

# Lithium ION Energy Signs LOI with United Rare Earths, for a Business Combination

Toronto, Ontario--(Newsfile Corp. - October 31, 2024) - Lithium ION Energy Limited (TSXV: ION) (FSE: ZA4) ("**ION**" or the "**Company**") is pleased to share that it has entered into an LOI Agreement to progress a business combination with United Rare Earths Ltd. ("**UnitedRE**"), a US-based rare earths recycling and refining company. UnitedRE secured a strategic location to develop and has significantly advanced discussions with a federal agency for grant opportunities which includes non-recourse, non-dilutive funding. UnitedRE has support at the highest levels of the government and an instrumental MOU with a national laboratory that will advance rare earth recycling and refining technologies in the U.S.

## Highlights:

- **Cutting edge technology with a clear path to creating a low-carbon, domestic supply of rare earths to the US, leveraging non-recourse funding;**
- **Rare earth elements required for military applications and essential in the production of motors needed for the energy transition related to electrification - a complementary strategic transaction;**
- **Lithium continues to play an irreplaceable role in the energy transition and ION's assets will be at the ready to fill this requirement; and**
- **Strong combined management teams with deep relationships across government, technology, capital markets and mining.**

*"I am delighted to announce this major development with respect to becoming an integral player in the critical metals space. We believe completion of the proposed business combination will catapult ION Energy into a diversified battery and critical metals player on the global market. We believe strongly in our Lithium assets and the sheer scale and potential UnitedRE brings is compelling to achieve the vital objective of a cleaner, secure, traceable future for humanity,"* said Ali Haji, CEO & Director - Lithium ION Energy Ltd.

Jeffrey Willis, Chairman of UnitedRE, commented, *"We are excited to announce this strategic step forward with ION Energy, marking a pivotal moment for both organizations. By aligning our resources and expertise with ION Energy, we are creating a foundation for accelerated growth and innovation. This partnership enhances our capability to deliver on our shared mission to establish a sustainable, resilient supply chain to power renewable technologies and the electrification movement. Our collective efforts, grounded in a shared vision, will empower us to meet the growing demand for rare earth materials, securing the supply chain for America's future."*

## Convertible Debentures:

To support this new development for the Company, ION Energy is also pleased to announce a non-brokered private placement offering of convertible debentures of the Company ("Debentures") at a price of US\$1,000 per Debenture for aggregate gross proceeds of US\$ 2,000,000 (the "Offering"). The Debentures will mature 24 months from the date of issue (the "Maturity Date"), carry an interest rate of 8% per year and will be convertible to common shares at a conversion price of \$0.10 per share. In the event the 10-day volume weighted average price of the common shares of the Company exceeds \$0.15 or more on the Toronto Stock Exchange, the Company will have the right to accelerate the conversion of the shares.

Proceeds of the Offering will be used to complete the business combination with UnitedRE and develop

its rare earth recycling and refining technology, for the continued advancement and exploration of the Company's lithium assets, as well as working capital.

ION Energy expects the proposed business combination will constitute an "expedited acquisition" under the policies of the TSXV. Completion of each of the proposed business combination and the Offering remains subject to the approval of the TSXV.

### **About Lithium ION Energy Ltd.**

Lithium ION Energy Ltd. (TSXV: ION) (FSE: ZA4) is committed to exploring and developing high quality lithium resources in strategic jurisdictions. ION's flagship, 65,000+ hectare Baavhai Uul lithium brine project represents the largest and first lithium brine exploration licence award in Mongolia. ION also holds the 29,000+ hectare Urgakh Naran highly prospective lithium brine licence in Dornqovi Province in Mongolia. With the acquisition of the Bliss Lake and Little Nahani projects in NWT, Canada, ION has enhanced its lithium asset and jurisdiction profile. ION is well-poised to be a key player in the clean energy revolution, positioned well to service the world's increased demand for lithium. Information about the Company is available on its website, [www.ionenergy.ca](http://www.ionenergy.ca), or under its profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

### **About United Rare Earths Ltd.**

United Rare Earths, Inc, a U.S. owned company, is dedicated to a domestic approach to the acquisition, refining, and distribution of magnet and rare earth minerals. UnitedRE is developing a domestic rare earths hub in northeast Tennessee. Operations will include a magnet recycling facility, a separation facility for newly mined materials and a technology center of excellence. The mission is to create a secure, reliable and traceable supply of rare earth minerals to support new and existing domestic based technologies.

In addition to an MOU with a national laboratory to assist with development, design planning and R&D optimization work, UnitedRE has also obtained a team of world-class advisors such as EY (Ernst & Young): research and strategy, King & Spaulding LLP: legal counsel, and Brownstein Hyatt Farber Schreck: government policy.

### **For further information:**

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

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.

Information set forth in this news release contains forward-looking statements. Forward-looking statements include estimates and statements that describe the Company's future plans, objectives or goals, including with respect to the proposed business combination and the Company's operations after completion thereof, and other words to the effect that the Company or management expects a stated condition or result to occur. Forward-looking statements may be identified by such terms as "believes", "anticipates", "expects", "estimates", "may", "could", "would", "will", or "plan". Since forward-looking statements are based on assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties. Although these statements are based on information currently available to the Company, the Company provides no assurance that actual results will meet management's expectations. Risks, uncertainties and other factors involved with forward-looking

information could cause actual events, results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking information. Forward looking information in this news release includes, but is not limited to, the Company's objectives, goals or future plans, statements, including with respect to the entering into of the proposed business combination with UnitedRE and the Company's operations after the completion thereof. Important factors that could cause actual results to differ materially from ION Energy's expectations include, among others, regulatory approvals, the ability to negotiate and implement definitive agreements with respect to the business combination, uncertainties relating to availability and costs of financing needed in the future, changes in equity markets, risks related to international operations, the actual results of current exploration activities, delays in the development of projects, conclusions of economic evaluations and changes in project parameters as plans continue to be refined as well as future prices of lithium, and the ability to predict or counteract other factors relevant to the Company's business. There can be no assurance that forward-looking statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.



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