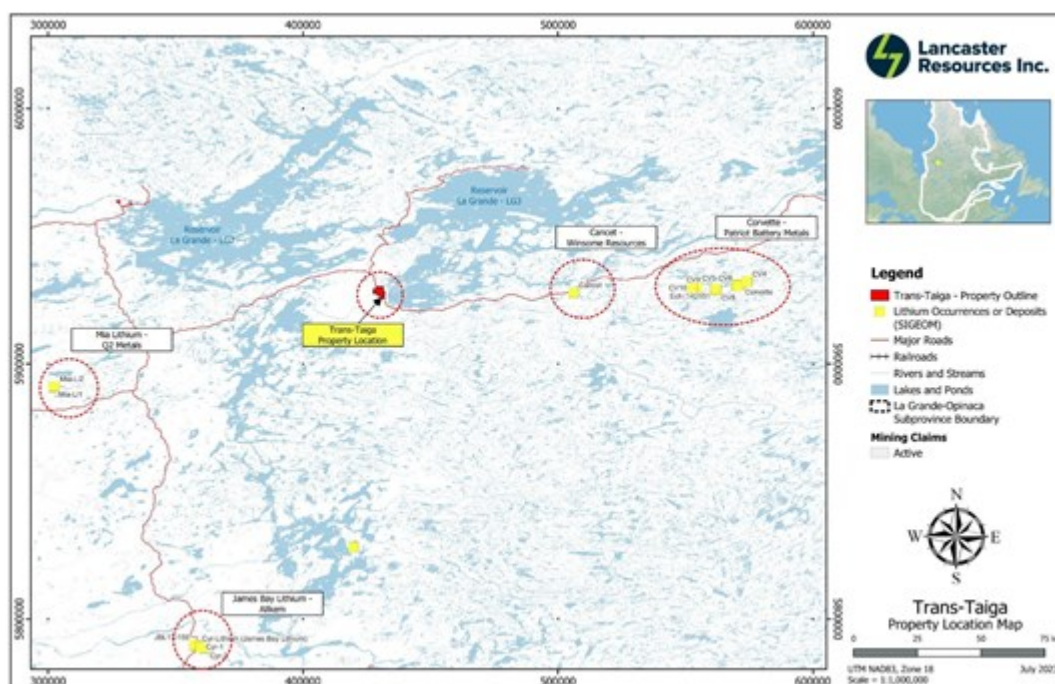


# Lancaster Resources Inc. Expands Lithium Exploration to Quebec's James Bay with Trans-Taiga Acquisition

Vancouver, British Columbia--(Newsfile Corp. - July 25, 2023) - **Lancaster Resources Inc. (CSE: LCR) (OTC Pink: LANRF) (FSE: 6UF) ("Lancaster")**, is pleased to announce entry into a binding Letter of Intent on July 23, 2023 (the "**Agreement**") to acquire 100% of the Trans-Taiga Lithium Project (the "**Property**") in the Eeyou Istchee James Bay region of Quebec. The Property, hosting several historical pegmatite samples, lies 120 km west of Patriot Battery Metals' Corvette Project, 74 km west of Winsome Resources' Cancet Project, and a few kilometers east of Loyal Lithium's Brisk Lithium Project.



Trans-Taiga Lithium Project Location.

To view an enhanced version of this graphic, please visit:

[https://images.newsfilecorp.com/files/7646/174734\\_a30e148c54835a6d\\_001full.jpg](https://images.newsfilecorp.com/files/7646/174734_a30e148c54835a6d_001full.jpg)

## Acquisition Highlights

**The Trans-Taiga Lithium Project.** The Property covers 1,432 hectares and is located along the boundary between La Grande and Opinaca Subprovinces. Subprovince boundaries are often delineated by deep-rooted crustal features filled by late-stage intrusives including pegmatites.

The Property is 120 km west of Patriot Battery Metals' Corvette Project, and roughly 74 km west of Winsome Resources' Cancet Project. The Corvette Project is notable for its hard rock lithium project presenting lithium grades up to 5.10% lithium oxide ( $\text{Li}_2\text{O}$ ). Winsome's Cancet reported grades up to 5.6%  $\text{Li}_2\text{O}$ .

In line with the same greenspan belt, the Property is located 106 km east of Ophir Gold Corp.'s Radis Project and 120 km east-northeast of Q2 Metals' Mia Lithium Property. Additionally, Loyal Lithium's Brisk Project, with its six separate claim blocks, reports that Block 1, located just a few kilometers west of the Property, holds the greatest lithium potential.

**The Lithium District in Eeyou Istchee James Bay.** Situated in Quebec, one of Canada's provinces, Eeyou Istchee James Bay is rapidly becoming one of the nation's leading lithium districts, boasting ten advanced projects and multiple early-stage discoveries. The Whabouchi mine is one of the largest lithium deposits worldwide, with a Mineral Resource measuring 36.6 Mt at 1.3% Li<sub>2</sub>O.

**Geology.** Pegmatites are confirmed to be present on the Property, as recorded in the provincial government's geological databases, SIGEOM. The documented mineral content includes garnets, muscovite, and tourmaline, all located within a white pegmatite in the Property's northwestern region along the Trans-Taiga Road. Further along this road, the pegmatite exhibits a graphic texture, characterized by quartz-feldspar, and it also contains sizable feldspar megacrysts.

**Strategic Acquisition Diversifies Position.** With the acquisition of the Property, Lancaster diversifies its exploration projects. Lancaster's focus expands from its existing lithium brine exploration at the Alkali Flat Project in New Mexico to include hard rock lithium exploration in Quebec's James Bay region. This strategic move enhances Lancaster's exploration capabilities and geographical diversity, positioning it to unlock different types of lithium resources in varied geological settings.

**Planned Work Program.** Lancaster plans to embark on an exploration campaign on the Property with a goal to identify lithium-rich areas, construct detailed geological maps, and evaluate the lithium content through sampling.

**Property Access.** Year-round access by road via Trans-Taiga Road which transects the Property. The Property is located approximately 105 km east of the junction with the year-round James Bay Road. Hydroelectric transmission lines transect the Property.

**Option:** The Agreement grants Lancaster an exclusive option to acquire 100% ownership of the Trans-Taiga Lithium Project from a group that includes Bounty Gold Corp. and Last Resort Resources. To exercise the option, payments totaling \$115,000 are payable as follows:

- \$37,000 due within 10 days of entering into the long form agreement, paid through \$10,000 cash plus \$27,000 via the issuance of 135,000 common shares in Lancaster's stock at a deemed price of \$0.20 per share;
- \$26,000 due on the first anniversary date of the agreement;
- \$26,000 due on the second anniversary date; and
- \$26,000 due on the third anniversary date.
- Lancaster may, at its discretion, make 50% of each payment in common stock;
- **Royalty:** The agreement includes a 2% net smelter returns royalty, of which 1% can be bought back by the Optionors for \$1,000,000;
- **Milestone Payments:** Lancaster agrees to make the following additional payments:
  - \$50,000 fee if exploration results yield a minimum of 10 contiguous meters of lithium with values of 1% or more;
  - \$1,000,000 if Lancaster publishes a 43-101 technical report for a resource of not less than 5 million tons with 1% lithium concentration; and
- **Long Form Agreement:** the parties will negotiate to enter into a long form agreement to replace the Agreement within the next 30 calendar days.

Lancaster plans to conduct exploration activities with a holistic view of stakeholder interests. Recognizing the importance of the diverse interest of various stakeholders, Lancaster will review and consider the environmental, social, and economic impacts of its planned activities in the Eeyou Istchee James Bay area.

**Lithium is a critical mineral to produce electric vehicle batteries and a host of other applications that are propelling the global shift towards decarbonization and renewable sources of energy.**

Andrew Watson, PEng, a qualified person for the purposes of National Instrument 43-101 Standards of Disclosure for Mineral Projects, has reviewed and approved the scientific and technical information contained in this news release.

### **About Lancaster Resources Inc.**

Lancaster is engaged in exploring energy transition metals to take advantage of the global shift towards decarbonization and electrification. Its Alkali Flat Lithium Project, in Lordsburg, New Mexico, USA, involves the exploration of a below-surface lithium brine target. Lancaster's goal at Alkali Flat is to produce Climate-Positive Lithium through the use of direct lithium extraction (DLE) and the application of solar power. Guiding Lancaster's journey is a skilled management and technical team, with collective involvement in over 15 commercial mineral discoveries, and endowed with extensive experience in the exploration and development of Lithium projects across Canada, the American West, Mexico, and South America.

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*The Canadian Securities Exchange has not reviewed, approved nor disapproved the contents of this news release.*

### **Cautionary Statement Regarding Forward-Looking Statements**

*Certain statements contained in this press release constitute forward-looking information. These statements relate to future events, or Lancaster's future performance. The use of any of the words "could", "expect", "believe", "will", "projected", "estimated" and similar expressions and statements relating to matters that are not historical facts are intended to identify forward-looking information and are based on Lancaster's current belief or assumptions as to the outcome and timing of such future events. Actual future results may differ materially. In particular, the ability of Lancaster to execute its exploration plans, ability to enter into a long form agreement for the acquisition of the Trans Taiga Lithium Property, retain key personnel, identify, acquire, explore, and develop high-quality mineral-rich properties and integrate sustainable energy sources and innovative technologies for climate-positive resource production constitute forward-looking information. Actual results and developments may differ materially from those contemplated by forward-looking information.*

*Readers are cautioned not to place undue reliance on forward-looking information. The statements made in this press release are made as of the date hereof. Lancaster disclaims any intention or obligation to publicly update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as may be expressly required by applicable securities laws.*



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