

Richmond Road Capital Corp. and North American Lithium Inc. Announce Completion of North American Lithium's \$52.5 Million Financing as a Step Towards Completing Richmond Road's Qualifying Transaction

Calgary, Alberta--(Newsfile Corp. - October 27, 2017) - **North American Lithium Inc. ("NAL")** and **Richmond Road Capital Corp. (TSXV: RRD.H) ("Richmond Road" or the "Company")**, a capital pool company as defined under Policy 2.4-Capital Pool Companies ("**CPC**") of the TSX Venture Exchange (the "**TSXV**"), are pleased to announce that on October 19, 2017 NAL completed a financing (the "**Financing**") that raised aggregate gross proceeds of \$52.5 million. The Financing is a step towards completion by Richmond Road and NAL of the contemplated three-cornered amalgamation (the "**Transaction**") and listing on the Toronto Stock Exchange (the "**TSX**") of the common shares of the resulting issuer (the "**Resulting Issuer**") under the Transaction, which is intended to constitute the Qualifying Transaction for the Company pursuant to the policies of the TSXV, as previously disclosed in the Company's news release dated June 13, 2017.

Pursuant to the Financing, NAL raised aggregate gross proceeds of \$52.5 million through the issuance and sale of (i) 9,636,365 subscription receipts (the "**Subscription Receipts**") at a price per Subscription Receipt of \$2.75 (the "**Issue Price**") for aggregate gross proceeds of \$26.5 million; (ii) a non-interest bearing convertible note (the "**Convertible Note**") in the principal amount of \$6 million; and (iii) an offtake sales contract (the "**Sales Contract**") in the principal amount of \$20 million. The Financing was completed in connection with an Agency Agreement dated October 19, 2017 among the Company, NAL, GMP Securities L.P. (the "**Agent**"), as the lead agent and sole bookrunner together with a syndicate of agents, including Canaccord Genuity Corp. and Cormark Securities Inc.

Upon the satisfaction of certain Escrow Release Conditions (as defined below), each Subscription Receipt will be automatically exchanged, with no further consideration or action by the holder, into common shares of NAL (the "**SR Shares**") on a 1-for-1 basis. The convertible securities of NAL under the Financing will then convert into common shares of NAL at the Issue Price. Thereafter, all common shares of NAL will be exchanged for common shares of the Resulting Issuer on a 1-for-1 basis pursuant to the Transaction.

In addition to the Financing, NAL intends to complete an additional non-brokered equity financing (the "**Non-Brokered Financing**") for aggregate gross proceeds to NAL of \$30 million prior to closing of the Transaction through the issuance of 10,909,091 common shares of NAL at an issue price of \$2.75 per share.

The gross proceeds from the sale of the Subscription Receipts less an amount equal to 50% of the cash commission payable to the Agent in respect of the Financing and the Agent's expenses under the Financing were delivered to Computershare Trust Company of Canada (the "**Escrow Agent**") to be escrowed in an interest bearing account (the "**Escrowed Funds**"). The Escrowed Funds will be released from escrow to the Company upon the satisfaction of the following conditions (the "**Escrow Release Conditions**") on or before 5:00 p.m. (Toronto time) on December 15, 2017 (the "**Escrow Deadline**"):

- a. the definitive amalgamation agreement shall have been entered into on terms acceptable to the Agent, acting reasonably, and all conditions precedent, undertakings and other matters to be satisfied, completed or otherwise met prior to the completion of the Transaction shall have been satisfied, completed, waived or otherwise met, or are capable of being satisfied, completed or met, other than the satisfaction of closing conditions for which the release of the Escrowed Funds is required, substantially in accordance with such definitive agreement, or otherwise on terms satisfactory to the Agent, acting reasonably;
- b. the receipt of all required corporate, shareholder and regulatory approvals (including, without limitation, the conditional approval of the TSXV or TSX, as applicable, for the Transaction;
- c. counsel to the Resulting Issuer having delivered an opinion (the final form of which opinion shall ultimately be delivered on the Transaction closing date) addressed to the Agent confirming, among other things, that the common shares of the Resulting Issuer to be issued in exchange for the SR Shares pursuant to the Transaction shall be free of any statutory hold periods in Canada upon the issue thereof, other than in respect of control block sales;
- d. a shareholder agreement having been entered into between the Resulting Issuer and certain of the controlling shareholders of NAL in a form satisfactory to the Agent acting reasonably; and
- e. either the TSXV or the TSX, as applicable, shall have conditionally approved the listing of the common shares of the Resulting Issuer into which the common shares of NAL (including the Converted Shares) will be exchanged pursuant to the Transaction and all conditions precedent to such listing, other than the release of the Escrowed Funds shall have been completed, satisfied or waived.

If the Escrow Release Conditions are not satisfied on or before the Escrow Deadline, then: (i) the Subscription Receipts shall be cancelled and the Escrowed Funds will be used to pay the holders of Subscription Receipts an amount equal to the Issue Price per Subscription Receipt plus their pro rata share of applicable interest thereon; and (ii) the aggregate principal amount of the Convertible Note will become immediately due and payable by NAL to the holder thereof. Any shortfall of Escrow Funds for

payment of the holders of Subscriptions Receipts would also be paid by NAL.

About Richmond Road Capital Corp.

Richmond Road Capital Corp. is a capital pool company. The Company's principal business activity is to identify and evaluate opportunities for acquisition of assets or business. The Company was founded on September 19, 2012 and is headquartered in Calgary, Alberta.

About North American Lithium Inc.

NAL is a Canadian industrial minerals mining company operating the Quebec lithium mine located near Val d'Or, Quebec. The Quebec lithium mine is an open pit, hard rock lithium mine and processing plant currently in the process of being commissioned to produce lithium concentrate. With the restart of the hydro metallurgical plant at the Quebec lithium mine, NAL intends to become an integrated producer capable of producing lithium carbonate.

Cautionary Note

As noted above, completion of the Transaction is subject to a number of conditions including, without limitation, approval of the TSXV or TSX, as applicable, approval of the shareholders of NAL and Richmond Road, completion of the 18.5-to-1 consolidation of all issued and outstanding common shares of the Company, continuation of the Company's jurisdiction of corporate existence from Alberta to British Columbia and completion of the Financing by NAL. Where applicable, the Transaction cannot close until the required approvals have been obtained. There can be no assurance that the Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the continuous disclosure document containing full, true and plain disclosure regarding the Transaction, required to be filed with the securities regulatory authorities having jurisdiction over the affairs of the Company, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. The trading in the securities of Richmond Road on the TSXV, if reinstated prior to completion of the Transaction, should be considered highly speculative.

Trading in the common shares of the Company is presently halted and is expected to remain halted pending closing of the Transaction. While halted, the common shares of the Company may only trade upon TSXV approval and the filing of required materials with the TSXV as contemplated by TSXV policy.

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Disclaimer for Forward-Looking Information

Although the Company and NAL believe, in light of the experience of their respective 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 and NAL 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 business plans of Richmond Road and NAL, the Financing and the Transaction (including TSXV or TSX approval, as applicable, and the closing of the Transaction). Such statements and information reflect the current view of Richmond Road and/or NAL, respectively. 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.

Such factors include, among others, the following risks:

- following completion of the Transaction, the Resulting Issuer may require additional financing from time to time in order to continue its operations, which is likely to have a dilutive effect. Financing may not be available when needed or on terms and conditions acceptable to the Resulting Issuer;
- new laws or regulations could adversely affect the Resulting Issuer's business and results of operations; and
- the stock markets have experienced volatility that often has been unrelated to the performance of companies. These fluctuations may adversely affect the price of the Resulting Issuer's securities, regardless of its operating performance.

There are a number of important factors that could cause Richmond Road and NAL's actual results to differ materially from those indicated or implied by forward-looking statements and information. Such factors include, among others: currency fluctuations; limited business history of Richmond Road; disruptions or changes in the credit or security markets; results of operation activities and development of projects; project cost overruns or unanticipated costs and expenses, fluctuations in commodity prices, and general market and industry conditions. The terms and conditions of the Qualifying Transaction may be based on the Company's due diligence (which is going to be limited as the Company intends largely to rely on the due diligence of other parties of the Qualifying Transaction to contain its costs, among other things) and the receipt of tax, corporate and securities law advice for both the Company and NAL. The Company undertakes no obligation to comment on analyses, expectations or statements made by third parties in respect of the Company, NAL, their securities, or their respective financial or operating results (as applicable).

Richmond Road and NAL caution that the foregoing list of material factors is not exhaustive. When relying on such forward-looking statements and information to make decisions, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Richmond Road and NAL have assumed that the material factors referred to in the previous paragraph will not cause such forward-looking statements and information to differ materially from actual results or events. However, the list of these factors is not exhaustive and is subject to change and there can be no assurance that such assumptions will reflect the actual outcome of such items or factors. The information about NAL contained in this press release (other than in respect of the Financing) has not been independently verified by the Company.

THE FORWARD-LOOKING INFORMATION CONTAINED IN THIS PRESS RELEASE REPRESENTS THE EXPECTATIONS OF RICHMOND ROAD AND NAL AS OF THE DATE OF THIS PRESS 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. WHILE RICHMOND ROAD AND NAL MAY ELECT TO, THEY DO NOT UNDERTAKE TO UPDATE THIS INFORMATION AT ANY PARTICULAR TIME EXCEPT AS REQUIRED IN ACCORDANCE WITH APPLICABLE LAWS.

This press release is not an offer of the securities for sale in the United States. The securities have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an exemption from registration. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any state in which such offer, solicitation or sale would be unlawful.

Completion of the Transaction is subject to a number of conditions, including but not limited to, TSXV and TSX acceptance and if applicable pursuant to TSXV and TSX requirements, majority of the minority shareholder approval. Where applicable, the transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.

The TSX Venture Exchange Inc. has in no way passed upon the merits of the Transaction and has neither approved nor disapproved the contents of this press release.

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 press release.

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