### Lithium Ionic Corp.

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Rating: Buy, Risk: Speculative, Target: C\$3.75 LTH C\$0.74, TSX-V

### Bandeira delivers high-grade drill results as the project advances toward a production decision

This morning, Lithium Ionic announced new assay results for 23 drill holes at its feasibility-stage Bandeira lithium project located close to Sigma Lithium's Grota do Cirilo project and CBL's Cachoeira lithium mine in Minas Gerais, Brazil. The announcement includes the following high-grade drill results:

- 1.25% Li<sub>2</sub>O over 49.8m, including 1.46% Li<sub>2</sub>O over 27m; intersected from ~55m downhole (hole ITDD-23-213).
- 1.46% Li<sub>2</sub>O over 40m, including 2.02% Li<sub>2</sub>O over 6m, 1.83% Li<sub>2</sub>O over 7m and 3.38% Li<sub>2</sub>O over 5m; intersected from ~147m downhole (hole ITDD-24-259).
- 1.86% Li<sub>2</sub>O over 24.1m; intersected from ~180m downhole (hole ITDD-24-256).
- 2.13% Li<sub>2</sub>O over 20.4m, including 2.62% Li<sub>2</sub>O over 10.4m and 3.78% Li<sub>2</sub>O over 3.3m; intersected from ~175m downhole (hole ITDD-24-260).
- 2.03% Li<sub>2</sub>O over 18.6m; intersected from ~189m downhole (hole ITDD-24-257).
- 1.93% Li<sub>2</sub>O over 11.5m and 1.31% Li<sub>2</sub>O over 12.5m, including 2.04% Li<sub>2</sub>O over 6m (hole ITDD-24-262).

#### LTH remains a catalyst-rich story:

- Some of the assay results released today, including high-grade results from seven holes (ITDD-24-256 to ITDD-24-262), were not included in the updated <u>Bandeira mineral resource estimate</u> of 41.9mt grading 1.35% announced on April 12, 2024. Consequently, with today's strong results, we continue to see **potential resource expansion** at Bandeira (in addition to our positive view on the Salinas project).
- Management indicated that it continues to prioritize the **advancement of Bandeira to production** and that it looks forward to **delivering significant milestones toward this goal in the near term**.
- A feasibility study for Bandeira is expected to be completed in May 2024.
- In early 3Q24, LTH expects an approval for the concomitant environmental and installation licence, which would grant the company an environmental and social licence for Bandeira and an authorization to begin construction.
- At the Salinas project, a PEA is expected in 2H24 and an environmental impact assessment in 1Q25.

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**Valuation.** LTH trades at 0.16x P/NAV vs peers at 0.27x. We view valuation as compelling, especially considering LTH's quick path to production, low costs, proximity to producers and infrastructure, and further resource growth potential.

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outperform their

expected to

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Total		165	100	128	100

Lithium Ionic Corp. Rating History as of 04-26-2024

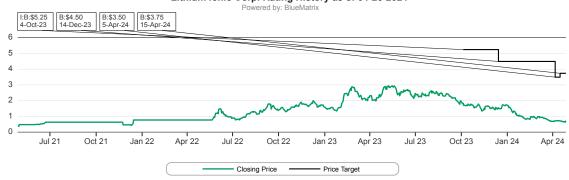


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