers an area of 74 km² (28.6 mi²) with potential for brine systems and further sediment resources.

¹See Preliminary Economic Assessment NI 43-101 Technical Report on the Bonnie Claire Lithium Project, Nye County, Nevada (Effective date of August 20th, 2021, and Issue date of February 25th, 2022) as summarized in Nevada Lithium news release dated October 13th, 2021. Results of the Preliminary Economic Assessment (PEA) represent forward-looking information. This economic assessment is by definition preliminary in nature, and includes inferred mineral resources that are considered too speculative to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. There is no certainty that the preliminary economic assessment will be realized. Mineral resources are not mineral reserves as they do not have demonstrated economic viability. There is no certainty that all or any part of the Mineral Resources will be converted into Mineral Reserves. Assumes 68% recovery by borehole.

²See Nevada Lithium news releases dated September 29th, 2022, December 7th, 2022, and December 20th, 2022.

Summary of the Proposed Transaction

It is currently anticipated that the Proposed Transaction will be completed by way of a plan of arrangement whereby (i) Iconic's 50% interest in the Bonnie Claire Project would be spun out into a wholly owned subsidiary ("MergeCo"), (ii) Iconic would distribute 90% of the issued and outstanding shares of MergeCo to Iconic shareholders, and (iii) MergeCo would amalgamate with Nevada Lithium (or its subsidiary) (the "Resulting Issuer") and MergeCo shareholders would receive shares of the Resulting Issuer in exchange for their shares of MergeCo, such that immediately following the completion of the amalgamation (the "Closing") the shareholders of MergeCo as a group and the shareholders of Nevada Lithium as a group would each hold 50% of the issued and outstanding Resulting Issuer shares, on a non-diluted basis (after giving effect the Debt Settlement (as defined below) but prior to giving effect to the Concurrent Financing (as defined below)).

The parties intend to enter into a definitive arrangement agreement (the "Definitive Agreement") in respect of the Proposed Transaction, which will contain representations, warranties and conditions of each party customary in transactions of this nature. Under the terms of the LOI, the presently proposed terms of the Proposed Transaction are as follows:

- immediately following Closing, the shareholders of MergeCo as a group and the shareholders of Nevada Lithium as a group would each hold 50% of the issued and outstanding Resulting Issuer shares, on a non-diluted basis (after giving effect the Debt Settlement but prior to giving effect to the Concurrent Financing);
- at Closing, Nevada Lithium will have paid and/or settled all outstanding liabilities and debts, such that it has no outstanding liabilities (the "Debt Settlement");
- prior to or in connection with Closing, Nevada Lithium will complete a private placement offering of subscription receipts (each, a "Subscription Receipt") for gross proceeds of a minimum of \$2,500,000 for general working capital for the Resulting Issuer (the "Concurrent Financing") at an issue price to be determined in the context of the market. Each Subscription Receipt would, immediately prior to the completion of the Proposed Transaction, be exchanged for one common share in the capital of Nevada Lithium (each, a "Nevada Lithium Share") and one-half of one common share purchase warrant, exercisable at a price to be determined in the context of the market (the "Warrant Exercise Price") for the purchase of one Nevada Lithium Share for a period of two years;
- the Resulting Issuer would become the sole operator of the Project, and the balance of any funds held by Iconic in reserve on account of payments made by Nevada Lithium for exploration expenditures would be transferred to the Resulting Issuer, net of a CAD \$500,000 structuring fee and any expenses and contractual obligations of Iconic in respect of the Project arising prior to Closing, including legal fees incurred in connection with the Proposed Transaction;
- the board of directors of the Resulting Issuer would be limited to no more than five members, of which two members would be the nominees of Iconic, two members would be the nominees of the Resulting Issuer and one member would be the nominee of the other four directors, subject to certain exceptions;
- Mr. Stephen Rentschler would continue to serve as CEO of the Resulting Issuer, and Mr. Richard Kern, the current CEO of Iconic, would be appointed the COO;
- all outstanding stock options of Nevada Lithium and Nevada Lithium Share purchase warrants not exercised by the holders thereof prior to the date of Closing would continue to vest and/or be convertible into Resulting Issuer common shares on the schedule and terms established at the time of the respective grants;
- the Resulting Issuer would:
 - grant to certain eligible persons associated with Iconic that number of Resulting Issuer common shares is equal to the aggregate number of Nevada Lithium stock options outstanding immediately prior to Closing, which Resulting Issuer stock options will have substantially the same terms as the Nevada Lithium stock options, including as to duration and exercise price; and

- issue to Iconic 4,000,000 Resulting Issuer share purchase warrants, each of which entitles the holder thereof to purchase one Resulting Issuer common share for a period of two years from the date of exercise equal to the Warrant Exercise Price per share; and

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Issuer desires to issue common shares or securities convertible into common shares (each, an "Equity Financing") at any time after Closing (excluding certain exempt issuances) until the earlier of (i) the first anniversary of Closing; or (ii) the Resulting Issuer having completed Equity Financings in the aggregate amount of \$3,000,000 (excluding the Concurrent Financing), then the Equity Financing will be completed on a rights offering basis.

Completion of the Proposed Transaction will be subject to the satisfaction of various conditions precedent, including: (i) the receipt of all necessary regulatory approvals, authorizations and consents, including acceptance for filing of the Proposed Transaction by the TSX Venture Exchange and, if applicable, the Canadian Securities Exchange; (ii) receipt of all necessary corporate and shareholder approvals by the parties; and (iii) satisfactory due diligence investigations by the parties.

Qualified Persons

Darren L. Smith, M.Sc., P. Geo., Vice President of Exploration of Nevada Lithium, and Qualified Person as defined by National Instrument 43-101, supervised the preparation of the technical information in this news release.

Richard Kern, B.Sc., M.Sc., P. Geo, CEO of Iconic, and a qualified person as defined by Canadian National Instrument 43-101, has reviewed and approved the technical information contained in this news release. Mr. Kern is not independent as he is the CEO of Iconic.

About Iconic Minerals Ltd.

Iconic is a mineral exploration and development company with several quality lithium and gold exploration projects located throughout Nevada, USA and currently owns 50% interest in the Bonnie Claire Lithium Project. For further information on Iconic, please visit its website at www.iconicminerals.com

About Nevada Lithium Resources Inc.

Nevada Lithium Resources Inc. is a mineral exploration and development company focused on shareholder value creation through its core asset, the Bonnie Claire Lithium Project, located in Nye County, Nevada, where it currently holds a 50% interest. A recently completed NI 43-101 Preliminary Economic Assessment returned attractive investment metrics and the company is actively advancing the Project towards Pre-Feasibility. Learn more: <https://www.nvlithium.com/>

On behalf of the Board of Directors of [Iconic Minerals Ltd.](#)

"Richard Kern"
Richard Kern, President and CEO

On behalf of the Board of Directors of Nevada Lithium Resources Inc.

"Stephen Rentschler"
Stephen Rentschler, CEO

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) or the Canadian Securities Exchange accepts responsibility for the adequacy or accuracy of this release. The TSXV has in no way passed upon the merits of the Proposed Transaction and has not approved or disapproved of the contents of this news release.

Cautionary Note Regarding Forward-Looking Statements

This news release contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning of applicable Canadian and U.S. securities legislation. These statements relate to matters that identify future events or future performance. Often, but not always, forward looking information can be identified by words such as "could", "pro forma", "plans", "expects", "may", "will", "should", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", "believes", "potential" or variations of such words including negative variations thereof, and phrases that refer to certain actions, events or results that may, could, would, might or will occur or be taken or achieved.

The forward-looking statements contained herein include, but are not limited to statements regarding: the completion of the Proposed Transaction and the terms on which the Proposed Transaction is intended to be completed; the entering into the Definitive Agreement; the ownership of Resulting Issuer shares by the shareholders of MergeCo as a group and the shareholders of Nevada Lithium as a group; the completion of the Debt Settlement; the completion of the Concurrent Financing and the terms on which the Concurrent Financing is intended to be completed; the operations of the Project; the composition of the management and the board of directors of the Resulting Issuer; the vesting and exercise of all outstanding stock options of Nevada Lithium and Nevada Lithium Share purchase warrants; the grant of stock options and share purchase warrants by the Resulting Issuer; the ability to obtain necessary approvals (including, without limitation, regulatory and TSX Venture and Canadian Securities Exchange approvals); the anticipated business plans and timing of future activities of Iconic and Nevada Lithium; the anticipated benefits and results of the Proposed Transaction; the performance of the Bonnie Claire Project after the completion of the Proposed Transaction (including, without limitation, its mineral resources, current claims and its ability to utilize global lithium needs); and the performance of lithium as a commodity, including the sustained lithium demand and prices.

In making the forward looking statements in this news release, Iconic and Nevada Lithium have applied several material assumptions, including without limitation: Iconic and Nevada Lithium obtaining TSX Venture Exchange and Canadian Securities Exchange acceptance; Iconic and Nevada Lithium obtaining requisite approvals and the satisfaction of other conditions to the consummation of the Proposed Transaction; Iconic and Nevada Lithium obtaining requisite regulatory and shareholder approvals and the satisfaction of other conditions to the consummation of the Proposed Transaction on the proposed terms; Iconic and Nevada Lithium entering into the Definitive Agreement; Nevada Lithium completing the Debt Settlement and Concurrent Financing; Nevada Lithium obtaining requisite approvals and the satisfaction of other conditions to the consummation of the Debt Settlement and Concurrent Financing; Nevada Lithium obtaining requisite regulatory and shareholder approvals and the satisfaction of other conditions to the consummation of the Debt Settlement and Concurrent Financing on the proposed terms; market fundamentals will result in sustained lithium demand and prices; the receipt of any necessary permits, licenses and regulatory approvals in connection with the future development of the Project in a timely manner; the availability of financing on suitable terms for the development; construction and continued operation of the Project; the Project containing mineral resources; and Iconic and Nevada Lithium's ability to comply with all applicable regulations and laws, including environmental, health and safety laws.

Investors are cautioned that forward-looking statements are not based on historical facts but instead reflect Iconic and Nevada Lithium's respective management's expectations, estimates or projections concerning

future results or events based on the opinions, assumptions and estimates of managements considered reasonable at the date the statements are made. Although Iconic and Nevada Lithium believe that the expectations reflected in such forward-looking statements are reasonable, such information involves risks and uncertainties, and under reliance should not be placed on such information, as unknown or unpredictable factors could have material adverse effects on future results, performance or achievements expressed or implied by Iconic and Nevada Lithium. Among the key risk factors that could cause actual results to differ materially from those projected in the forward-looking statements are the following: operating and technical difficulties in connection with mineral exploration and development and mine development activities at the Project; estimation or realization of mineral reserves and mineral resources, requirements for additional capital; future prices of precious metals and lithium; changes in general economic, business and political conditions, including changes in the financial markets and in the demand and market price for commodities; possible variations in ore grade or recovery rates; possible failures of plants, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; the inability of Iconic and Nevada Lithium to close the Proposed Transactions on the terms provided herein; the inability of Nevada Lithium to complete the Debt Settlement and Concurrent Financing on the terms contemplated herein; delays or the inability of Iconic and Nevada Lithium to obtain any necessary permits, consents or authorizations required, including TSX Venture Exchange or Canadian Securities Exchange acceptance; financing or other planned activities; changes in laws, regulations and policies affecting mining operations; currency fluctuations, title disputes or claims limitations on insurance coverage and the timing and possible outcome of pending litigation, environmental issues and liabilities; risks relating to epidemics or pandemics such as COVID-19, including the impact of COVID-19 on Iconic and Nevada Lithium's business; risks related to joint venture operations; the potential impact of the announcement or consummation of the Proposed Transaction on relationship, including with regulatory bodies, employees, suppliers, customers and competitors; the diversion of Iconic and Nevada Lithium's respective management time on the Proposed Transaction; and risks related to the integration of acquisitions, as well as those factors discussed under the heading "Risk Factors" in Iconic and Nevada Lithium's latest Management Discussion and Analysis and other filings of Iconic and Nevada Lithium with the Canadian Securities Authorities, copies of which can be found under the respective party's profile on the SEDAR website at www.sedar.com.

Should one or more of these risks or uncertainties materialized, or should assumptions underlying the forward-looking statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected. Although Iconic and Nevada Lithium have attempted to identify important risks, uncertainties and factors which could cause actual results to differ materially, there may be others that cause results not to be as anticipated, estimated or intended. Iconic and Nevada Lithium do not intend, and do not assume any obligation, to update this forward-looking information except as otherwise required by applicable law.

SOURCE Nevada Lithium Resources Inc

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