

ASX Announcement | 13 December 2024

Strategic Consolidation of Hidden Lake Lithium Project: Patriot Battery Metals Becomes Substantial LLI Shareholder, Blair Way Joins the Loyal Lithium Board of Directors

Highlights

- Loyal Lithium is pleased to announce the execution of a definitive agreement for the consolidation of the Hidden Lake Lithium Project, with Patriot Battery Metals (ASX:PMT) becoming a substantial Loyal Lithium shareholder.
- Mr. Blair Way, Non-Executive Director and former President & CEO of Patriot Battery Metals, will join the Loyal Lithium Board of Directors, bringing valuable regional and industry expertise to guide the company's growth initiatives.
- The consolidation of the Hidden Lake Lithium Project provides Loyal Lithium with greater flexibility and optionality to deploy innovative exploration and development solutions.
- Loyal Lithium's 100% owned Hidden Lake Lithium Project is strategically located 65 km from the mining city of Yellowknife, NWT. It is positioned between LIFT Power (TSXV:LIFT), which has a regional MRE1 of 50.4 Mt @ 1.0% Li₂O, and the all-weather Highway 4.
- Mr. Way is an experienced international executive with over 30 years of management experience within the resources and construction industry throughout Australasia, Canada, the United States, and Europe.
- With \$6.0 million in funding², Loyal Lithium is well positioned to advance its promising Canadian lithium assets for the maturing North American lithium market.

Loyal Lithium Limited (ASX:LLI) (**Loyal Lithium, LLI**, or the **Company**) is pleased to announce the execution of a definitive agreement for the consolidation of the Hidden Lake Lithium Project, with Patriot Battery Metals (ASX:PMT) becoming a substantial LLI shareholder. Mr. Blair Way, Non-Executive Director and former President & CEO of Patriot Battery Metals, will join the Loyal Lithium Board of Directors, bringing valuable regional and industry expertise to guide the company's growth initiatives. The consolidation of the Hidden Lake Lithium Project provides Loyal Lithium with greater flexibility and optionality to deploy innovative exploration and development solutions.

Loyal Lithium's 100% owned Hidden Lake Lithium Project is strategically located 65 km from the mining city of Yellowknife, NWT. It is positioned between LIFT Power (TSXV:LIFT), which has a regional MREI of 50.4 Mt @ 1.0% Li₂O, and the all-weather Highway 4.

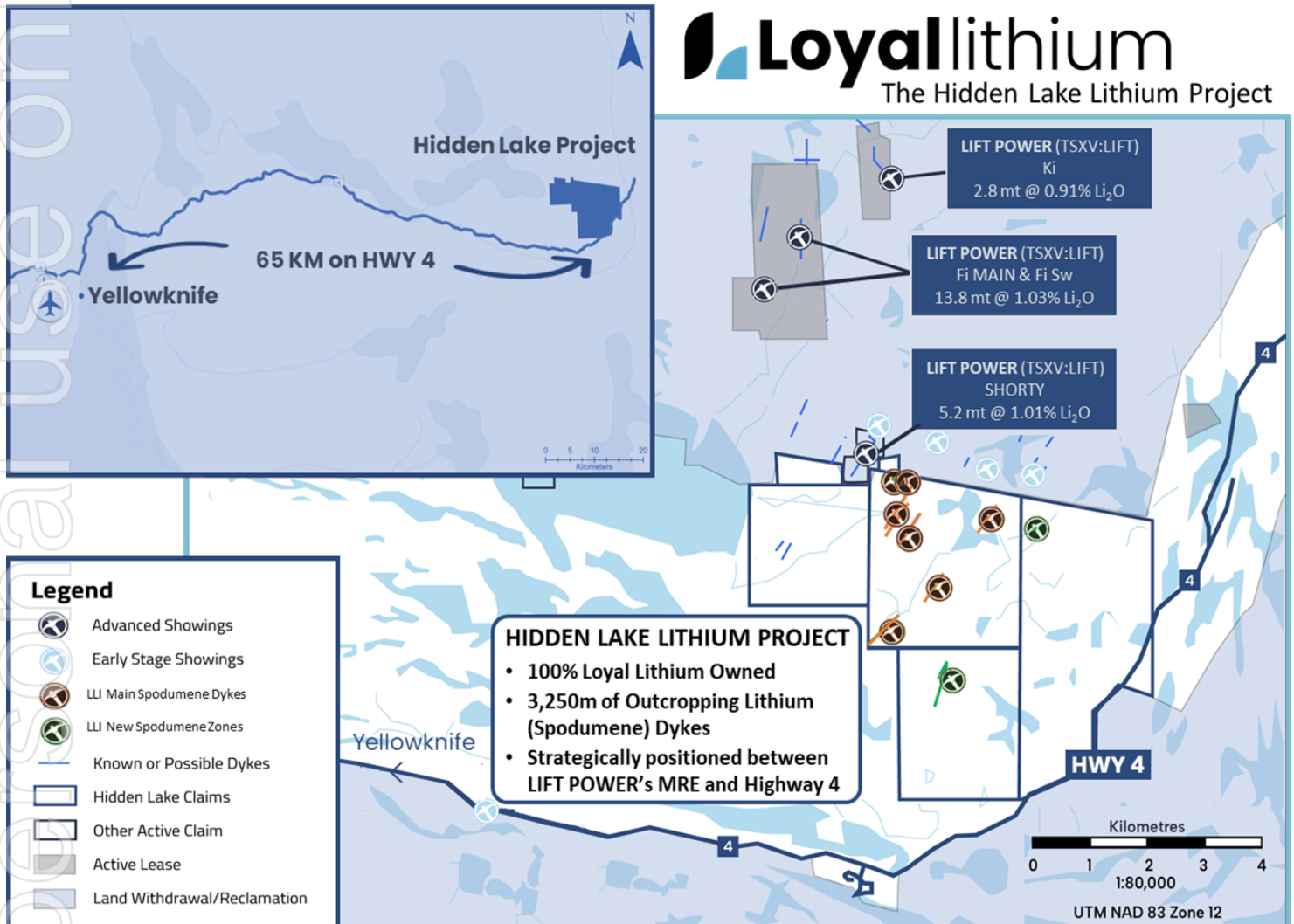


Figure 1: Hidden Lake Lithium Project – 100% Loyal Lithium owned with 3,250m of outcropping Lithium (spodumene) Dykes strategically positioned between LIFT POWER's MRE and Highway 4.

Mr. Way is an experienced international executive with over 30 years of management experience in the resources and construction industry across Australasia, Canada, the United States, and Europe. As President & CEO of Patriot Battery Metals, Mr. Way was integral in growing the company through the successful exploration and consolidation of the largest lithium deposit in North America, the Shaakichiuwaanaan Project (formerly Corvette). With \$6.0 million in funding, Loyal Lithium is well positioned to advance its promising Canadian lithium assets for the maturing North American lithium market.

Commenting on the consolidation agreement and appointment of Mr. Blair Way, Loyal Lithium Managing Director, Mr Adam Ritchie, said:

"We are thrilled to welcome Blair to the Loyal Lithium Board. His extensive regional and industry expertise will be invaluable as we drive the company's growth initiatives. Blair's proven track record with Patriot Battery Metals speaks for itself and demonstrates his unique ability to advance projects and create shareholder value."

"The consolidation of the Hidden Lake Lithium Project enables us to actively explore emerging opportunities for innovative solutions in Canadian critical mineral mines. The Hidden Lake Lithium Project, located along a highway, features unique geology and mineralogy that could deliver meaningful economic and social benefits to the region."

"I look forward to working closely with Blair to execute our 2025 strategic plan and advance both our Hidden Lake project and the Trieste Lithium Project in Quebec."

Commenting on his appointment, Loyal Lithium Non Executive Director, Mr Blair Way, said:

"It has been a pleasure working with Adam and the Loyal Lithium team over the last 18 months. The team has done a great job in advancing their Canadian hard rock lithium assets, achieving significant milestones to date."

The long-term source of North America's lithium is becoming increasingly clear with several Quebec-based world-class hard rock assets now defined. The Trieste Greenstone Belt demonstrates significant potential, showing early-stage characteristics similar to those seen by Patriot Battery Metals at Shaakichiuwaanaan."

The collaboration potential of the Trieste Greenstone Belt is the key to unlocking value for all, contributing to the sustainable development of the lithium industry. I look forward to working with the Loyal Lithium team to realise this potential and further advancing Loyal's assets."

THE HIDDEN LAKE LITHIUM PROJECT CONSOLIDATION AGREEMENT

The Hidden Lake Lithium Project was initially structured as a 60% Loyal Lithium and 40% Patriot Battery Metals joint venture. The parties involved have now agreed to divest Patriot Battery Metals' minority 40% holding in exchange for shares in Loyal Lithium.

As part of this transaction, Patriot Battery Metals will become a substantial shareholder of Loyal Lithium by receiving approximately 6.8% of the shares on issue (8,000,000 LLI Shares). Under the agreement, Patriot Battery Metals' shares will be escrowed for 6 months and have agreed to a standstill provision, whereby Patriot's ownership in Loyal Lithium will not be allowed to exceed 9.9%, unless board approval is obtained from Loyal Lithium. This consolidation results in the Hidden Lake Lithium Project becoming 100% Loyal Lithium owned, enhancing the company's strategic capabilities and market position.

Mr. David Blair Way

Mr. Way is an experienced international executive with over 30 years of management experience within the resources and construction industry throughout Australasia, Canada, the United States and Europe. Mr. Way has experience in a wide range of commodities including gold, copper, nickel, zinc, magnesium, graphite, cobalt and lithium.

Mr. Way holds a Bachelor of Science (Geology) from Acadia University in Nova Scotia, Canada, an MBA from the University of Queensland, Australia, and is a Fellow of the Australasian Institute of Mining and Metallurgy.

Blair Way will commence his role as Non Executive Director of Loyal Lithium as of 6 January 2025.

BOARD UPDATE

With the appointment of Blair Way as Non-Executive Director, Mr Andrew Graham will step down from his role as Non-Executive Director as of the 6th of January 2025. The Board would like to thank Mr Graham for his contribution to the foundation of Loyal Lithium, and the Board wishes Andrew much success in his current and future endeavours.

This announcement has been authorised for release by Loyal Lithium's Board of Directors.

For more information:

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About Loyal Lithium

Loyal Lithium Limited (ASX: LLI) is a well-structured listed resource exploration company with projects in Tier 1 North American mining jurisdictions in the Northwest Territories, Canada, James Bay Lithium District in Quebec, Canada and Nevada, USA. Through the systematic exploration of its projects, the Company aims to discover concentrations of lithium minerals and delineate JORC compliant resources, creating value for its shareholders.

Future Performance

This announcement may contain certain forward-looking statements and opinion. Forward-looking statements, including projections, forecasts and estimates, are provided as a general guide only and should not be relied on as an indication or guarantee of future performance and involve known and unknown risks, uncertainties, assumptions, contingencies and other important factors, many of which are outside the control of the Company and which are subject to change without notice and could cause the actual results, performance or achievements of the Company to be materially different from the future results, performance or achievements expressed or implied by such statements. Past performance is not necessarily a guide to future performance and no representation or warranty is made as to the likelihood of achievement or reasonableness of any forward-looking statements or other forecast. Nothing contained in this announcement, nor any information made available to you is, or and shall be relied upon as, a promise, representation, warranty or guarantee as to the past, present or the future performance of Loyal Lithium Limited.

List of References for Further Shareholder and Investor Reading:

- ¹ LIFT TSXV Announcement: 1 October 2024: LIFT announces initial Mineral Resource of 50.4 million tonnes at 1.00% Li₂O, at the Yellowknife Lithium Project, NWT, Canada
- ² LLI ASX Announcement: 31 July 2024: Quarterly Activities Report – For the Quarter Ending 30 June 2024.