



# FRONTIER LITHIUM AND MITSUBISHI CORPORATION COMPLETE JOINT VENTURE TRANSACTION

SUDBURY, ON, April 25, 2024 /CNW/ - Frontier Lithium Inc. (TSXV: FL) (FRA: HL2) (OTCQX: LITOF) ("Frontier" or "the Company"), is pleased to announce the successful closing of Tranche 1 of the joint venture partnership with Mitsubishi Corporation ("Mitsubishi") (Tokyo Stock Exchange: 8058:JP). This joint venture for the PAK Lithium Project ("Project") marks a significant milestone in advancing the first fully integrated lithium mining and processing operation in Ontario, Canada.

Through the joint venture partnership, as initially announced on March 4, 2024, Mitsubishi has acquired an initial 7.5% interest in the Project for CAD \$25 million. This strategic investment underscores the confidence in the size, quality, and strategic importance of the Project to the North American EV supply chain.

Frontier plans to utilize the funding from Mitsubishi to progress the Project towards a vertically integrated Definitive Feasibility Study (DFS), which is expected to be completed in 2025.

Trevor Walker, President, and CEO of Frontier Lithium emphasized the significance of the milestone achieved today as the company advances its mission to become a leading lithium supplier within the North American EV battery materials supply chain. "Mitsubishi's investment underscores their trust in Ontario's jurisdiction, as well as the caliber and scale of the PAK Lithium Project" stated Trevor Walker. "We warmly welcome Mitsubishi and are honored to have a strategic, and reliable partner enabling us to focus on generating long-term value for shareholders, communities, and all stakeholders."

## Transaction Details

The joint venture is structured to facilitate the majority of equity funding for the planned mine and mill, with Frontier being able to reduce its share of development costs for the whole project, while maintaining at least 75% of future off-take optionality. This partnership aligns with the recent Memorandum of Cooperation signed between the governments of Canada and Japan to encourage value-added investments that will help establish sustainable and reliable battery supply chains between our two countries.

Key points of the joint venture transaction:

- Frontier has contributed all assets pertaining to the Project in exchange for a 92.5% stake in the JV and has assumed the role of JV manager.
- Following the completion of the DFS, Mitsubishi will have the option to increase its interest in the JV up to a 25% interest at a valuation based upon, among other things, the net asset value of the Project outlined in the DFS ("Tranche 2").
- Mitsubishi will collaborate closely with Frontier in securing debt financing to ensure full funding for the Project's production.
- The completion of Tranche 2 investment is contingent upon certain preconditions, such as obtaining material infrastructure permits and other customary approvals. Frontier expects these conditions to be met in 2025.

## **About Mitsubishi Corporation**

Mitsubishi Corporation is a global integrated business enterprise that develops and operates businesses together with its global network of around 1,800 group companies. Mitsubishi has eight Business Groups that operate across virtually every industry: Environmental Energy, Materials Solution, Mineral Resources, Urban Development & Infrastructure, Mobility, Food Industry, Smart-Life Creation and Power Solution. Through these eight Business Groups, Mitsubishi's current activities have expanded far beyond its traditional trading operations to include project development, production and manufacturing operations.

## **About Frontier Lithium**

Frontier Lithium Inc. (TSX-V: FL) is an exploration and development mining company with headquarters and assets in Northern Ontario, a Tier1 mining jurisdiction. The Company's PAK Lithium Project represents a high-grade, large tonnage, pure lithium resource in a new, premium lithium mineral district in northwestern Ontario. Strategically located in the Great Lakes region near the United States border, Frontier is developing the first fully integrated lithium mining and processing operation in Ontario with an aim to become Canada's lithium champion and a significant supplier of spodumene concentrates and battery-grade lithium chemicals to the growing electric vehicle and energy storage markets across North America.

## **About the PAK Lithium Project**

The PAK Lithium Project contains North America's highest-grade lithium resource and is the largest in Ontario by size. The claims encompass more than 26,000 hectares and remains largely unexplored; however, since 2013, the Company has delineated two premium spodumene-bearing lithium deposits (PAK and Spark), located only 2.3 kilometres apart. Exploration is continuing on the project through two other spodumene bearing discoveries: the Bolt pegmatite (located between the PAK and Spark deposits), as well as the Pennock pegmatite located 25 kilometres northwest of PAK deposit within the project claims. A 2023 Pre-Feasibility Study titled ""National Instrument 43-101 Technical Report PFS PAK Lithium Project"" authored by BBA E&C Inc., delivered a 24- year project life, at a post-tax NPV(8%) of US\$1.74 billion and internal rate of return of 24.1% as per the press release disseminated on May 31, 2023, and filed on [www.sedarplus.ca](http://www.sedarplus.ca).

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


This press release contains statements that constitute "forward-statements." Such forward looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements, or developments to differ materially from the anticipated results, performance or achievements expressed or implied by such forward-looking statements. Although the Company believes, in light of the experience of its officers and directors, current conditions and expected future developments and other factors that have been considered appropriate that the expectations reflected in this forward-looking information are reasonable, undue reliance should not be placed on them because the Company can give no assurance that they will prove to be correct. When used in this press release, the words "estimate", "project", "belief", "anticipate", "intend", "expect", "plan", "predict", "may" or "should" and the negative of these words or such variations thereon or comparable terminology are intended to identify forward-looking statements and information. The forward-looking statements and information in this press release include information relating to the funding of Tranche 1, the formation and operations of the JV, the timing of the satisfaction of the conditions to funding of Tranche 2, the prospectivity of the Company's mineral properties, the mineralization and development of the Company's mineral properties, the Company's exploration program and other mining projects and prospects thereof. Such statements and information reflect the current view of the Company. Risks and uncertainties that may cause actual results to differ materially from those contemplated in those forward-looking statements and information. By their nature, forward-looking statements involve known and unknown

risks, uncertainties and other factors which may cause our actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The forward-looking information contained in this news release represents the expectations of the Company as of the date of this news release and, accordingly, is subject to change after such date. Readers should not place undue importance on forward-looking information and should not rely upon this information as of any other date. The Company undertakes no obligation to update these forward-looking statements in the event that management's beliefs, estimates or opinions, or other factors, should change.

Readers are cautioned that any such forward-looking statements are not guarantees of future performance and those actual results or developments may differ materially from those projected in the forward-looking statements. For more information on the Company, please review the Company's public filings available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca)

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