

Grounded Lithium Closes Non-Brokered Private Placement Raising \$3.0 Million in Gross Proceeds

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CALGARY, AB, Nov. 7, 2022 /CNW/ - (TSXV: GRD) - Grounded Lithium Corp. ("**GLC**" or the "**Company**") is pleased to announce it closed its previously announced non-brokered financing of special warrants of the Company ("**Special Warrants**") for gross proceeds of \$3.0 million (the "**Offering**"). In total, 12,000,000 Special Warrants, were issued in connection with the Offering, with each Special Warrant entitling the holder, upon the exercise of each Special Warrant, to receive without payment of additional consideration, one unit of the Company (a "**Unit**"). Each Unit is comprised of one common share of the Company (a "**Common Share**") and one common share purchase warrant (a "**Warrant**"). Each Warrant shall be exercisable to acquire one Common Share (a "**Warrant Share**") at a price of \$0.50 per Warrant Share for a period of 24 months from the closing of the Offering.

The Special Warrants shall be automatically exercisable for Units on a one-for-one basis on the date which is the earlier of:

- (i) the second business day following the date on which a receipt is obtained from the Alberta Securities Commission, as principal regulator on behalf of the applicable securities regulatory authorities in each of the provinces and territories of Canada in which the Special Warrants are sold for a (final) prospectus to qualify the distribution of the Units underlying the Special Warrants; and
- (ii) the date which is four months and a day following the closing date of the Offering.

The Company's resulting capital structure with completion of the Offering is as follows:

	<i>Number of Shares</i>	<i>Potential Future Proceeds</i>
Common shares, basic	68,872,750	\$ -
Warrants, \$0.50 exercise price	12,000,000	\$ 6,000,000
Management incentives	7,409,100	\$ 1,455,000
Finders warrants, financings to date	2,351,862	\$ 447,676
Common shares, fully diluted	90,633,712	
Potential future proceeds		\$ 7,902,676

The Company will earmark these funds towards two important short-term objectives: (1) engagement of Hatch Ltd. with that contract's corresponding lithium extraction technology assessment and selection for GLC's brine resources, and (2) completion of a preliminary economic assessment on the Company's Kindersley Lithium Project. Attainment of these two short-term objectives sets the stage for further operational and valuation milestones as the Company measurably moves towards the goal of commercial production.

"We are delighted to close on this amended financing capped at \$3 million," commented Greg Phaneuf, VP Finance & CFO. "Access to capital is crucial in the junior resource development industry and with strong support from a number of key existing shareholders on this capital raise, we are now able to measurably move the business forward to create additional shareholder value."

The Company paid an aggregate of approximately \$87,000 in finders fees and issued an aggregate of 347,725 finder warrants ("**Finder Warrants**") to certain arms-length finders in connection with the Offering. Each Finder Warrant entitles the finder to purchase Common Shares at a price of \$0.25 for a period of two years from the date of issue.

GLC advises that certain insiders of the Company participated in the Offering pursuant to available related party exemptions under Multilateral Instrument 61-101 ("**MI 61-101**"). The Company was exempt from the requirements to obtain a formal valuation or minority shareholder approval in connection with the insiders' participation in the Offering in reliance on sections 5.5(a) and 5.7(1)(a) of MI 61-101 in that the fair market value (as determined under MI 61-101) of the consideration for securities of the Company to be issued to related parties does not exceed 25% of the Company's market capitalization (as determined under MI 61-101). A material change report in connection with the participation of insiders in the Offering will be filed less than 21 days in advance of the closing of the Offering, which the Company deemed reasonable in the circumstances so as to be able to avail itself of potential financing opportunities and complete the Offering in an expeditious manner. The closing of the Offering is subject to regulatory approval including that of the TSX Venture Exchange. The Finder Warrants and prior to the filing of the final prospectus and the automatic exercise of the Special Warrants, the Special Warrants will be subject to a hold period expiring March 4, 2023.

About Grounded Lithium Corp.

GLC is a publicly traded lithium brine exploration and development company that controls 2.9 million tonnes of lithium carbonate equivalent over its focused land holdings in Southwest Saskatchewan. GLC's multi-faceted business model involves the consolidation, delineation, exploitation and ultimate development of its opportunity base to fulfill our vision to build a best-in-class, environmentally responsible, Canadian lithium producer supporting the global energy transition shift.

Qualified Persons

Scientific and technical information contained in this press release has been prepared under the supervision of Doug Ashton, P.Eng, Idi Ishaya, P.Eng, Patou Zeleke, P.Eng and Thomas Jerome, P. Geo, each of whom are a qualified person within the meaning of National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*.

Forward-Looking Statements

This press release may contain forward-looking statements and forward-looking information within the meaning of applicable Canadian securities laws. The opinions, forecasts, projections and statements about future events or results, are forward looking information, forward-looking statements or financial outlooks (collectively, "**forward-looking statements**") under the meaning of applicable Canadian securities laws. These statements are made as of the date of this press release and the fact that this press release remains available does not constitute a representation by GLC that the Company believes these forward-looking statements continue to be true as of any subsequent date. Although GLC believes that the assumptions underlying, and expectations reflected in, these forward-looking statements are reasonable, it can give no assurance that these assumptions and expectations will prove to be correct. Such statements include, but are not limited to, statements regarding the Offering including the use of proceeds of the Offering, the timing and ability of the Company to satisfy the conditions of the TSXV, the timing of the automatic exercise of the Special Warrants and obtaining a receipt for a final prospectus, achieving project milestones, commercializing GLC's operations, and GLC's vision of becoming a best-in-class, environmentally responsible, Canadian lithium producer supporting the global energy transition.

Among the important factors that could cause actual results to differ materially from those indicated by such forward-looking statements are: GLC's expectation that our operations will be in Western Canada, unexpected problems can arise due to technical difficulties and operational difficulties which

impact the production, transport or sale of our products; geographic and weather conditions can impact the production; the risk that current global economic and credit conditions may impact commodity prices and consumption more than GLC currently predicts; the failure to obtain financing on the terms set out herein or other reasonable terms; risks relating to the ability of the Company to obtain required approvals to complete the Offering on the terms announced; volatility in the trading price of the common shares of the Company; the risk that unexpected delays and difficulties in developing currently owned properties may occur; the failure of drilling to result in commercial projects; unexpected delays due to the limited availability of drilling equipment and personnel; and the other risk factors detailed from time to time in GLC's periodic reports. GLC's forward-looking statements are expressly qualified in their entirety by this cautionary statement.

This news release shall not constitute an offer to sell or the solicitation of an offer to buy any securities in any jurisdiction.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release.

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