

First Class Metals PLC-Zigzag Lithium Property Earn-In & Issue of Equity

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LONDON, UNITED KINGDOM, March 9, 2023 /EINPresswire.com/ -- First Class Metals PLC ("First Class Metals" "FCM" or the "Company") the UK metals exploration company seeking large scale metal discoveries across its extensive Canadian Schreiber-Hemlo & Sunbeam land holding is pleased to announce that it has signed an agreement with Nuinsco Resources Limited in respect to the Zigzag lithium project in Ontario.

“

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Marc Sale

Highlights:

- Historic grades at surface up to 1.68% lithium (Li2O) over 7.9m and 0.168% tantalum (Ta2O5) over 2.54m. The claim group covers the historic Tebishogeshik occurrence as well as other mineralised occurrences.
- The pegmatite hosting the deposit is reported to be

more than 800m in length and 20m thick at surface.

- Sampling by Nuinsco returned strongly anomalous lithium, tantalum, and rubidium, peaking at 3.55% Li2O with significant tantalum, and rubidium results at 836 ppm Ta2O5, and 4,003 ppm Rubidium Rb2O.
- Exploration Permit already in place, allowing for exploration activities which may include stripping, trenching, and drilling.
- Property located 10.5km from the Green Technology Metals Limited (ASX: GT1) Seymour Project and several other hard rock lithium properties. Close to nearby current and future planned key infrastructure.
- Signing completes the process outlined in the 'Exclusivity Agreement' announced on the 11th of December 2022 for the 'Lithium property Earn In'. The project funding was also announced in the same news release, James Goozee a High Net Worth Individual ("HNWI") lithium/battery metals focussed investor took the full £300,000 private subscription at 16p per share.

1 https://polaris.brighterir.com/public/first_class_metals/news/rns/story/r790kzx

The project is less than 100km from Armstrong in northwest Ontario in the Seymour Lake area, a district already proved to be prospective for hard rock, pegmatite hosted lithium. Existing infrastructure currently in place in the local area is expected to be further bolstered in the future by the planned Jackfish Hydro project and a Spodumene Process Plant at the Green Technology Metals, Seymour site which is just over 10km away.

The six unit claim group includes a mapped structure of 800m which (Tebishogeshik occurrence) and is wholly contained within the claim block, the lithium-tantalum mineralization is pegmatite-hosted with significant rubidium and cesium mineralization also reported. See figure 2. All of which are 'critical minerals' as identified by the 2Canadian and United Kingdom Governments.

Previous workers of the Tebishogeshik occurrence have identified Li_2O and Ta_2O_5 mineralization along the entire length of the showing from sampling at surface, grading up to 1.68% Li_2O over 7.9m and 0.168% Ta_2O_5 over 2.54m in separate channels samples. Several shallow historic drill holes along the occurrence have returned significant intersections, including, (in separate drill holes) an intersection grading 1.08% Li_2O over 6.1m and a separate intersection of 399.8ppm Ta_2O_5 over 2.92m. Both intersections were less than 20m down hole. The structure is open along strike and to depth and remains to be fully evaluated.

Lithium-ion battery production capacity pipeline globally to 2030 increases up to 8.1 TWh and North American EV battery production is forecast to reach 1 TWh annually by 2030. Even if production from known current assets were to double against planned capacities, expected North American demand alone would exceed supply by 40%.

Terms of the deal:

The deals is structured so that FCM has an option to earn-in up to an 80% interest over the exclusive option held by Nuinsco Resources over the Zigzag mining claims. The payments for the exercise of this option include a cash component of \$CAD500,000 and a share component of \$CAD250,000 in FCM Ordinary Shares spread across approximately 3.5 years. Additionally, FCM has committed to undertake exploration related expenses on the property over the same period to a value of \$CAD550,000.

Table 1 Zigzag Option Schedule

These payments and work commitments maybe accelerated at FCM's option. Upon completion, the Zigzag mining claims will be owned by FCM and Nuinsco on an 80:20 basis and the parties will have deemed to enter a joint venture for the development of these mining claims. Should either party not wish to contribute to this joint venture a standard industry dilution clause shall apply. If either party dilutes to a 10% ownership interest or lower, their entire interest will automatically convert into a NSR royalty payment, and the other party shall be the 100% owner of the Zigzag mining claims. Additionally, half of such NSR royalty payment may be purchased by the other party by paying a sum of \$CAD 750,000.

Issue of Equity

350,000 new ordinary shares are being issued to cover elements of the Nuinsco Share Payments and professional fees incurred, they will rank pari passu with the Company's existing issued ordinary shares. The Company intends to allot and issue these new ordinary shares under its existing authorities on a non-pre-emptive basis.

The Company will be making its application to admit the new ordinary shares to the Official List of the FCA and to trading on the Main Market (Standard List) of the LSE. Admission is expected to occur on the 16th of March 2023.

Conditional on Admission, the Company's issued ordinary share capital will be 70,794,589 ordinary shares, which may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the share capital of the Company under the FCA's Disclosure Guidance and Transparency Rules.

Marc Sale CEO commented:

"FCM is very enthused with the opportunity to have executed the agreement on this very prospective lithium prospect. FCM has now significantly augmented their portfolio of critical minerals within our exploration focus. Given the worldwide shift toward greener and cleaner economies, the acquisition of additional property assets such as Zigzag Lake is a strategic progression for FCM."

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