

Nevada Lithium Announces Closes \$5.12 Million Upsized Financing

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VANCOUVER, BC, Feb. 24, 2023 /CNW/ - Nevada Lithium Resources Inc. ("**Nevada Lithium**" or the "**Company**") (CSE: NVLH) (OTCQB: NVLHF) (FSE: 87K) is pleased to announce that today it closed its non-brokered private placement offering of 38,530,000 Subscription Receipts (as defined below) at a price of \$0.125 per Subscription Receipt (the "**Issue Price**") for aggregate gross proceeds of \$5,120,998 (the "**Offering**").

Stephen Rentschler, CEO of Nevada Lithium stated, "We are very grateful for the overwhelming demand on this offering which included strong support from existing sophisticated shareholders as well as new strategic investors. The consolidation of this world-class asset greatly enhances the Company's ability to negotiate with strategic investors and lithium end-users. We continue to advance the Bonnie Claire Project on multiple fronts and believe the Bonnie Claire Project is one of the most attractive global lithium assets remaining in junior developers' hand."

The Offering was undertaken in connection with the Company's previously announced consolidation of 100% ownership interest of the Bonnie Claire Lithium project (the "**Bonnie Claire Project**"), which is currently jointly held by Iconic Minerals Ltd. ("**Iconic**") and Nevada Lithium, by way of a court approved plan of arrangement (the "**Transaction**"). For further details regarding the Transaction, please refer to the press releases of the Company dated January 9, 2023 and January 23, 2023 available on SEDAR at www.sedar.com.

The Offering was comprised of: (A) concurrent non-brokered private placement financings completed by the Company and the Company's wholly-owned subsidiary, 1396483 B.C. Ltd. ("**Nevada MergeCo**"), whereby Nevada Lithium issued 14,780,000 Subscription Receipts (the "**Nevada Lithium Subscription Receipts**") at the Issue Price and Nevada MergeCo issued 23,750,000 Subscription Receipts (the "**Nevada MergeCo Subscription Receipts**" and together with the Nevada Lithium Subscription Receipts, the "**Subscription Receipts**") at the Issue Price; and (B) the issue and sale of promissory notes of Nevada Lithium (the "**Promissory Notes**") in the principal amount of \$304,748. The Nevada Lithium Subscription Receipts were issued pursuant to and are governed by the terms of a subscription receipt agreement dated February 24, 2023. The Nevada MergeCo Subscription Receipts were issued pursuant to and are governed by the terms of a subscription receipt agreement dated February 24, 2023.

The Subscription Receipts issued pursuant to the Offering will automatically convert, without payment of any additional consideration or further action on the part of the holder thereof, as follows: (i) each Nevada Lithium Subscription Receipt will be converted into one unit ("**Nevada Lithium Units**"), consisting of one common share of Nevada Lithium (a "**Nevada Share**") and one-half of one share purchase warrant of Nevada Lithium (each whole warrant, a "**Nevada Warrant**"); and (ii) each Nevada MergeCo Subscription Receipt shall be converted into one unit ("**Nevada MergeCo Units**"), consisting of one common share of Nevada MergeCo (a "**Nevada MergeCo Share**") and one-half of one share purchase warrant of Nevada MergeCo (each whole warrant, a "**Nevada MergeCo Warrant**"). Upon completion of the Transaction, each Nevada MergeCo Share and each Nevada MergeCo Warrant will be exchanged on a one-for-one basis for, respectively, Nevada Shares and Nevada Warrants. Following completion of the Transaction, Nevada Warrant will

entitle the holder thereof to acquire one additional Nevada Share at a price of \$0.20 until the date that is 24 months following the closing of the Transaction.

In connection with the issue and sale of the Promissory Notes, Nevada Lithium entered into debt conversion agreements with the holders of the Promissory Notes, providing for the conversion of the principal amounts owing under the Promissory Notes into Nevada Lithium Units upon closing of the Transaction.

PowerOne Capital Markets Limited and Primary Capital Inc. acted as finders (the "**Finders**") in connection with the Offering. Eligible finders were paid a cash commission of 7% of gross proceeds sold by each finder, which will be payable upon closing of the Transaction and finder warrants (the "**Finder Warrants**"), being equal to 7.0% of the number of Subscription Receipts sold by each finder. Each Finder Warrant will entitle the holder thereof to acquire one Nevada Lithium Unit at the Issue Price for a period of 24 months following closing of the Transaction.

The net proceeds from the Offering will be used for general corporate purposes following the completion of the Transaction.

The Offering constitutes a related party transaction within the meaning of Multilateral Instrument 61-101 ("**MI 61-101**") as certain officers and directors of the Company subscribed for Subscription Receipts pursuant to the Offering. The Company relied on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in Sections 5.5(b) and 5.7(1)(b) of MI 61-101 with respect to the insider participation in the Offering.

Bonnie Claire Project

The Bonnie Claire Project is located within Sarcobatus Valley, which is approximately 30 km (19 miles) long and 20 km (12 miles) wide. Quartz-rich volcanic tuffs containing anomalous amounts of lithium occur within and adjacent to the valley. Drill results from the salt flat include 2,054 ppm Li over 67.1 m (220 ft) in drill hole BC-1601 as well as a 475 m (1560 ft) vertical intercept that averaged 1153 ppm Li. Bonnie Claire is one of the largest lithium resources in North America with a current NI 43-101 inferred mineral resource 3,407 million tonnes (Mt) grading 1,013 ppm Li for 18,372 million kilograms of contained lithium carbonate equivalent, at a cut-off grade of 700 ppm Li. Mineral resources are not mineral reserves as they do not have demonstrated economic viability.

The gravity low that characterizes the valley is approximately 20 km (12 miles) long, and the current estimates of depth to basement rocks range from 600 to 1,200 meters (2,000 to 4,000 feet). The current claim block covers an area of 74 km² (28.6 mi²) with potential for brine systems and further sediment resources.

About Nevada Lithium Resources Inc.

Nevada Lithium Resources Inc. is a mineral exploration and development company focused on shareholder value creation through its core asset, the Bonnie Claire Lithium Project, located in Nye County, Nevada, where it currently holds a 50% interest. A recently completed NI 43-101 Preliminary Economic Assessment returned attractive investment metrics and the Company is actively advancing the Project towards Pre-Feasibility. Learn more: <https://www.nvlithium.com/>.

On behalf of the Board of Directors of Nevada Lithium Resources Inc.

"Stephen Rentschler"
Stephen Rentschler, CEO

Cautionary Note Regarding Forward-Looking Statements

This news release contains forward-looking statements and forward-looking information

(collectively, "forward-looking statements") within the meaning of applicable Canadian and U.S. securities legislation. These statements relate to matters that identify future events or future performance. Often, but not always, forward looking information can be identified by words such as "could", "pro forma", "plans", "expects", "may", "will", "should", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", "believes", "potential" or variations of such words including negative variations thereof, and phrases that refer to certain actions, events or results that may, could, would, might or will occur or be taken or achieved.

The forward-looking statements contained herein include, but are not limited to statements regarding: the completion of the Offering and the terms on which the Offering is intended to be completed; the conversion of Nevada Lithium and Nevada MergeCo subscription receipts and the anticipated timing herein; the exchange of Nevada MergeCo Shares and share purchase warrants of Nevada MergeCo; the conversion terms of Nevada Warrants; the sale of non-convertible promissory notes by Nevada Lithium and conversion of the aggregate principal and accrued interest into Nevada Lithium Units or Nevada MergeCo Units; the completion of the Transaction and the terms on which the Transaction is intended to be completed; the terms and payment of cash commission and Finder Warrants to eligible Finders; and Nevada Lithium's intended use of net proceed from the Offering.


In making the forward looking statements in this news release, Nevada Lithium has applied several material assumptions, including without limitation: Nevada Lithium obtaining TSX Venture Exchange and Canadian Securities Exchange acceptance; Nevada Lithium obtaining requisite regulatory and shareholder approvals and the satisfaction of other conditions to the consummation of the Offering on the proposed terms herein; the receipt of any necessary permits, licenses and regulatory approvals in connection with the Transaction; Nevada Lithium's ability to comply with all applicable regulations and laws, including environmental, health and safety laws; Nevada Lithium's ability to offer Nevada Lithium and Nevada MergeCo subscription receipts on the terms contemplated herein; Nevada Lithium's ability to complete the Transaction; Nevada Lithium's ability to satisfy the terms and payment of cash commission and Finder Warrants to eligible Finders; and Nevada Lithium's ability to use the net proceeds from the Offering for general corporate purposes.

Investors are cautioned that forward-looking statements are not based on historical facts but instead reflect expectations of Nevada Lithium's management, estimates or projections concerning future results or events based on the opinions, assumptions and estimates of managements considered reasonable at the date the statements are made. Although Nevada Lithium believes that the expectations reflected in such forward-looking statements are reasonable, such information involves risks and uncertainties, and under reliance should not be placed on such information, as unknown or unpredictable factors could have material adverse effects on future results, performance or achievements expressed or implied by Nevada Lithium. Among the key risk factors that could cause actual results to differ materially from those projected in the forward-looking statements are the following: changes in general economic, business and political conditions, including changes in the financial markets; the inability of Nevada Lithium to close the Transaction on the terms provided herein; the inability of Nevada Lithium to complete the Offering on the terms contemplated herein; delays or the inability of Nevada Lithium to obtain any necessary permits, consents or authorizations required, including TSX Venture Exchange or Canadian Securities Exchange acceptance; financing or other planned activities; changes in laws, regulations and policies affecting mining operations; currency fluctuations, title disputes or claims limitations on insurance coverage and the timing and possible outcome of pending litigation, environmental issues and liabilities; risks relating to epidemics or pandemics such as COVID-19, including the impact of COVID-19 on Nevada Lithium's business; the potential impact of the announcement or consummation of the Offering on relationship, including with regulatory bodies, employees, suppliers, customers and competitors; and risks related to the integration of

acquisitions, as well as those factors discussed under the heading "Risk Factors" in Nevada Lithium's latest Management Discussion and Analysis and other filings of Nevada Lithium with the Canadian Securities Authorities, copies of which can be found under the respective party's profile on the SEDAR website at www.sedar.com.

Should one or more of these risks or uncertainties materialized, or should assumptions underlying the forward-looking statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected. Although Nevada Lithium has attempted to identify important risks, uncertainties and factors which could cause actual results to differ materially, there may be others that cause results not to be as anticipated, estimated or intended. Nevada Lithium does not intend, and does not assume any obligation, to update this forward-looking information except as otherwise required by applicable law.

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For further information: Nevada Lithium Resources Inc., Stephen Rentschler, CEO, Phone: (604) 416-4099, Email: sr@nvlithium.com

CO: Nevada Lithium Resources Inc

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