

NI 43-101 technical report on Bandeira — Item 4 (Property Description), extract

Lithium Ionic Corp. (TSXV: LTH) · filed 2024-05-27 on SEDAR+

About this exhibit. This is a faithful text extract of the document as filed on SEDAR+ (2024-05-27), reproduced here for reference and searchability. This exhibit reproduces **Item 4 (Property Description and Location)**, including §4.1, the ANM title history of process 832.439/2009; the full report is on SEDAR+. The authoritative copy is the original filing on the public SEDAR+ system at [sedarplus.ca](https://www.sedarplus.ca) (search the issuer name and date). Figures and images in the original are omitted from this text extract.

4 PROPERTY DESCRIPTION AND LOCATION

The Project is situated in the northeastern region of Minas Gerais State, Brazil, within the Jequitinhonha Valley area, approximately 600 km northeast of Belo Horizonte. It is positioned roughly 75 km south of the town of Salinas (population: approx. 42,000) and about 25 km east of Araçuaí (population: approx. 40,000), accessible via major paved roads (Figure 4-1).

Figure 4-1 – Project Location

The area of mining right number 832439/2009 is located on the border of the municipalities of Araçuaí and Itinga, in the valley of the Piauí River. This mining right was requested from the National Mining Agency in 2016. The Piauí River, which cuts through the western portion of the Lithium Ionic (MGLIT) area, serves as the border between the municipalities of Araçuaí and Itinga. The area of the Bandeira project therefore covers parts of both municipalities (Figure 4-2).

Figure 4-2 – Mining Rights of the Bandeira Project

4.1 History of the Process and Legal Status of ANM Case n° 832.439/2009

The exploration right to the area which is covered by the ANM process No. 832.439/2009 was requested on 10/22/2009 by FALCON METAIS LTDA for the exploration of Lithium minerals in an area covered by the municipalities of Itinga and Araçuaí, state of Minas Gerais.

On 05/06/2014, after the study was rectified, permit No. 3785/2014 was published, authorizing the applicant to research the substance for a period of 3 (three) years.

The start of the research was promptly communicated on 05/07/2014. The annual fees per hectare, referring to the first permit validity period, were duly paid.

On 03/03/2017, Falcon Metais submitted a Partial Research Report with a request for an extension of the license, and the publication of the approval took place on 04/28/2020, extending the term of validity of the license for 3 (three) years.

The holder again communicated the start of the research work and requested the installment payment of the TAH due in July/2020. This was granted by the ANM.

On 12/28/2020, a request for the Total Assignment of Mining Rights from Falcon Metais Ltda to MGLIT Empreendimentos Ltda. was filed. And, due to the assignment now being effected, a requirement was published for the assignee and current holder of the process, MGLIT EMPREENDIMENTOS LTDA and presented a Term of Assumption of Debt referring to the 2 (two) current installments of TAH. The requirement was fulfilled on 05/04/2021.

Subsequently, the TAHs of July 2021 and 2022 were paid, and the installments were considered paid on 02/02/2022.

The expiration date of the research permit was changed from 04/28/2023 to 09/30/2024 by ANM resolution no. 76/2021, which determined the suspension of material and procedural deadlines due to the state of public calamity resulting from the COVID-19 pandemic.

The original essential data of the area in question is below, according to the website, on May 6, 2024, of the ANM's own Mining Registry (Figure 4-3).

With an area of 156.77 hectares, the area of the DNPM 832.439/2009 process has its envelope defined according to the data below (Figure 4-4):

Figure 4-3 – Consult Webpage, on May 6, 2024, the History and Situation on the Official Website of the Brazilian Government for Mineral Rights 832.439/2009

Source: <https://sistemas.anm.gov.br/SCM/site/admin/dadosProcesso.aspx>

Figure 4-4 – Consult the Polygonal Webpage, on May 6, 2024, on the Brazilian Government's Official Website for Mineral Rights 832.439/2009

Source: <https://sistemas.anm.gov.br/SCM/site/admin/dadosProcesso.aspx>