

DRILL RESULTS

Initial Drill Results from Itira, Further Infill Results from Bandeira

OUR TAKE: This morning, Lithium Ionic reported initial assay results its Itira property and infill results from its Bandeira property as part of its 50,000-metre expansion and definition drilling program. The Bandeira property is located ~500 metres south of the lithium producing CBL mine, and ~700 metres north of Sigma Lithium Corp.'s (SGML-V, not rated) large Barreiro lithium deposit (see Figure 1). As a reminder, in June Lithium Ionic reported a maiden mineral resource estimate (MRE) on its Itinga Lithium Project which outlined a total of 19.4 Mt grading 1.42% Li₂O (all-categories) for a total of 276.8 kt Li₂O or 682.7 kt LCE (lithium carbonate equivalent) at the Bandeira and Galvani (Outro Lado) properties (7.57 million tonnes grading 1.40% Li₂O of Measured and Indicated and 11.86Mt grading 1.44% Li₂O of Inferred resources- see [report dated June 27, 2023](#)). At the time, the Company also noted immediate expansion potential in mineralized holes drilled at Bandeira that requiring tighter drill spacing for confidence. The potential range of growth in the known mineralized area was outlined as 1.5-3.0 Mt grading 1.3%-1.6% Li₂O, representing an expansion target of ~7.7% to 15.4% of the MRE. **Today's infill highlights include several good intercepts ranging from 3.11m to 7.10m with grades ranging from 2.24% to 1.01% Li₂O, similar to the average grade of the recent maiden MRE, as they serve to tighten up the drill spacing in the resource area at Bandeira and add further confidence to continuity between previously drilled holes making up the current resource, which is positive.** Meanwhile, the Itira property covers over 3,100 hectares and is located approximately 8 kilometres from Bandeira and just a few kilometres from the Outro Lado deposit. The initial assays from this regional target appear encouraging with **highlight hole EXDD-23-010 returning 8.87 metres grading 1.19% Li₂O from a downhole depth of 184.93 metres** (see Table 1 and Figure 2). Additionally, according to LTH, "there are several other planned drill targets which show very strong potential, including the northern portion of the property which returned soil anomalies with the highest lithium values." With several outcropping spodumene-bearing pegmatites identified on the property (and further confirmed by sampling trenches), the Company plans to further drill test these targets with results expected in the coming months. As a reminder, the Company's H2 2023 13-rig 50,000 metre program aims to further increase the size of the resource and establish an NI 43-101 mineral reserve estimate at Bandeira and Outro Lado, while defining an NI 43-101 mineral resource estimate at other prospective regional targets, including its Salinas and Itira targets. According to the Company, it currently has its thirteen drills operating at four different deposit areas (8 at Bandeira and the other 5 targeting Salinas and Itira). Of the 50,000 metres, 20,000 metres of the program is planned to target the Company's Salinas Lithium Project where late last month, the Company announced initial drill results with highlight hole BGDD-23-032 representing the strongest intercept to date at Salinas from a grade X width perspective, intersecting 1.38% Li₂O over 16m from a downhole depth of 40.4m (see [report dated July 25, 2023](#)).

KEY HIGHLIGHTS

◆ Itira Exploration Drilling Intercept Highlights:

- **Drill Hole EXDD-23-011:** intersected 1.19% Li₂O over 8.87 metres from a downhole depth of 184.93 metres;
- **Drill Hole EXDD-23-010:** intersected 1.02% Li₂O over 4.57 metres from a downhole depth of 164.43 metres, 1.64% Li₂O over 4.70 metres from a downhole depth of 191.40 metres, and 1.30% Li₂O over 2.0 metres from a downhole depth of 205.04 metres;
- **Drill Hole EXDD-23-002:** intersected 1.09% Li₂O over 5.55 metres from a downhole depth of 39.98 metres, including 4.00 metres at 1.29% Li₂O from a downhole depth of 39.98 metres.

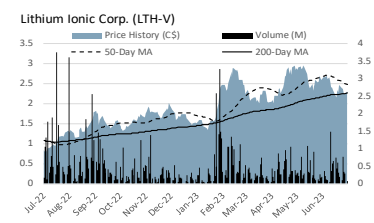
◆ Bandeira Infill Drill Intercept Highlights:

- **Drill Hole ITDD-23-137:** intersected 1.44% Li₂O over 6.85 metres from a downhole depth of 189.80 metres;
- **Drill Hole ITDD-23-132:** intersected 1.59% Li₂O over 5.91 metres from a downhole depth of 172.68 metres;
- **Drill Hole ITDD-23-144:** intersected 1.85% Li₂O over 4.96 metres from a downhole depth of 94.46 metres;
- **Drill Hole ITDD-23-138:** intersected 1.01% Li₂O over 7.10 metres from a downhole depth of 289.52 metres;
- **Drill Hole ITDD-23-134:** intersected 2.24% Li₂O over 3.11 metres from a downhole depth of 138.85 metres.

BOTTOM LINE: Lithium Ionic continues to rapidly advance its Itinga Project, with further de-risking milestones on the horizon. Additionally, we await further assay results as Lithium Ionic continues with its exploration drill program at both Itira and Salinas, where initial results appear to show promise as the Company hopes to develop the projects into a part of its growing portfolio of lithium deposits. In addition to its current 50,000 metre drill program, Lithium Ionic is also working on a Preliminary Economic Assessment which is expected to be completed in the coming months on its Bandeira and Outro Lado deposits, with the objective of accelerating a Definitive Feasibility Study targeted for completion by the end of 2023, and Environmental Impact Assessment studies for both the Bandeira and Outro Lado deposits which are expected to be complete by the end of the year, at which time the applications are expected to be submitted for the respective environmental and social licenses. **Expect a continuous flow of news on new drill results over the coming months and an array of de-risking milestones.**

KEY STATISTICS AND METRICS

52-Week High/Low	\$3.05 / \$1.25	Debt	\$ 0.0 M
YTD Performance	51.23%	Enterprise Value	\$ 308.6 M
Dividend Yield	NA	Daily Volume (30 days)	479,290
Shares O/S	138.2 M	Currency	C\$ unless noted
Market Capitalization	\$ 338.6 M	Website	www.lithiumionic.com
Cash	\$ 30.0 M	CEO	Blake Hylands



Source: Capital IQ, and Haywood Securities

Table 1: Itira Drill Results

Hole ID	Az	Dip	From	To	Metres	Li2O (%)
EXDD-23-001	0	-90	nsv			
EXDD-23-002	100	-50	39.98	45.53	5.55	1.09
<i>incl.</i>			39.98	43.98	4.00	1.29
EXDD-23-003	120	-50	nsv			
EXDD-23-004	120	-50	nsv			
EXDD-23-005	120	-50	126.84	129.98	3.14	1.60
EXDD-23-006	0	-90	89.82	92.84	3.02	1.41
EXDD-23-007	0	-90	nsv			
EXDD-23-008	120	-50	89.78	92.78	3.00	0.69
EXDD-23-009	0	-90	47.49	48.29	0.80	2.90
<i>and</i>	150	-84	109.07	110.15	1.08	0.77
EXDD-23-010	120	-50	164.43	169.00	4.57	1.02
<i>and</i>			191.40	196.10	4.70	1.64
<i>and</i>			205.04	207.04	2.00	1.30
EXDD-23-011	120	-50	184.93	193.80	8.87	1.19
EXDD-23-012	120	-50	114.59	115.72	1.13	0.66
EXDD-23-013	120	-50	Assays Pending			
EXDD-23-014	120	-50	nsv			
EXDD-23-015	0	-90	nsv			
EXDD-23-016	120	-65	nsv			
EXDD-23-017	0	-90	nsv			
EXDD-23-018	100	-55	132.46	134.71	2.25	0.94
EXDD-23-019	100	-75	nsv			
EXDD-23-020	0	-90	nsv			

Source: Lithium Ionic Corp.

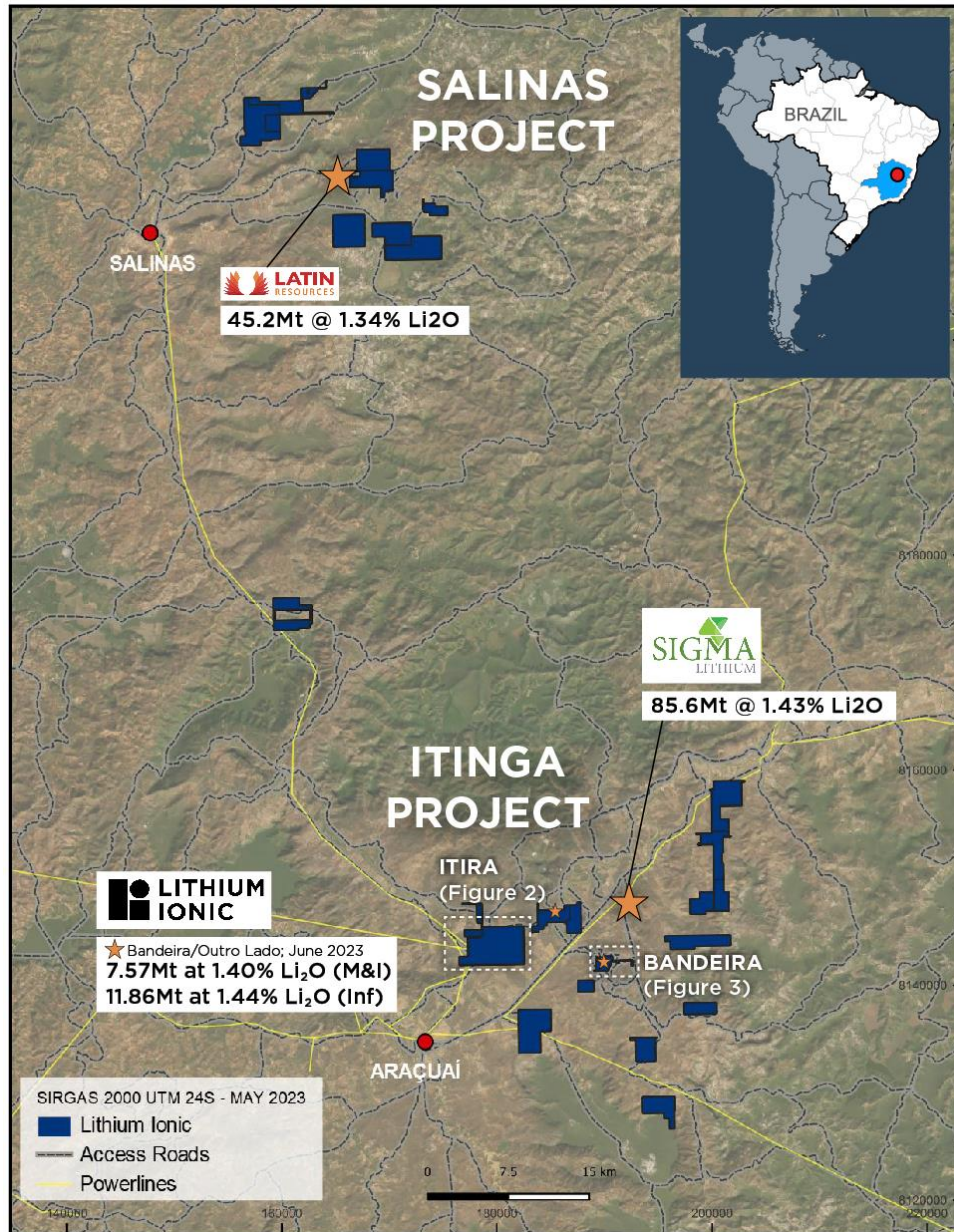
Table 2: Bandeira Drill Results

Hole ID	Az	Dip	From	To	Metres	Li2O (%)
ITDD-23-130	150	-72	88.49	91.08	2.59	1.15
<i>and</i>	150	-68	240.32	242.41	2.09	1.46
ITDD-23-131	150	-85	99.48	101.88	2.40	1.67
<i>and</i>	150	-80	274.94	278.00	3.06	1.33
ITDD-23-132	150	-77	69.51	72.73	3.22	1.66
<i>and</i>	0	-90	166.14	169.88	3.74	1.36
<i>and</i>	150	-50	172.68	178.59	5.91	1.59
ITDD-23-133	150	-54	150.20	154.79	4.59	1.20
ITDD-23-134	150	-76	32.45	34.95	2.50	2.43
<i>and</i>			138.85	141.96	3.11	2.24
ITDD-23-135	150	-65	121.85	123.46	1.61	1.74
<i>and</i>			136.02	137.59	1.57	2.96
ITDD-23-136	150	-50	Pending			
ITDD-23-137	150	-90	81.68	85.18	3.50	1.48
<i>and</i>			182.18	183.70	1.52	0.92
<i>and</i>			185.16	187.28	2.12	1.35
<i>and</i>			189.80	196.65	6.85	1.44
ITDD-23-138	150	-79	289.52	296.62	7.10	1.01
ITDD-23-139	150	-82	Pending			
ITDD-23-140	0	-90	28.83	30.62	1.79	1.22
ITDD-23-141	0	-90	39.98	43.98	4.00	1.36
<i>and</i>			47.25	51.61	4.36	0.63
ITDD-23-142	150	-68	Pending			
ITDD-23-143	150	-66	Pending			
ITDD-23-144	150	-79	82.50	82.98	0.48	2.34
<i>and</i>			94.46	99.42	4.96	1.85

Source: Lithium Ionic Corp.



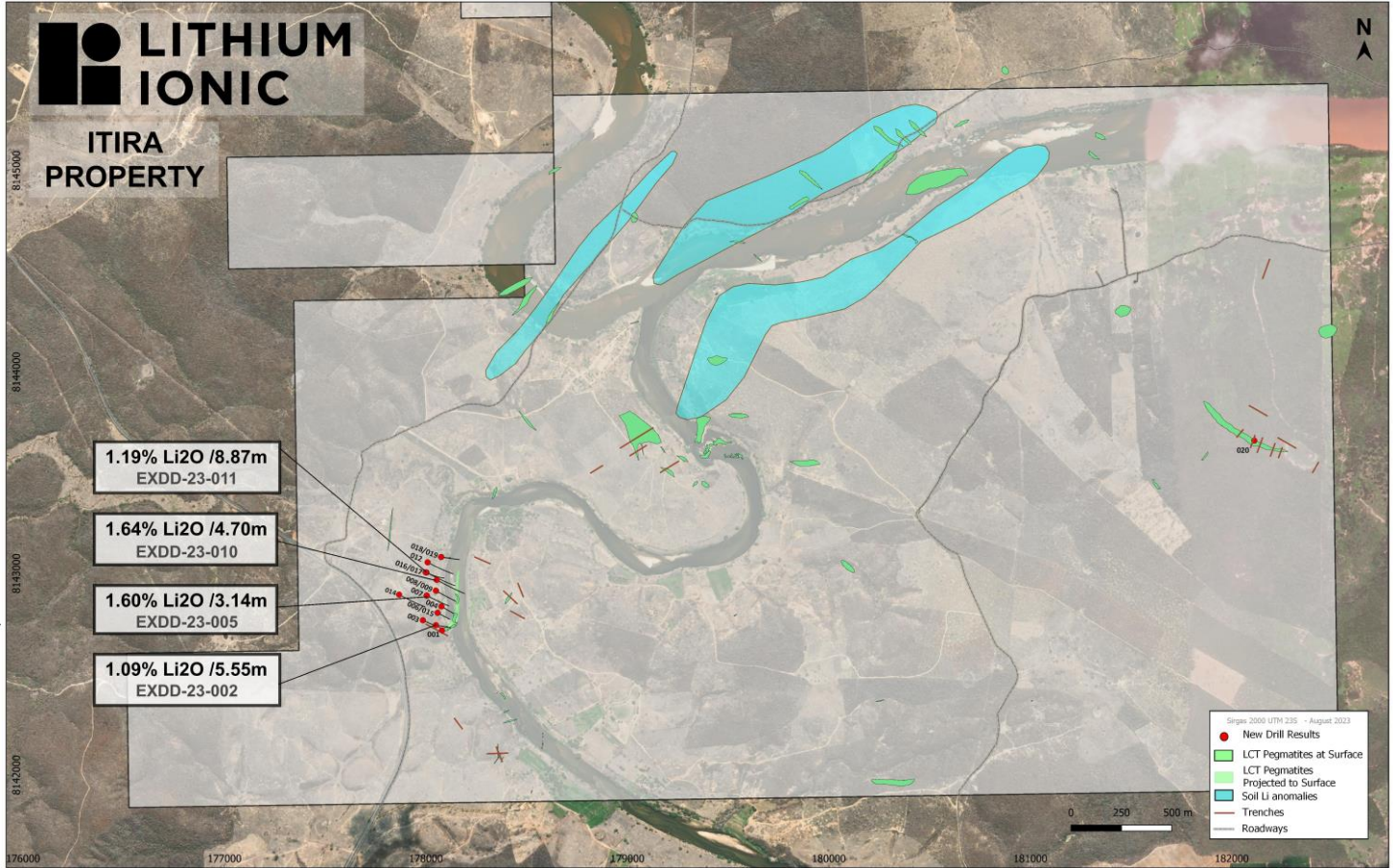
Figure 1: Location Map Showing Lithium Ionic's 14,182 Land Package



Source: Lithium Ionic Corp.



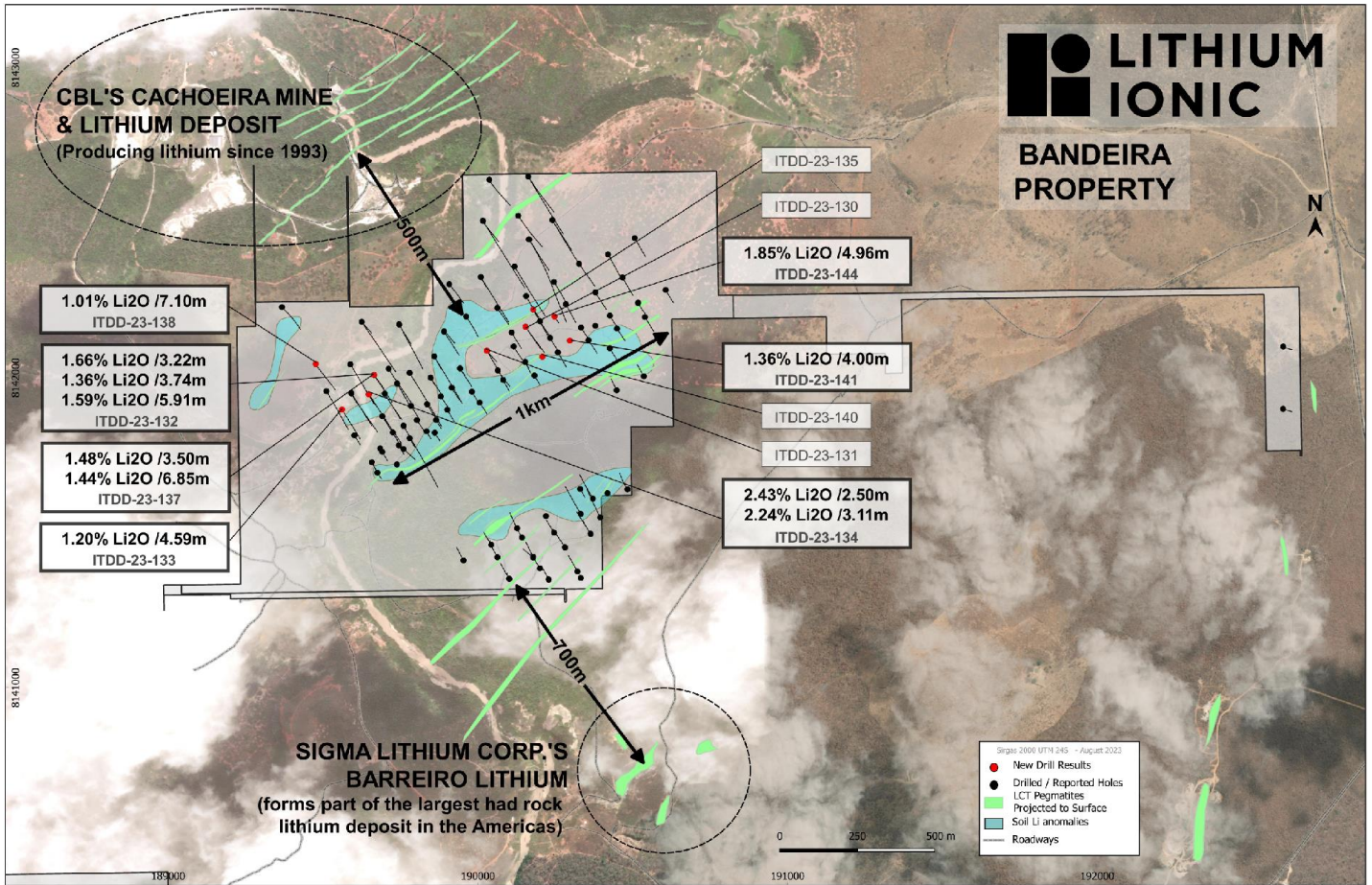
Figure 2: Itira Drill Result Highlights



Source: Lithium Ionic Corp.



Figure 3: Bandeira Drill Result Highlights and Nearby Lithium Mines/Deposits



Source: Lithium Ionic Corp.



Important Information and Legal Disclaimers

This report is intended for institutional investors and may only be distributed to non-institutional US clients in the following states: Colorado, Delaware, Illinois, Louisiana, Maryland, Missouri, New Jersey, New York, Ohio, Pennsylvania, Puerto Rico, Rhode Island, Tennessee, West Virginia, Wisconsin. Otherwise, this report may only be distributed into those states with an institutional buyer state securities registration exemption.

Analyst Certification

I, Colin Healey, hereby certify that the views expressed in this report (which includes the rating assigned to the issuer's shares as well as the analytical substance and tone of the report) accurately reflect my/our personal views about the subject securities and the issuer. No part of my/our compensation was, is, or will be directly or indirectly related to the specific recommendations.

Important Disclosures

Of the companies included in the report the following Important Disclosures apply:

- ◆ As of the end of the month immediately preceding this publication either Haywood Securities, Inc., one of its subsidiaries, its officers or directors beneficially owned 1% or more of Lithium Ionic Corp. (LTH-V).
- ◆ Haywood Securities, Inc. or one of its subsidiaries has received compensation for investment banking services from Lithium Ionic Corp. (LTH-V) in the past 24 months.

Distribution of Ratings (as of August 24, 2023)

	%	#	IB Clients (TTM)
Buy	77.5%	79	88.9%
Hold	6.9%	7	11.1%
Sell	0.0%	0	0.0%
Tender	0.0%	0	0.0%
UR (Buy)	0.0%	0	0.0%
UR (Hold)	0.0%	0	0.0%
UR (Sell)	0.0%	0	0.0%
Dropped (TTM)	15.7%	16	0.0%

Link to Research Policy: <http://haywood.com/what-we-offer/research/research-policy>

