

Lithium South Development Corp.: Letter of Intent for a Joint Venture and Project Funding

14.01.2025 | [CNW](#)

[Lithium South Development Corp.](#) (the "Company" or "Lithium South") (TSX-V: LIS) (OTCQB: LISMF) (Frankfurt: OGPQ) is pleased to announce the signing of a Letter of Intent ("LOI") (January 10, 2025) for the cooperative development of the Hombre Muerto North Lithium Project ("HMN Li Project"), located in Salta Province, Argentina.

Letter of Intent

The Company and a non-related party (the "Party") which will remain confidential until the completion of a Definitive Agreement ("DA"), have entered into an LOI for the development and financing of the HMN Li Project. The Party is a private European corporation with strong financing abilities. The LOI was entered into with the approval of the majority of the board of directors of Lithium South. The following is a summary of the terms of the LOI:

1. On a best-efforts basis, the Party will procure a capital loan for up to US\$10 Million for the completion of a Definitive Feasibility Study ("DFS") on the HMN Li Project;
2. On a best-efforts basis, the Party will procure project Funding for 80% of the CAPEX as defined in the DFS;
3. An earn-in at the project level whereby the Party earns 10% upon delivery of a loan confirmation letter for up to US\$9million for the DFS and a further 30% upon delivery of a loan confirmation letter for project Funding for 80% of the CAPEX;
4. At the option of the Party and at completion of the Definitive Agreement, the Company agrees to issue to the Party Special Warrants for a price of US\$1 Million. The Special Warrants when converted will equal 10 % of the issued and outstanding shares of LIS at the time of conversion. The funds will be allocated 70% to the DFS and 30% to general working capital.
5. The Party will obtain rights to 80% of the lithium production at the HMN Li Project as an offtake, with a commercialization commission of 4% of gross sales.
6. The Party will be granted rights of first refusal in respect of the sale of any interest LIS holds in the HMN Li Project and any future placement of equity in LIS.

The foregoing arrangements are subject to LIS and the Party entering into a DA. Conditions Precedent to entering into the DA include renegotiation of the existing Chemphys/LIS offtake agreement to the satisfaction of the Party, completion of due diligence by the Party within 60 days (which has already commenced), the approval of each respective board, exchange and regulatory approval and no material adverse change in the business affairs of LIS or the Party.

During the 60 day period, the Company will not solicit any further business interests nor continue with discussions with current parties of interest.

Further details will be provided when available.

About Lithium South

Lithium South owns 100% of the HMN Li Project located in Salta and Catamarca Provinces, Argentina, in the heart of the lithium triangle. The Salar del Hombre Muerto has a history of lithium production, with Arcadium Lithium (as a result of the Alkem and Livent merger) in operation to the south of the HMN Li Project for over twenty-five years.. Arcadium Lithium is currently being acquired by Rio Tinto for U.S. 6.7 billion. The HMN Li Project is adjacent to the east with a US\$ multibillion lithium development under construction by POSCO (Korea). Exploration work to date has delineated a NI 43-101 compliant 1,583,200 tonne Lithium Carbonate Equivalent ("LCE") Resource (See Note 1 below) on the Alba Sabrina, Natalia Maria, and Tramo claim blocks, three of five non-contiguous blocks that make up the HMN Li Project. A recent Preliminary Economic Assessment published April 30, 2024, delineates potential to develop a 15,600 tonne per year lithium carbonate project. A bulk sample of evaporated brine from the project site is now being harvested for further test work in Salta, Argentina.

On behalf of the Board of Directors

Adrian F. C. Hobkirk
President and Chief Executive Officer
Investors / Shareholders call 855-415-8100 / website: www.lithiumsouth.com

Note 1: A report titled, Updated Mineral Resource Estimate - Hombre Muerto North Project, NI 43-101 Technical Report Catamarca and Salta, Argentina, Mark King, PhD, PGeo, Peter Ehren, M.Sc, MAusIMM, September 5th, 2023.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release. The TSX Venture Exchange has not reviewed the content of this news release and therefore does not accept responsibility or liability for the adequacy or accuracy of the contents of this news release.

This news release contains certain "forward-looking statements" within the meaning of Section 21E of the United States Securities and Exchange Act of 1934, as amended. Except for statements of historical fact relating to the Company, certain information contained herein constitutes forward-looking statements. Forward-looking statements are based upon opinions and estimates of management at the date the statements are made and are subject to a variety of risks and uncertainties and other factors which could cause actual results to differ materially from those projected in the forward-looking statements. The reader is cautioned not to place undue reliance on forward- looking statements. We seek safe harbor.

Logo - https://mma.prnewswire.com/media/1815015/Lithium_South_Development_Corporation_Logo.jpg

SOURCE Lithium South Development Corporation

Dieser Artikel stammt von Rohstoff-Welt.de

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/489311--Lithium-South-Development-Corp.-~-Letter-of-Intent-for-a-Joint-Venture-and-Project-Funding.html>

Für den Inhalt des Beitrages ist allein der Autor verantwortlich bzw. die aufgeführte Quelle. Bild- oder Filmrechte liegen beim Autor/Quelle bzw. bei der vom ihm benannten Quelle. Bei Übersetzungen können Fehler nicht ausgeschlossen werden. Der vertretene Standpunkt eines Autors spiegelt generell nicht die Meinung des Webseiten-Betreibers wieder. Mittels der Veröffentlichung will dieser lediglich ein pluralistisches Meinungsbild darstellen. Direkte oder indirekte Aussagen in einem Beitrag stellen keinerlei Aufforderung zum Kauf-/Verkauf von Wertpapieren dar. Wir wehren uns gegen jede Form von Hass, Diskriminierung und Verletzung der Menschenwürde. Beachten Sie bitte auch unsere [AGB/Disclaimer!](#)

Die Reproduktion, Modifikation oder Verwendung der Inhalte ganz oder teilweise ohne schriftliche Genehmigung ist untersagt!
Alle Angaben ohne Gewähr! Copyright © by Rohstoff-Welt.de -1999-2026. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).