



## Metalite Announces LOI to Acquire Advanced Stage Critical Metals Project and Launches \$800,000 Private Placement

Toronto, ON, January 19, 2024 – Metalite Resources Inc. (CSE:METL) (OTC:JNCCF) (Frankfurt:5VHA) ("**Metalite**" or the "**Company**") is pleased to announce that it has entered into an arm's length non-binding letter of intent ("**LOI**") with Cachee Gold Mines Corp. ("**Cachee**" and together with Metalite, the "**Parties**") dated January 19, 2024 to acquire an interest in an advanced stage critical metals project located in Flett and Angus townships, Ontario ("**Titan Project**").

David Melling, Interim CEO and Director of Metalite commented: "*We are very pleased to announce this keystone acquisition for Metalite. We've conducted thorough due diligence on the Titan Project, which included a site visit, and believe that its unrivalled quality is a catalyst to create shareholder value for Metalite shareholders.*"

### *About the Titan Project*

The Titan Project is located at Flett and Angus Townships, 120 kilometers northeast of Sudbury, Ontario. Titan Project consists of approximately 5,445 contiguous hectares comprising 17 patented claims and 84 unpatented claims.

Metalite management believes that the Titan Project has a number of positive features, which make it attractive, including the following:

- The deposit that hosts an inferred resource (summarized below) is located entirely on the patented claims that are owned by Cachee, with access to water, roads, electrical power and a railroad;
- Located in the Ontario, Canada a 5-hour drive north of Toronto and situated in the heart of the mining districts of Sudbury, Timmins, Kirkland Lake and Rouyn Noranda all within a 2-hour drive;
- Magnetite rich mineralization with good grades of iron, titanium and vanadium;
- Large property footprint with potential for resource expansion, new discoveries and standalone spinout projects;

According to the technical report prepared by Mine Development Associates on October 23, 2017 (the "**Technical Report**") prepared in accordance with National Instrument 43-101, Standards of Disclosure for Mineral Projects ("**NI 43-101**")<sup>1</sup>, the Titan Project's inferred resource is estimated as follows:

<b>Resource Category</b>	<b>Tonnes (t)<sup>2</sup></b>	<b>Fe<sub>2</sub>O<sub>3</sub> (%)</b>	<b>V (%)</b>	<b>TiO<sub>2</sub> (%)</b>
Inferred	46.0 million	48.32	0.24	14.88

*V converted to V2O5: 0.24 % V = 0.43% V2O5*

According to the Technical Report the metal content of the inferred resource estimate at the Titan Project totals: 434 million pounds of vanadium pentoxide ("**V<sub>2</sub>O<sub>5</sub>**"), 6,844 million kgs of titanium dioxide ("**TiO<sub>2</sub>**") and 22.2 million tonnes of iron<sup>3</sup>. Mineral resources are not mineral reserves and do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing, or other relevant issues.

<sup>1</sup> Available under the Silver Elephant's SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca).

<sup>2</sup> Based on resource estimated at cutoff grade of 40% Fe<sub>2</sub>O<sub>3</sub> inside an optimized pit.

<sup>3</sup> Illustrative example based on the assumed 100% recovery;

The Technical Report was authored by Neil Prens, P. Eng. And Neil Pettigrew, P. Geo., who were independent Qualified Persons in relation to Silver Elephant under NI 43-101 at the time the Technical Report was prepared.

The magnetite, ilmenite, titanium dioxide and vanadium mineralization at the property occurs in a southeast plunging igneous body of gabbro to leucotroctolite composition in the northeastern corner of the Fall Lake complex. The Titan deposit is located at the northern end of an aeromagnetic anomaly that is approximately 1,200 metres long by 800 metres wide.

A total of 4,898 assayed intervals were recorded from 38 cored holes drilled by the prior owner of the Titan Project. Drilling highlights reported by the previous owner included (not true widths):

- Drill Hole RA-05-21 drilled to the depth of 200.0 m included
  - 0.27% vanadium (0.48% V<sub>2</sub>O<sub>5</sub> equivalent), 51.22% Fe<sub>2</sub>O<sub>3</sub> and 16.01% TiO<sub>2</sub> over 142.0 m from 3.0 m;
- Drill Hole RA-05-10 drilled to the depth of 414.0 m included:
  - 0.26% vanadium (0.46% V<sub>2</sub>O<sub>5</sub> equivalent), 50.97% Fe<sub>2</sub>O<sub>3</sub> and 15.68% TiO<sub>2</sub> over 172.0 m from 102.0 m;
- Drill Hole RA-05-09 drilled to the depth of 402.0 m included:
  - 0.21% vanadium (0.37% V<sub>2</sub>O<sub>5</sub> equivalent), 46.91% Fe<sub>2</sub>O<sub>3</sub> and 14.39% TiO<sub>2</sub> over 188.0 m from 82.0 m;
- Drill hole RA-05-22 drilled to the depth of 302.0 m included:
  - 0.29% Vanadium (0.51% V<sub>2</sub>O<sub>5</sub> equivalent), 56.78% Fe<sub>2</sub>O<sub>3</sub> and 19.02% TiO<sub>2</sub> over 118.0 m from 149.0 m;

Outside of the main zone where the resource of the Titan deposit was estimated, the Titan Project has two large geophysical anomalies, areas of extensive historical drilling and various unexplored target that could host other vanadium and/or titanium deposit of a similar size to the Titan Deposit within the lands that currently comprise the Titan Project.

### ***Terms of the LOI***

Pursuant to the terms of the LOI, the Parties propose to enter into a series of agreements consisting of: a) an option agreement to earn an undivided 20% interest in the Titan Project ("**Titan Option**"), and b) an option to acquire all issued and outstanding securities of Cachee ("**Cachee Acquisition Option**"), whereby the shareholders of Cachee will become shareholders of Metalite (together with Titan Option the "**Transaction**"). It is intended that the LOI will be followed by a definitive agreement between the Parties (the "**Definitive Agreement**"), setting forth the detailed terms and conditions of the Transaction and ancillary documents thereto, including the Titan Option Agreement and the agreement to consummate the Cachee Acquisition Option.

Pursuant to the Titan Option, Metalite will have the option to acquire an undivided 20% interest in Osprey's Titan Project by incurring exploration expenditures of no less than CAD\$800,000 prior to December 31, 2024.

Pursuant to the Cachee Acquisition Option, Metalite will be granted an option to acquire all issued and outstanding securities of Cachee, subject to certain terms and conditions including, without limitation, the following:

- (a) The Titan Option must be exercised by Metalite;
- (b) Metalite must complete an equity financing ("**Financing**") of no less than \$800,000 on or prior to February 29, 2024;

- (c) Cachee and Metalite must obtain all applicable regulatory approvals for exercising the Cachee Acquisition Option, including without limitation, approval of the Canadian Securities Exchange ("CSE"), Cachee Shareholders and Metalite Shareholders;
- (d) The Definitive Agreement must be entered into by the Parties prior to the February 29, 2024;
- (e) The Cachee Acquisition Option must be exercised prior to the date that is 12 months following the date of the Definitive Agreement;
- (f) The board of directors of the entity that will result from the exercise of the Cachee Acquisition Option (the "**Resulting Issuer**") will be comprised of five members, of which four will be nominees of Cachee and one will be a nominee of Metalite, provided that at least three board members will be considered "independent" as such term is defined in National Instrument 52-110 - *Audit Committees*, and will be acceptable to the CSE;
- (g) The management team of the Resulting Issuer will be determined by Cachee, with such team being acceptable to the CSE;
- (h) Cachee shall deliver at its sole expense a current technical report on the Titan Property prepared in accordance with National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* ("**Titan NI 43-101 Technical Report**"), no later than the Drop Dead Date; and
- (i) The aggregate value of all issued and outstanding shares in the capital of Cachee acquired pursuant to Cachee Acquisition shall not exceed CAD \$4,650,000, which may be satisfied in cash or through the issuance of common shares in the capital of Metalite ("**Metalite Shares**"), at the price at which Metalite completes the Financing.

Metalite intends to announce further details of its plans to satisfy the condition regarding the completion of the Financing, including the pricing of the Financing in due course, which will be determined in the context of the market and announced by way of a press release.

Pursuant to the terms of the LOI, Cachee has agreed to advance an amount of up to CAD \$50,000 to fund certain operating expenses of Metalite as evidenced by a secured promissory note, which bears an interest of 15% per annum and is due on December 31, 2024.

### ***Launch of Private Placement***

Metalite announces that it intends to complete a non-brokered private placement financing (the "**Private Placement**") for gross proceeds of up to \$800,000. The Private Placement will consist of (i) up to 14,000,000 flow-through units (the "**FT Units**") at a price of C\$0.04 per FT Unit for gross proceeds of up to \$560,000; and (ii) up to 8,000,000 hard dollar units common shares (the "**Hard Dollar Units**") at a price of \$0.03 per Hard Dollar Unit for gross proceeds of up to \$240,000. Each FT Unit will be comprised of one flow-through common share in the capital of Metalite ("**FT Share**") and one common share purchase warrant (each a "**Warrant**"), and each Hard Dollar Unit will be comprised of one Metalite Share and one Warrant.

Each whole Warrant will be exercisable by the holder into Metalite Shares at a price of \$0.05 per Metalite Share for a period of twenty-four (24) months from the closing date ("**Closing Date**") of the Private Placement, subject to Metalite having the right to accelerate the expiry date of the Warrants to thirty (30) calendar days after giving notice thereof, if the Metalite Shares close for ten (10) consecutive trading days at or above \$0.10 per Metalite Share. The Warrants are not exercisable until the shareholders of the Metalite approve the issuance of the underlying Metalite Shares.

Metalite intends to use the gross proceeds from the sale of FT Units to fund exploration work on the Titan Project to exercise Titan Option and net proceeds from the sale of Hard Dollar Units for general corporate purposes and working capital.

The gross proceeds from the sale of FT Units will be used by Metalite to incur eligible “Canadian exploration expenses” that will qualify as “flow-through mining expenditures” as such terms are defined in the Income Tax Act (Canada) (the "**Qualifying Expenditures**") related to the Titan Project. All Qualifying Expenditures will be renounced in favour of the subscribers of the FT Units effective December 31, 2024.

Finder’s fees may be paid to eligible finders in accordance with the applicable laws and regulations consisting of a cash commission equal to up to 8% of the proceeds raised under the Private Placement and compensation options ("**Compensation Options**") in an amount equal to up to 8% of the aggregate number of FT Units and Hard Dollar Units sold pursuant to the Private Placement. Each Compensation Option will entitle the holder thereof to purchase one Hard Dollar Unit at a price of \$0.05 per Hard Dollar Unit for a period of 24 months following the closing date of the Private Placement.

All securities issued pursuant to the Private Placement will be subject to a four-month hold period in accordance with applicable securities laws. Metalite does not expect that the Private Placement will result in the creation of any new control person of Metalite and remains subject to approval by the Canadian Securities Exchange.

The technical information contained in this news release has been reviewed and approved by David Melling P. Geo, Metalite's Qualified Person in accordance with the requirements of NI 43-101. Mr. Melling is a Professional Geoscientist (P.Geo) and a registered member of the Engineer and Geoscientists of British Columbia (no. 18999) a Recognized Professional Organization.

For further information please contact: [info@metaliteresources.com](mailto:info@metaliteresources.com).

Completion of the transactions described herein are subject to a number of conditions, including but not limited to, execution of the Definitive Agreement, completion of satisfactory due diligence, CSE acceptance and receipt of requisite regulatory approvals. Where applicable, the proposed transaction cannot close until the required shareholder approvals, and any ancillary matters thereto, are obtained. There can be no assurance that the transactions will be completed as proposed or at all.

The Canadian Securities Exchange has in no way passed upon the merits of the proposed transactions and has neither approved nor disapproved the contents of this news release.

#### **About Metalite Resources Inc.**

Metalite Resources Inc. is a Canadian junior mineral exploration issuer with a precious metals focused project in NSW, Australia.

#### **About Cachee Gold Mines Corp.**

Cachee Gold Mines Corp. is a private mineral exploration company headquartered in Toronto, Canada. Cachee currently has two projects which are 100% owned by Cachee: 1) Launay Gold Project - comprised of large claims package in the heart of the Abitibi, a world class mining district; and 2) Titan Project – comprised of approximately 5,445 contiguous hectares comprising 17 patented claims and 84 unpatented claims in Nipissing District, Ontario, with an inferred resource estimate of 46 million tonnes grading 48.32% Fe<sub>2</sub>O<sub>3</sub>, 0.24% V and 14.88% TiO<sub>2</sub>. Cachee's leadership team is comprised of seasoned individuals with a track record in mining, technology, life sciences and finance.

### **Forward-Looking Statements**

*This news release contains certain "forward-looking statements." All statements, other than statements of historic fact, that address activities, events or developments that Metalite believes, expects or anticipates will or may occur in the future are forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek," "anticipate," "believe," "plan," "estimate," "expect," and "intend" and statements that an event or result "may," "will," "can," "should," "could," or "might" occur or be achieved and other similar expressions. These forward-looking statements reflect the current expectations or beliefs of Metalite based on information currently available to Metalite. Forward-looking statements are subject to a number of risks and uncertainties that may cause the actual results of Metalite to differ materially from those discussed in the forward-looking statements, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on Metalite. Forward looking statements in this press release include statements regarding the proposed transactions with Cachee and the timing thereof. Factors that could cause actual results or events to differ materially from current expectations include, among other things, failure to obtain all necessary approvals for the completion of the transactions with Cachee. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, Metalite disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Although Metalite believes that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein. Neither the Canadian Securities Exchange nor its Regulation Services Provider accepts responsibility for the adequacy or accuracy of this release.*