



# Frontier Lithium Closes Previously Announced \$12 Million Bought Deal Private Placement of Flow-Through Shares and Exercise of Over-Allotment Option

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SUDBURY, ON, Dec. 15, 2021 /CNW/ - **Frontier Lithium Inc.** (TSXV: FL) (OTCQX: LITOF) (FSE: HL2) ("**Frontier**" or the "**Company**") is pleased to announce that the Company has closed its [previously announced](#) bought deal financing (the "Offering").

The Company issued a total of 6,453,000 Flow-Through shares (the "Shares") of Frontier at a price of \$1.86 per Share (the "Offering Price"), which included an additional 1,076,000 flow-through shares pursuant to the full exercise of the over-allotment option, for gross proceeds of \$12,002,580.

The Shares were offered on a bought deal basis co-led by Canaccord Genuity Corp. and BMO Capital Markets (collectively, the "**Underwriters**").

In connection with the Offering, the Company paid the Underwriters a cash fee of approximately 6% of the aggregate gross proceeds raised from the Offering. The Underwriters also received broker warrants equal to 6% of the number of Shares sold. Each broker warrant is exercisable over a 24-month period and entitles the holder to acquire one non-flow-through common share of the Company at a price of \$1.52.

The gross proceeds of the Offering will be used by the Company to incur eligible "Canadian exploration expenses" that will qualify as "flow-through mining expenditures" as such terms are defined in the *Income Tax Act* (Canada) (the "**Qualifying Expenditures**") related to the Company's PAK Lithium Project located in Ontario, Canada on or before December 31, 2022. All Qualifying Expenditures will be renounced in favour of the subscribers effective December 31, 2021.

The Flow-Through Shares will be offered by way of private placement pursuant to applicable exemptions from prospectus requirements in each of the provinces of Alberta, British Columbia, Ontario and in such other jurisdictions as may be mutually agreed between the Company and the Underwriters. The securities issues under the Offering will be subject to a four month hold period under applicable Canadian securities laws.

The securities to be offered pursuant to the Offering have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**") or any U.S. state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, United States persons absent registration or any applicable exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws.

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 jurisdiction in which such offer, solicitation or sale would be unlawful.

## About Frontier Lithium Inc.

Frontier Lithium is a preproduction business that is targeting to become a manufacturer of battery-quality lithium hydroxide to support electric vehicle and battery supply chains in North America. Frontier owns the PAK Lithium Project which contains one of North America's highest-grade, large-tonnage hard-rock lithium resources in the form of a rare low-iron spodumene. The project continues to have significant exploration upside with potential to increase the lithium resource. It is a pure-play lithium company with the largest land position in the Electric Avenue, a premium lithium mineral district located in Northern Ontario.

## About PAK Lithium Project

The PAK Lithium Project a tier one lithium resource in North America and one of the global top three premium resources by quality. A 2021 preliminary economic assessment of a fully integrated lithium operation utilizing spodumene concentrate generated from the PAK lithium project resource to achieve downstream conversion for production of battery-quality lithium chemicals resulted in an after-tax net present value (discounted at 8 per cent) of \$974-million (U.S.) with a 21-per-cent internal rate of return. The Project encompasses 26,774 hectares at the south end of Ontario's Electric Avenue, the largest land package hosting premium lithium-bearing pegmatites in Ontario. The Project covers 65 kilometres of the Electric Avenue's length and remains largely unexplored; however, since 2013, the company has delineated two premium spodumene-bearing lithium deposits (PAK and Spark), located 2.3 kilometres apart. The Project supported by a measured and indicated resource of 10.49 million tonnes (Mt) averaging 1.78 per cent lithium oxide (Li<sub>2</sub>O) and inferred resource of 18.48 Mt averaging 1.45 per cent Li<sub>2</sub>O. Considerable exploration upside is supported on the PAK Lithium Project through two other spodumene-bearing discoveries: the Bolt pegmatite (located between the PAK and Spark deposits), as well as the Pennock pegmatite (30 kilometres northwest of PAK Deposit within the project claims).

## Forward Looking Statements

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 release. This release includes certain statements that may be deemed "forward-looking statements". All statements in this release, other than statements of historical facts, that address future production, reserve potential, exploration drilling, exploitation activities and events or developments that the Company expects are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward looking statements include market prices, exploitation and exploration successes, continued availability of capital and financing, and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and those actual results or developments may differ materially from those projected in the forward-looking statements. For more information on the Company, Investors should review the Company's registered filings available at [sedar.com](http://sedar.com).

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