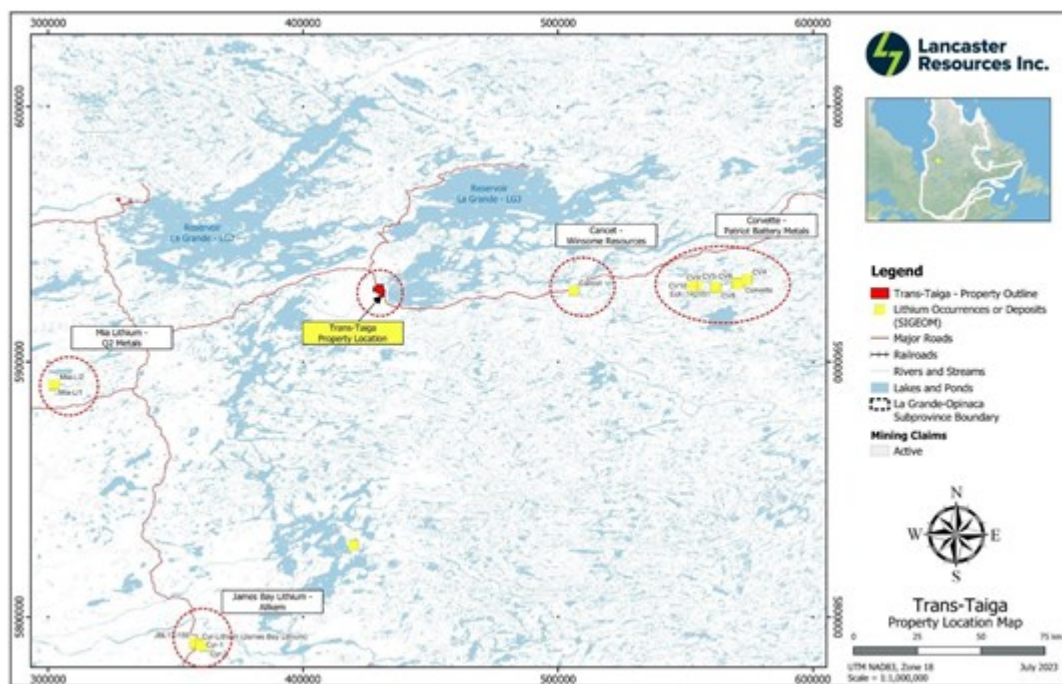


Lancaster Resources Signs Definitive Agreement to Acquire Lithium Project in Quebec's Prolific James Bay Region

Vancouver, British Columbia--(Newsfile Corp. - August 31, 2023) - **Lancaster Resources Inc. (CSE: LCR) (OTC Pink: LANRF) (FSE: 6UF0) ("Lancaster")**, is pleased to announce that on August 29, 2023, Lancaser entered into a definitive agreement (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.



The Trans-Taiga Lithium Project.

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

https://images.newsfilecorp.com/files/7646/179164_0a87920cb415aaa5_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 (Li_2O). Winsome's Cancet reported grades up to 5.6% Li_2O .

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 Quebec, is rapidly becoming one of the world's

leading lithium districts, boasting 10 advanced projects and multiple early-stage discoveries. The Whabouchi mine is the 7th largest lithium deposit worldwide, with a Mineral Resource measuring 36.6 Mt at 1.3% Li₂O, according to www.mining-technology.com.

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 (up to 6cm).

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 through geophysical programs, detailed geological mapping, and evaluation of the lithium concentration through sampling and geochemical analysis.

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, lowering exploration costs.

Option Agreement. Lancaster has acquired the exclusive option to acquire full ownership of the Trans Taiga Lithium Project. The total initial payment commitment stands at \$115,000, broken down as follows:

- Within the first 10 business days, Lancaster will make an initial payment of \$37,000. This includes \$10,000 in cash and 135,000 of Lancaster common shares at a deemed value of \$0.20 per share for payment of \$27,000, which have been issued.
- On each of the first, second, and third anniversaries of the agreement, Lancaster will make additional payments of \$26,000. These can be made entirely in cash or split evenly between cash and company shares.

Beyond the initial payments, Lancaster is committed to milestone payments based on exploration success:

- An initial milestone payment of \$50,000 is required if the exploration uncovers at least 10 contiguous meters of lithium-bearing spodumene with an average grade of 1.0% Li₂O or greater.
- Additional milestone payments of \$1,000,000 will be made for each filed mineral resource estimate showing a deposit exceeding five million metric tonnes with an average grade of 1.0% Li₂O or greater.

A 2% net smelter returns (NSR) royalty is due to the original property owners, which can be reduced to 1% if Lancaster opts to make a collective payment of \$1,000,000.

Management cautions that mineralization hosted on adjacent and/or nearby properties is not necessarily indicative of the presence of similar mineralization or geology on Lancaster's properties.

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 Resources 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 is to produce Climate-Positive Lithium there using direct lithium extraction technology and solar power. Lancaster recently acquired the rights to a 100% interest in the Trans-Taiga Lithium Property located within the James Bay lithium district of Quebec, and lying on the same fault as significant lithium discoveries, including Patriot Metals' Corvette Property. Guiding Lancaster Resources' journey is a skilled management and technical team, with collective involvement in over 15 commercial mineral discoveries, and endowed with extensive experience in the creation of lithium brine targets and the exploration and development of Lithium projects across Canada, the American West, Mexico, and South America.

Penny White, President & Chief Executive Officer, Lancaster Resources Inc.

penny@lancasterlithium.com

Tel: 604 923 6100

www.lancaster-resources.com

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.



To view the source version of this press release, please visit

<https://www.newsfilecorp.com/release/179164>