



Grounded Lithium Announces Non-Brokered Private Placement and Termination of Best Efforts Brokered Financing

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CALGARY, ALBERTA (October 18, 2022) (TSX.V: GRD) - Grounded Lithium Corp. ("GLC" or the "Company") is pleased to announce it intends to raise up to \$3.0 million by way of a non-brokered private placement (the "Offering") of special warrants (the "Special Warrants") at a price of \$0.25 per Special Warrant. Each Special Warrant will entitle the holder to one unit of the Company (a "Unit"), with each Unit consisting of one common share of the Company (a "Common Share") and one common share purchase warrant (a "Warrant"). Each Warrant shall be exercisable to acquire one Common Share (a "Warrant Share") at a price of \$0.50 per Warrant Share for a period of 24 months from the closing of the Offering. In total, up to 12,000,000 Common Shares will be issued together with up to 12,000,000 Warrants, which if exercised would provide an additional \$6.0 million to the Company's treasury. Existing key shareholders along with insiders of the Company are expected to represent a significant majority of the subscribers under the Offering. The Company's previously announced best efforts brokered financing with Red Cloud Securities Inc. ("Red Cloud") has been terminated although Red Cloud will act in the capacity of a finder with respect to certain accounts.

The Special Warrants shall be automatically exercisable for Units on a one-for-one basis, for no additional consideration and without any required action on the part of the holders thereof, on the date which is the earlier of:

- (i) the second business day following the date on which a receipt is obtained from the Alberta Securities Commission, as principal regulator on behalf of the applicable securities regulatory authorities in each of the provinces and territories of Canada in which the Special Warrants are sold for a (final) prospectus to qualify the distribution of the Units underlying the Special Warrants; and
- (ii) the date which is four months and a day following the closing date of the Offering.

The Company intends to use the net proceeds of the Offering towards two important short-term objectives: (1) the engagement of an internationally recognized engineering firm to assist and ultimately recommend selection of the chosen extraction technology for GLC's brine resources, and (2) completion

of a preliminary economic assessment on the Company's Kindersley Lithium Project. Attainment of these two short-term objectives continue to be funded with the revised gross proceeds of the Offering and sets the stage for further operational and valuation milestones as the Company methodically moves towards its goal of commercial production.

Additional finder fees and broker warrants may be paid on a portion of the gross proceeds raised under the Offering. Insiders of the Company intend to participate in the Offering pursuant to available related party exemptions under Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*. The completion of the Offering is subject to TSX Venture Exchange ("TSXV") approval.

Re-price of Stock Options

Further to the Company's press release on September 29, 2022, wherein the Company announced the intention to grant an additional 2,000,000 stock options to certain officers, employees, directors and consultants of the Company at a strike price of \$0.25, the Company is amending the strike price of such options to \$0.29. This equates to the closing price of the Company's common shares on the TSXV the day of the announcement. Options granted will be pursuant to the Company's approved stock option plan. The grant of the options is subject to approval by the TSXV.

About Grounded Lithium Corp.

GLC is a publicly traded lithium brine exploration and development company that controls 2.9 million tonnes of lithium carbonate equivalent over its focused land holdings in Southwest Saskatchewan. GLC's multi-faceted business model involves the consolidation, delineation, exploitation and ultimate development of its opportunity base to fulfill our vision to build a best-in-class, environmentally responsible, Canadian lithium producer supporting the global energy transition shift.

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Forward-Looking Statements

This press release may contain forward-looking statements and forward-looking information within the meaning of applicable Canadian securities laws. The opinions, forecasts, projections and statements about future events or results, are forward looking information, forward-looking statements or financial outlooks (collectively, "**forward-looking statements**") under the meaning of applicable Canadian securities laws. These statements are made as of the date of this press release and the fact that this press release remains available does not constitute a representation by GLC that the Company believes these forward-looking statements continue to be true as of any subsequent date. Although GLC believes that the assumptions underlying, and expectations reflected in, these forward-looking statements are reasonable, it can give no assurance that these assumptions and expectations will prove to be correct.

Such statements include, but are not limited to, statements regarding the Offering, including the number of Special Warrants expected to be sold under the Offering, the expected gross proceeds from the Offering, expected use of proceeds of the Offering, the exercise of Warrants and expected to proceeds with respect to same, the expected participation in the Offering by key shareholders and insiders of the Company, the attainment of the Company's short-term objectives, the timing and ability of the Company to satisfy the conditions of the TSXV in respect of completion of the Offering and those of the securities regulatory authorities in respect of a (final) prospectus, achieving project milestones, commercializing GLC's operations, and GLC's vision of becoming a best-in-class, environmentally responsible, Canadian lithium producer supporting the global energy transition.

Among the important factors that could cause actual results to differ materially from those indicated by such forward-looking statements are: GLC's expectation that our operations will be in Western Canada, unexpected problems can arise due to technical difficulties and operational difficulties which impact the production, transport or sale of our products; geographic and weather conditions can impact the production; the risk that current global economic and credit conditions may impact commodity prices and consumption more than GLC currently predicts; the failure to obtain additional financing on the terms set out herein or other reasonable terms; risks relating to the ability of the Company to obtain required approvals to complete the Offering on the terms announced; volatility in the trading price of the common shares of the Company; the risk that unexpected delays and difficulties in developing currently owned properties may occur; the failure of drilling to result in commercial projects; unexpected delays due to the limited availability of drilling equipment and personnel; and the other risk factors detailed from time to time in GLC's periodic reports. GLC's forward-looking statements are expressly qualified in their entirety by this cautionary statement.

This news release shall not constitute an offer to sell or the solicitation of an offer to buy any securities in any jurisdiction.

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.