



## LITHIUM CHILE EXECUTES BINDING LETTER OF INTENT FOR THE SALE OF ITS ARIZARO PROJECT

TSX Venture Exchange: LITH  
OTC-QB: LTMCF

For Immediate Release

CALGARY, ALBERTA, December 19, 2024 – Lithium Chile Inc. (“Lithium Chile” or the “Company”) is pleased to announce that on December 16, 2024, the Company executed a binding letter of intent (“LOI”) with an arm’s length party (the “Buyer”) for the sale of Lithium Chile’s 80% interest in the Arizaro project, marking a transformative milestone for the Company and its shareholders.

### Transaction Highlights

- Proposed Sale: The Buyer will acquire an 80% interest in the Arizaro project via the purchase of the Company’s wholly owned Argentinian subsidiary, Geo Inversiones Mineras S.A.
- Transaction Value: The purchase price is USD \$180,000,000 (approximately CAD \$250,000,000), to be paid in cash at closing, representing a substantial premium to the Company’s current trading price.
- Closing Conditions: Completion of the transaction (“**Closing**”) remains subject to certain conditions, including:
  - Satisfactory completion of a second round of due diligence by the Buyer; and
  - Government and Regulatory approvals and consents, including that of the TSX Venture Exchange which includes shareholder approval; and
  - Completion of definitive agreements pertaining to the sale (the “**Definitive Agreements**”). The signatory to the Definitive Agreements will be the Buyer or a company controlled by the Buyer.
- Exclusivity Period: The LOI provides a 90-day exclusivity period.

The Buyer is a large, Asian based company founded over two decades ago. The Buyer is a diversified enterprise with significant interests in mining, renewable energy, and technology sectors. Engaged in both domestic and international operations, the Buyer is focused on the exploration and development of essential resources. The Buyer is also the controlling shareholder of an Asian listed public company (“**PubCo**”). The Company has conducted financial due diligence on PubCo, and expects PubCo, and therefore the Buyer, has the financial strength and capability to successfully complete the proposed purchase of the Company’s subsidiary, although there can be no assurance that the Buyer has the financial strength and capability to complete the transaction.

Lithium Chile previously owned an 80% stake in the Arizaro project via its wholly owned subsidiary, Argentum Lithium S.A. On December 13, 2024, the Company shifted this ownership

to a newly established subsidiary, Geo Inversiones Mineras S.A. This move was made to separate its other Argentine property, Block IV, from the Arizaro Project.

Steve Cochrane, President & CEO commented: *“Closing of this transaction will unlock the tremendous value of the Arizaro asset for the benefit of all Lithium Chile shareholders”. He continued, “we will be able to deliver a substantial cash dividend to our shareholders all the while retaining our other significant assets in Argentina and Chile. I would like to extend my thanks to our stakeholders for their continued support while we proceeded with our strategic process”.*

This press release contains forward-looking statements concerning a proposed transaction. Please be advised that there is no assurance that this transaction will be completed as proposed, or at all. Investors should be aware that the transaction is contingent upon satisfactory completion of due diligence, fulfilling customary closing conditions and obtaining necessary governmental, regulatory and shareholder approvals.

### **Next Steps**

Subject to Closing, the sale proceeds will position the Company to pursue growth opportunities across its extensive portfolio of lithium assets in Chile and Argentina while rewarding shareholders with a tangible return on their investment. Immediately after closing, it is Lithium Chile’s intention to distribute the majority of the net proceeds from the sale to its shareholders via a special dividend. The Buyer has concluded its first round of financial due diligence which was followed up with field due diligence over the past month involving a team of technical and financial representatives who attended the Arizaro salar and Lithium Chile’s Salta offices in Argentina. Both parties have agreed to work diligently to finalize the Definitive Agreements to affect Closing. Lithium Chile plans to issue a comprehensive press release detailing the transaction progress and specifics as soon as further updates become available.

In accordance with the agreement with Ventum Financial Corp., a financial advisory fee of 1.0% of the total enterprise value will be payable in cash, immediately upon the successful completion of the transaction.

### **ABOUT LITHIUM CHILE**

Lithium Chile Inc. is an exploration company with a portfolio of 11 properties spanning 106,136 hectares in Chile and 29,245 hectares on the Salar de Arizaro in Argentina. The Company has successfully advanced its Arizaro project with the completion of NI 43-101 compliant Resource Report, Preliminary Economic Assessment and Prefeasibility Study which are all accessible on SedarPlus.ca under Lithium Chile’s profile.

Lithium Chile’s common shares are listed on the TSX-V under the symbol “LITH” and on the OTCQB Under the symbol “LTMCF”.

To find out more about Lithium Chile, please contact Steven Cochrane, President and CEO via email: [steve@lithiumchile.ca](mailto:steve@lithiumchile.ca) or Michelle DeCecco, COO via email: [michelle@lithiumchile.ca](mailto:michelle@lithiumchile.ca) or phone: 403-393-1990.

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.

## **FORWARD LOOKING STATEMENTS AND RISK FACTORS:**

This news release may contain certain forward-looking information and forward-looking statements within the meaning of applicable securities legislation (collectively "forward-looking statements"). Generally, forward-looking statements can be identified using forward-looking terminology such as "expected", "anticipated", "aims to", "plans to" or "intends to" or variations of such words and phrases or statements that certain actions, events or results "will" occur. Such forward-looking statements are based on various assumptions and factors that may prove to be incorrect, including, but not limited to, factors and assumptions with respect to the general stability of the economic and political environment in which the Company operates and the timely receipt of required regulatory approvals.

Closing of the sale transaction remains subject to significant risks including obtaining necessary regulatory body approvals including that of the TSX Venture Exchange. Closing also remains subject to the completion of Definitive Agreements in form satisfactory to the parties to the sale transaction and remains subject to satisfactory completion of due diligence by the Buyer.

Readers are cautioned that the foregoing risk factors are not exhaustive. Undue reliance should not be placed on the forward-looking statements because Lithium Chile can give no assurance that they will prove to be correct or that any of the events anticipated by forward-looking statements will transpire or occur, or if any of them do, what benefits Lithium Chile will derive therefrom. Similarly, the risk factors listed above are not exhaustive and other risk factors that have not been anticipated may become apparent as Lithium Chile proceeds to Closing. Lithium Chile does not undertake to update any forward-looking statements herein, except as required by applicable securities laws. All forward-looking statements contained in this news release are expressly qualified by this cautionary statement.