



## Grounded Lithium Reports 2022 Year End Financial and Operating Results

CALGARY, ALBERTA (April 26, 2023) (TSX.V: GRD OTCQB: GRDAF) - Grounded Lithium Corp. (“GLC” or the “Company”) announces our financial and operating results for the three and twelve month period ended December 31, 2022. Selected financial and operational information is set out below and should be read in conjunction with the Company’s December 31, 2022 financial statements and the related management’s discussion and analysis, which are available for review at [www.sedar.com](http://www.sedar.com) or the Company’s website at [www.groundedlithium.com](http://www.groundedlithium.com).

### 2022 Financial and Operational Highlights

- On August 22, 2022, the Company successfully closed the reverse takeover (the “RTO”) of VAR Resources Corp. (“VAR”) pursuant to the Amalgamation Agreement dated February 10, 2022 among VAR, VAR Resources (Newco) Corp. and the Company. GLC’s common shares commenced trading on the TSX Venture Exchange (“TSXV”) on August 25, 2022 and trading on the OTCQB Venture Market (“OTCQB”) on December 9, 2022;
- Over the course of 2022, the Company increased its land base more than four-fold. GLC’s land position as at the end of the calendar year totaled just over 300 sections (~78,000 hectares), and GLC added a further 33 sections of highly prospective acreage in the first quarter of 2023, bringing current land holdings to 333 sections (~86,000 hectares);
- During the third quarter, the Company completed the drilling of our first 100 percent owned lithium focused test well in Western Saskatchewan on the Company’s Kindersley Lithium Project (“KLP”), only the second such well in the entire Province of Saskatchewan. The well targeted key zones within the Duperow/Leduc formation and is highlighted in the Company’s most recent National Instrument 43-101 Technical Report, which is available for review at [www.sedar.com](http://www.sedar.com). During production testing in the fourth quarter, the well delivered brines free of hydrocarbons and sour gas impurities. At various points during the production testing, staff collected a number of brine samples which were tested through controlled third-party laboratories and demonstrated concentrations between 74 and 81 mg/l of elemental lithium and confirmed a potential sustained productivity rate of 19,500 bbls/d of brine;
- On October 19, 2022, the Company announced the execution of a Direct Lithium Extraction (“DLE”) Testwork Support & Evaluation contract with Hatch Ltd. (“Hatch”). Working with GLC’s in-house expertise, Hatch advanced the Company’s strategy to evaluate available DLE alternatives and ultimately choose the optimal technology that preferentially extracts lithium from the Company’s brine resources. Subsequent to year-end, the Company announced key developments

on this initiative, namely the selection of the top two candidates and the commencement of KLP brine testing sourced from our first lithium well at the respective labs of these candidates;

- On December 20, 2022, the Company filed an updated National Instrument 43-101 Technical Report on the KLP assessing the inferred resource of lithium carbonate equivalent (“LCE”) for the KLP at 3.7 million tonnes, representing a 28 percent increase from the prior report. Subsequent to year-end, a third technical report prepared by certain qualified persons at Sproule Associates Limited assessed the KLP at 4.2 million tonnes of inferred resources of LCE, which included our tuck-in acquisition completed during Q1 2023;
- The Company initially capitalized its treasury with a \$3.9 million non-brokered financing in December 2021 and January 2022. A further \$2.4 million was received upon completion of the RTO. On November 4, 2022 the Company completed a \$3.0 million non-brokered private placement of special warrants. Over the 12 month period, the Company was able to raise an aggregate of \$9.3 million to fund our activities to grow and define our resource position

## Financial Results

*(CAD\$, except per share amounts and common shares outstanding)*

|  | Three Months Ended<br>December 31, |            | Twelve Months Ended<br>December 31, |            |
|--|------------------------------------|------------|-------------------------------------|------------|
|  | 2022                               | 2021       | 2022                                | 2021       |
| <b>FINANCIAL RESULTS</b>               |                                    |            |                                     |            |
| Net comprehensive loss                 | <b>2,246,228</b>                   | 344,452    | <b>6,978,543</b>                    | 376,610    |
| Per share - basic and diluted          | <b>0.04</b>                        | 0.04       | <b>0.18</b>                         | 0.11       |
| Cash flow used in operating activities | <b>1,965,105</b>                   | 152,530    | <b>3,834,198</b>                    | 185,001    |
| Per share - basic and diluted          | <b>0.03</b>                        | 0.02       | <b>0.10</b>                         | 0.05       |
| Funds flow used in operations          | <b>2,110,192</b>                   | 290,453    | <b>3,875,411</b>                    | 322,611    |
| Per share - basic and diluted          | <b>0.04</b>                        | 0.04       | <b>0.10</b>                         | 0.10       |
| <i>Capital expenditures</i>            |                                    |            |                                     |            |
| Capital expenditures                   | <b>593,497</b>                     | 55,672     | <b>2,333,815</b>                    | 159,492    |
| <i>Liquidity</i>                       |                                    |            |                                     |            |
| Working capital surplus                | <b>2,587,236</b>                   | 2,190,625  | <b>2,587,236</b>                    | 2,190,625  |
| <i>Common shares outstanding</i>       |                                    |            |                                     |            |
| Weighted average - basic and diluted   | <b>56,872,750</b>                  | 8,050,227  | <b>38,066,047</b>                   | 3,391,220  |
| Outstanding, end of period             | <b>56,872,750</b>                  | 20,348,415 | <b>56,872,750</b>                   | 20,348,415 |

## Operational and Corporate Update

During 2022, we continued to accomplish several corporate, operational, and financial objectives and thereby established the foundation from which to drive the enterprise forward all on fronts for the benefit of stakeholders. This was partly accomplished by successively higher capital raising initiatives together with a debt-free balance sheet.

Our immediate tasks ahead of us now involve the validation of the resource base and carrying out feasibility studies with respect to advancing commercial production. Our dedicated team is motivated to achieve commercial production on our initial project quickly to take advantage of the compelling macro-economic environment. Our 2023 plans include the submission of our maiden preliminary economic assessment (“**PEA**”) on Phase 1 of the KLP. We expect that our PEA will present an independent economic validation of an initial 10,000 tonnes/yr project. Following this and the results soon to be obtained from independent lab pilot studies, critical next steps involve the construction and operation of an appropriately sized field pilot during 2023. This critical operational milestone will be dovetailed with further capital raising, inclusive of planned non-dilutive government funding programs. At the same time, we will continue our land acquisition strategy where opportunities meet and exceed our geological and economical thresholds.

### **About Grounded Lithium Corp.**

GLC is a publicly traded lithium brine exploration and development company that controls approximately 4.2 million metric tons of lithium carbonate equivalent of inferred resource over our focused land holdings in Southwest Saskatchewan. GLC’s multi-faceted business model involves the consolidation, delineation, exploitation and ultimately development of our opportunity base to fulfill our vision to build a best-in-class, environmentally responsible, Canadian lithium producer supporting the global energy transition shift. U.S. investors can find current financial disclosure and Real-Time Level 2 quotes for the Company on <https://www.otcmarkets.com/>.

### **Qualified Person**

Scientific and technical information contained in this press release has been prepared under the supervision of Doug Ashton, P.Eng, Suryanarayana Karri, P. Geoph., Alexey Romanov, P. Geo. and Meghan Klein, P. Eng., each of whom is a qualified person within the meaning of National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*.

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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 of 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 choosing a DLE extraction technology, validating GLC's resource base and carrying out feasibility studies with respect to commercial production, potential productivity rates, filing the PEA and the results of the PEA, constructing and operating an appropriately sized field pilot during 2023, 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 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 financing on reasonable terms; 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.**