



**Rain City Resources Inc.**

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Canada

**Rain City Resources Inc. (CSE: RAIN) Closes Second Tranche of Private Placement and satisfies phase 1 earn in into Avonlea Lithium Corporation (“ALC”)**

*Third and final tranche of Private Placement expected to close by October 15, 2024*

**Monday October 7, 2024 – Vancouver, BC – Rain City Resources Inc. (RAIN:CSE) (the “Company” or “RAIN”)** Further to RAIN’s news release of June 13, 2024, announcing an equity raise of up to \$1,875,000 by way of issuance of 25 million common shares, RAIN (or the “Company”) announces that it has today closed a second tranche of its financing (the “Financing”) and issued 1,411,000 shares of common stock to subscribers for gross proceeds of \$105,825. The Company issued a further 37,500 shares of common stock and 37,500 share purchase warrants for exercise for two (2) years at \$0.15 per share to an introducing broker in respect of the closing of the Second tranche. All shares issued are subject to a four-month hold period expiring February 8, 2025. A third and final tranche of the Financing is expected to close on or before October 15, 2024.

The Company has also successfully concluded phase 1 of its’ earn in with respect to the option agreement, as amended, (the “Agreement”) entered into with Avonlea Environmental Technologies Corp. (“Avonlea”) on June 12, 2024. Under the original terms of the Agreement, RAIN agreed to pay to Avonlea the sum of US\$800,000 to satisfy the initial earn-in of 7.5% in ALC (“Payment 1”). As a result of subsequent amendments to the original Agreement, including a third amendment dated September 30, 2024, Avonlea and RAIN have agreed that cash payments previously advanced in the amount of US\$600,000 and the issuance of 3 million shares of RAIN common stock from treasury (the “Share Consideration”) shall satisfy in full Payment 1 and upon such issuance of the Share Consideration, RAIN shall immediately earn 7.5% of ALC. The Company will issue the Share Consideration in accordance with CSE policy. Shares issued will be subject to a four-month hold period expiring February 17, 2025.

The Company is using the proceeds from its Financing to fund the building of a containerized pilot plant for field testing. Potential testing sites are now being assessed. RAIN and Avonlea will work together to select a suitable location and are currently in discussions with a number of parties in this regard. As part of the terms of the Agreement, RAIN will contribute the first US\$200,000 to fund any operational expense associated with shipping and mobilization of the pilot plant.

Benjamin Hill, RAIN’s CEO commented:

“We’re pleased to conclude this first earn-in milestone and in the coming months we look forward to advancing on both the deployment of a field pilot test in North America, and agreement on additional strategic ground and alliances in Latin America. Over the course of the last several months RAIN has worked incredibly closely with Avonlea, and its partners and affiliates, to develop and refine a go-to-market strategy. On the basis of this work, and in discussion with global leaders in the lithium market, we’re more

confident than ever in the potential and promise this technology represents both for RAIN and for the extractive lithium industry at large.”

To date the Company has raised a total of \$1,467,777.15 through its non-brokered private placement at 7.5 cents per share.

### **Option Issuance to Non-Executive Directors and Advisory Board Members**

Following the Company’s Annual General Meeting held September 10, 2024, the Company has granted the following stock options to members of the Board of Directors and its Advisory Board at \$0.08 per share, exercisable for a term of three (3) years from October 7, 2024. Options granted vest as to ¼ on grant date and ¼ each six months thereafter.

#### **Non-Executive Directors**

Bernadette D’Silva 400,000 stock options

Murray Tevlin 400,000 stock options

#### **Advisory Board Members**

Sebastian Quiñones 200,000 stock options

Ronald Lincz 200,000 stock options

Douglas Brett 200,000 stock options

The Company has previously granted 4 million stock options to officers, directors and consultants at \$0.075 exercisable until June 13, 2027 and vesting as to ¼ on grant date and ¼ each six months thereafter.

In addition, the Company has today appointed a fourth Advisory Board Member, Mr. Andrew Judson. Mr. Judson is currently the Chairman of the Board of Crown LNG and a Senior Advisor to Fort Capital Securities Ltd. Previously, Andrew has spent twenty-four years in Capital Markets and Private Equity, focused on all aspects of the energy industry – upstream E&P, oilfield services and midstream processing. Andrew covered financial institutions across Canada, the US and Europe and energy companies operating domestically and around the world. More recently, Andrew was a Managing Director at Camcor Partners, a Calgary based boutique Private Equity firm investing in upstream companies active in the Western Canadian Sedimentary Basin on behalf of Institutional and private LPs. Andrew graduated from the University of Calgary with a BA in History (Distinction)(1991) and an MBA in Finance (Distinction)(1995).

### **Equity issuance to Benjamin Hill as CEO**

Under the terms of his compensation package, Benjamin Hill has elected to waive a sign on bonus of \$225,000 in return for the issuance of 3,000,000 shares in the Company. The Company will issue the shares in accordance with CSE policy. Shares issued will be subject to a four-month hold period expiring February 17, 2025.

Mr. David Shaw, RAIN’s Chairman of the Board commented:

“We are grateful to Ben for electing to take part of his agreed remuneration package in equity. This further aligns him to the success of the Company and shows our intention of incentivising our executive team as we continue to grow RAIN into a worldclass Direct Lithium Extraction company. Compensation to members of the board, officers, consultants and advisory board members in the form of long-term options provides ongoing incentive for our growing team to deliver future results for RAIN and its shareholders.”

### **About:**

Rain City is a vertically integrated renewable energy technology company focussed on developing the technologies that serve the world’s growing energy storage needs. The primary focus is lithium production

sourced from brines using proprietary Direct Lithium Extraction (DLE) processes. RAIN has an option to acquire up to a 100% interest in an innovative and patented DLE technology (ACCELi).

**FOR FURTHER INFORMATION CONTACT:**

Benjamin Hill  
Chief Executive Officer

David Shaw  
Chairperson

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***Cautionary Statement Regarding Forward-Looking Information***

Forward-Looking Statements This news release includes certain "forward-looking statements" under applicable Canadian securities legislation. Forward-looking statements include, but are not limited to, statements with respect to: deployment and operation of pilot plant and field testing facilities and operational potential of an ownership interest in Direct Lithium Extraction processes and technology; the business and operations of the Company after closing acquisition transactions and associated operational forecasts. Forward looking statements are based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to: general business, economic, competitive, political and social uncertainties; delay or failure to receive board, shareholder or regulatory approvals; uncertainties surrounding renewable energy and the lithium production industry. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company disclaims any intention or obligation to update or revise any forward- looking statements, whether as a result of new information, future events or otherwise, except as required by law. There can be no assurance that proposed operations will be successful or that the anticipated financial, economic or strategic benefits will be realized.

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