

## **AMSECO signs LOI to acquire LithiumBank Resources**

Montreal, Quebec, November 3, 2020 – (TSXV: AEL.H) Exploration Amseco Ltd (“Amseco” or the “Company”) is pleased to announce that the Company has entered into a letter of intent dated November 2, 2020 (the “LOI”) with LithiumBank Resources Corp. (“LithiumBank”) pursuant to which Amseco proposes to acquire all of the issued and outstanding shares of LithiumBank (the “Transaction”) in exchange for common shares of New LithiumBank (as defined below) to be issued on a post-Share Consolidation (as defined below) basis. The Transaction will constitute a “Reverse Takeover” of Amseco within the meaning of the policies of the TSX Venture Exchange (the “TSXV”) and will be completed on an arm’s length basis.

### ***Proposed Terms of the Transaction***

Under the terms of the LOI, it is anticipated that Amseco and LithiumBank, and if required depending on the structure of the Transaction to be confirmed by the parties at a later date, the securityholders of LithiumBank, will enter into a binding agreement (the “**Definitive Agreement**”) pursuant to which Amseco will acquire all of the issued and outstanding securities of LithiumBank in consideration for the issuance (on post-Share Consolidation basis) of 20,950,000 common shares of Amseco (New LithiumBank) at a deemed price of \$0.40 per share (for a total deemed consideration of \$8,380,000) and the issuance by Amseco (New LithiumBank) of 2,095,000 stock options, subject to the Company’s stock option plan and the policies of the TSXV.

### ***Concurrent Financing***

In connection with the Transaction, Amseco will complete a financing, either by way of prospectus or on a private placement basis, of a minimum of 3,750,000 common shares at an anticipated price of \$0.40 per share (on post-Share Consolidation basis), for minimum proceeds of \$1,500,000 (the “Offering”). The share price and maximum amount of the Offering will be confirmed at a later date in the context of the market. The Offering may be structured as a placement of subscription receipts with closing to occur prior to the closing of the Transaction.

### ***Share Consolidation (Amseco)***

Prior to the closing of the Transaction, Amseco will effect a consolidation of its shares, on the basis of one new common share of Amseco for every 5 old common shares of Amseco issued and outstanding (the “Share Consolidation”), so that approximately 2,595,775 common shares of Amseco will be outstanding on a post-Share Consolidation basis immediately prior to the closing of the Transaction. At the same time, Amseco will make equivalent adjustments to its outstanding stock options in accordance with their respective terms, so that there will be approximately 97,700 stock options outstanding on a post-Share Consolidation basis immediately prior to the closing of the Transaction.

### ***Sponsorship***

The Transaction is subject to the sponsorship requirements of the TSXV, unless an exemption from the sponsorship requirement is available or a waiver is granted. The Company intends to apply for an exemption to the sponsorship requirement. There is no assurance that an exemption from this requirement will be obtained.

### *Conditions of the Transaction*

Completion of the proposed Transaction is subject to a number of conditions including, but not limited to: (i) completion of mutually satisfactory due diligence reviews; (ii) execution of the Definitive Agreement; (iii) requisite shareholder approvals for the Share Consolidation and Name Change (as defined below); (iv) completion of the Offering; (v) completion by Amseco of shares for debt arrangements with existing creditors resulting in the issuance of up to 835,383 common shares of Amseco on a pre-Share Consolidation basis; and (vi) receipt of all requisite regulatory approvals relating to the Transaction, including, without limitation, the TSXV.

Closing of the Transaction is expected to occur on or before January 29, 2021. The LOI may be terminated by either party if a Definitive Agreement is not entered into by December 17, 2020.

The company resulting from the transaction (“New LithiumBank”) will be a mining exploration company to be named “LithiumBank Resources Corp.” or such other similar corporate name as shall be mutually agreed upon by LithiumBank and Amseco so as to reflect the Transaction (the “Name Change”).

### **Shareholder Approval**

Amseco will hold an annual and special meeting of its shareholders (the “Meeting”) for purposes of obtaining shareholder approval for various matters related to the Transaction, including the Share Consolidation and Name Change, as required by the applicable policies of the TSXV and the *Canada Business Corporations Act*. The date and time of the Meeting will be confirmed at a later date by the Company.

In connection with the Transaction, the Company believes that no shareholder approval will be required to be obtained at the Meeting given that (i) the Transaction is not a “Related Party Transaction” within the meaning of the TSXV Corporate Finance Manual and as at the date hereof, no other circumstances exist which may compromise the independence of the Company or other interested parties involved; (ii) the common shares are currently listed on NEX; (iii) the Company is not and will not be subject to a cease trade order and will not otherwise be suspended from trading on completion of the transaction; and (iv) shareholder approval of any aspect of the Transaction is not required under applicable corporate laws and is not required under applicable securities laws. As such, the Company is of the opinion that it meets the conditions for the exemption to obtain shareholder approval under Section 4.1 of Policy 5.2 of the TSXV Corporate Finance Manual. The Company will seek confirmation from the TSXV of this applicable exemption to the Company concurrently with the conduct of its due diligence review on LithiumBank and its assets.

### **Information on LithiumBank**

LithiumBank is a private company constituted under the *Business Corporations Act* (British Columbia). As at the date hereof, LithiumBank has 20,950,000 common shares issued and outstanding, no common share purchase warrants and 2,095,000 stock options outstanding.

LithiumBank’s objective is to develop a top tier strategic battery lithium resource in Alberta, and acquire and consolidate high quality lithium exploration projects that have had meaningful capital invested during the “Electric Vehicle 1.0” bull market. LithiumBank owns multiple projects over 1M acres of the most prospective permits for lithium brines in Alberta. Its main goal is to establish a maiden inferred resource(s) on the Sturgeon Lake Property, located in west-central Alberta, directly south and west of the Town of Valleyview, approximately 85 km east of the City of Grande Prairie and 270 km northwest of the City of Edmonton.

The Sturgeon Lake Property is comprised of 12 Alberta Metallic and Industrial Mineral Permits (9 approved permits and 3 permits in application) that collectively form a contiguous package of land that totals 105,419.3 ha. The permits were acquired directly from the Government of Alberta through the Provinces on-line mineral tenure system. LithiumBank has a 100% ownership of the mineral rights at the Sturgeon Lake Property.

The management team of LithiumBank is comprised of the following persons:

Gianni Kovacevic  
FOUNDER, CHAIRMAN, DIRECTOR

**Gianni Kovacevic** is the founder of LithiumBank and an investor in the energy and commodity sectors. A graduate of electrical studies from the British Columbia Institute of Technology, he is an expert in the analysis of the global energy matrix and the impact technology and renewable energy are having on every aspect of society. Fluent in English, German, Italian, and Croatian, he makes his home in Vancouver.

Robert Shewchuk  
PRESIDENT, CEO

**Robert Shewchuk** is an Alberta based investor with 25 years experience in the Capital Markets including Chairman of Standard Securities Capital Corp and Managing Director of Wolverton Securities Ltd acquired by PI Financial Corp in 2016. Rob currently serves on the Board of Directors of Graphene Manufacturing Group Pty Ltd and Spectre Capital Corp.

Kevin Piepgrass  
VP OPERATIONS

**Kevin Piepgrass** graduated from the University of Alberta in 2005 and is a Professional Geologist, registered at APEGBC. He has 15 years of experience managing the exploration and development of multiple commodities including gold, silver, copper, lithium and rare earth elements. Mr. Piepgrass is a Qualified Person pursuant to National Instrument 43-101 - Standards of Disclosure for Mineral Projects.

Jon LaMothe  
SR. GEOLOGIST

**Jon LaMothe** holds a Bachelor of Science degree in Geology from the University of Alberta and a MSc in Geology from the University of Alberta. Jon's ability has led to the discovery and capture of several fields with over two billion dollars spent to date on targets he has identified. He helped bring Black Swan Energy from no production making Black Swan Energy the 4th largest private producer of oil and gas in Canada.

In connection with the Transaction and as noted above, the Transaction is subject to the completion of a mutually satisfactory due diligence review by each party. The LOI contemplates a delay of 45 days from signature to complete such due diligence. Upon the completion of such review to the Company's satisfaction, further information on LithiumBank and its assets, the Definitive Agreement, the Offering and New LithiumBank will be disclosed in an updating news release.

#### **New LithiumBank - Board of Directors, Officers and Consulting Services Agreement**

At the closing of the Transaction, the current directors of Amseco will resign (with the exception of Roger Bourgault) and the directors of LithiumBank will be appointed to the board of directors of

New LithiumBank. Furthermore, the current officers of Amseco will also resign and the officers of LithiumBank will be appointed as officers of New LithiumBank.

Jean Desmarais (CEO of Amseco) and François LeComte (Director of Amseco) will remain as consultants of New LithiumBank for a minimum of 1 year pursuant to consulting services agreements to be executed at the closing of the Transaction.

### **Trading of the New LithiumBank Shares**

Trading in the shares of Amseco has been halted as a result of the announcement of the Transaction. The Company expects that trading will remain halted pending closing of the Transaction, subject to the earlier resumption upon TSXV acceptance of the Transaction and the filing of required materials in accordance with TSXV policies.

Upon successful completion of the Transaction, it is anticipated that New LithiumBank will be listed as a Tier 2 Mining issuer.

### **Filing Statement**

In connection with the Transaction and pursuant to TSXV requirements, Amseco will file a filing statement on SEDAR, which will contain details regarding the Transaction, the Definitive Agreement, the Offering, the Company, LithiumBank and New LithiumBank.

FOR FURTHER INFORMATION PLEASE CONTACT:

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*Completion of the Transaction is subject to a number of conditions, including but not limited to, TSXV acceptance and if applicable, disinterested 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 Exploration Amseco Ltd. should be considered highly speculative.*

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

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

### *Cautionary Statements Regarding Forward Looking Information*

*Some statements in this release may contain forward-looking information. All statements, other than of historical fact, that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future (including, without limitation, statements regarding potential mineralization) are forward-looking statements. Forward-looking statements are*

*generally identifiable by use of the words “may”, “will”, “should”, “continue”, “expect”, “anticipate”, “estimate”, “believe”, “intend”, “plan” or “project” or the negative of these words or other variations on these words or comparable terminology. Forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond the Company’s ability to control or predict, that may cause the actual results of the Company to differ materially from those discussed in the forward-looking statements. Factors that could cause actual results or events to differ materially from current expectations include, among other things, without limitation, failure by the parties to complete the proposed transaction, the possibility that future exploration results will not be consistent with the Company’s expectations, changes in world lithium markets or markets for other commodities, and other risks disclosed in the Company’s public disclosure record on file with the relevant securities regulatory authorities. Any forward-looking statement speaks only as of the date on which it is made and except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement.*