

Grounded Lithium Announces Strategic Land Acquisition in Core Area

CALGARY, AB, March 1, 2023 /CNW/ - (TSXV: GRD) (OTCQB: GRDAF) - Grounded Lithium Corp. ("**GLC**" or the "**Company**") is pleased to announce the entering into a purchase and sale agreement with Hub City Lithium Corp., owned 75% by EMP Metals Corp. ("**EMP**") (CSE: EMPS) (OTCQB: EMPPF) with the remaining 25% owned by ROK Resources Inc. ("**ROK**") (TSXV: ROK), to acquire an additional 33 sections (8,498 hectares) of highly prospective lands in our core Kindersley area (the "**Assets**"). The acquisition will bring GLC's total corporate landholdings, both Crown and freehold, to 333 sections (86,229 hectares), with approximately 300 sections (77,477 hectares) alone in the Kindersley Lithium Project ("**KLP**"). GLC expects to close the acquisition on or around March 15, 2023 (the "**Closing**"), subject to the satisfaction of certain conditions precedent.

Transaction Terms & Highlights

- Total consideration - \$425,000 comprised of cash consideration of \$175,000 and the issuance of \$250,000 of GLC common shares ("**Shares**") based on the 10-day volume weighted average trading price of the Shares at Closing. For illustrative purposes, if the issuance price was based on the 10-day volume weighted average trading price of the Shares as of the date hereof, the number of Shares issued as consideration would equal 945,500 common shares or 1.4% of the Company's current outstanding Common Shares;
- The Shares issued will be subject to a contractual escrow to be released in equal 1/3rd tranches on the 4, 8 and 12 month anniversaries from Closing;
- The price of the Assets equals \$50 per hectare, which is substantially lower than recent land sale processes in the nearby area (see "*Rationale and Strategic Benefit of the Acquisition*" below), and the Company believes the acquisition is accretive based on current valuation metrics such as enterprise value per tonne; and
- This acquisition directly adjoins and is contiguous with the Company's lands where we previously announced our initial development plan for our first commercial project, and thus represents a strong strategic asset for future growth and development.

Proforma Land and Development Map

Following the Closing, the Company's 300 section land position and development plan for the KLP is depicted in the following map. The Company expects that all of our Crown and freehold land positions can be developed independently while respecting the terms of the individual agreements, and we foresee no need to pool lands between the various mineral rights owners. Our development plans include drilling on both Crown and freehold land holdings to satisfy future work commitments and maintain the lands with all parties.



(CNW Group/Grounded Lithium Corp)

Rationale and Strategic Benefit of the Transaction

The acquisition adds 12% to the Company's prospective land base within the KLP, while adding 11% to the Company's overall land position. Pursuant to the terms of the original lease agreement governing the Assets, the Company will have six years to meet capital commitments on the Assets. From a broader field development plan, future work commitments on both Crown and freehold lands will be satisfied by slightly relocating a few locations in our first phase field development plan, with no impact on costs or anticipated outcomes, as communicated in our press release dated February 8, 2023. Work commitments apply to all parties operating in this area, whether landholdings are Crown or freehold, and must be met to extend the ability to develop those landholdings beyond the initial period commonly referred to as the primary term. It is expected that consolidating land positions within the KLP will provide a number of operational and infrastructure efficiencies; however, developing from a

'checkerboard' position is feasible and commonplace in resource development.

At present, the KLP has been independently assessed by Sproule Associates Limited containing 3.7 million tonnes of lithium carbonate equivalent ("LCE"). While not all acreage is completely homogeneous, an average LCE per section in the KLP is approximately 14,000 tonnes. The transaction specifically targeted lands that possess a higher strategic and geologic value for the Company. The Company believes that on a purchase price per tonne of inferred LCE basis, this transaction will be accretive to GLC's existing enterprise value per tonne metric, which is approximately \$4.50/tonne.

Further, the acquisition of the Assets is competitive compared to recent Crown land sales in the nearby area where successful bids have exceeded \$100/hectare. The Company purchased the Assets for \$50/hectare. The Company's total land acquisition price in the greater Kindersley area is approximately \$16/hectare, as compared to the next most significant peer accumulating land at an average cost of approximately \$41/hectare. Third party property acquisition price information is sourced from the published results of Saskatchewan's Subsurface Mineral Public Offerings for Permits.

"As is typical in sub-surface resource development plays, accretive tuck-in acquisitions once a dominant land position is established become excellent vehicles by which to enhance shareholder value," commented Gregg Smith, President & CEO. "In our resource capture formative years, we continue to successfully secure acreage at competitive prices to enhance the full economic value chain and eventually support multiple commercial projects. This transaction reflects the strength in our team at moving early with creative strategies and transactions to secure a dominant position within the Kindersley area. We wish to thank the EMP and ROK teams for moving quickly on this transaction, and we look forward to delivering further value to them as shareholders but more broadly to all shareholders of the Company as we progress ultimately towards commercialization."

About Grounded Lithium Corp.

GLC is a publicly traded lithium brine exploration and development company that controls approximately 3.7 million metric tons of lithium carbonate equivalent of inferred resource over our focused land holdings in Southwest Saskatchewan. GLC's multi-faceted business model involves the consolidation, delineation, exploitation and ultimately development of our opportunity base to fulfill our vision to build a best-in-class, environmentally responsible, Canadian lithium producer supporting the global energy transition shift. U.S. investors can find current financial disclosure and Real-Time Level 2 quotes for the Company on <https://www.otcmarkets.com/>.

Qualified Person

Scientific and technical information contained in this press release has been prepared under the supervision of Doug Ashton, P.Eng, Suryanarayana Karri, P. Geoph., Alexey Romanov, P. Geo. and Meghan Klein, P. Eng., each of whom is 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 timing of Closing, satisfying conditions precedent to Closing, GLC's landholdings following Closing, GLC's land development plans, operational and infrastructure efficiencies associated with consolidating land positions, the Asset acquisition being accretive to the Company's current price per tonne of inferred LCE, the ability of the Company to enhance shareholder value, the Company's lands supporting multiple commercial projects, commercializing the Company's projects, and GLC's vision of becoming a best-in-class, environmentally responsible, Canadian lithium producer supporting the global energy transition.

Among the important factors, risks, uncertainties and assumptions 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 reasonable terms; 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; the failure to satisfy conditions precedent to Closing; 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.

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