

Lithium Energi Exploration Inc. Secures \$16M Funding Package From Leading Institutional Investor

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TORONTO, Jan. 26, 2018 (GLOBE NEWSWIRE) -- [Lithium Energi Exploration Inc.](#) (TSXV:LEXI) ("LEXI" or the "Company") is pleased to announce that it has secured a \$16M funding agreement (the "Credit Facility") from Arena Investors, LP, a major US institutional investor. The Credit Facility is structured as an unsecured lending arrangement with up to five tranches (each a "Note"), specifically being an initial \$4M tranche at closing and up to four quarterly tranches thereafter in the amount of \$3M per tranche over a period of twelve months.

LEXI's CEO, Steven C. Howard acclaimed the Credit Facility as an important milestone for the Company, which should enable the Company to complete a comprehensive program of field exploration, geophysical studies, and substantial drilling on a significant portion of LEXI's considerable property package in the Antofalla Salar region of Argentina's Catamarca Province. Howard further noted that, "Obtaining this Credit Facility from such a large, impressive institutional investor is an inspiring endorsement that should assure the Company's ability to complete a resource estimate on a large component of the Company's properties within the next 12-18 months."

LEXI currently holds title to 90,244 hectares of lithium brine properties in Catamarca in and around the Antofalla Salar. It also holds a first right of refusal to acquire another 148,839 hectares, of which 110,380 hectares are located in the Antofalla Salar complex and 38,459 hectares are in the Pipanaco Salar approximately 50 km due west of Catamarca city. Located less than 20 km west of FMC Corp.'s lithium's operation (Argentina's largest lithium producer) in northern Catamarca Province, the Antofalla Salar hosts one of the largest basins in the region. It is over 130 km long and up to 20 km across. On September 12, 2016, Albemarle Corp., the world's largest producer of lithium, announced its acquisition of exclusive exploration and acquisition rights to a claim block located in the center section of this salar and expressed its belief that the Antofalla Salar "will be certified as the largest lithium resource in Argentina". With rights to a significant package of prospective lithium properties in the Antofalla Salar complex, situated to the north and south of Albemarle's properties, the Company believes that its properties hold the potential to deliver impressive values to its shareholders as the properties are drilled and developed in the future.

About Arena Investors, LP

Arena Investors, LP is a registered investment advisor and global merchant capital source provider. Arena sources and structures bespoke investment opportunities in fundamentals-based, asset-oriented, credit-focused investments. It employs 42 professionals that pursue complementary strategies providing liquidity to companies and asset owners, who require it in a timely manner and who are underserved by conventional sources of capital. Based in New York City, Arena was formed in partnership with The Westaim Corporation, a publicly-traded Canadian holding company in the financial services industry. See www.arenaco.com.

About Lithium Energi Exploration Inc.

[Lithium Energi Exploration Inc.](#) is an exploration company specializing in the strategic acquisition, exploration and development of lithium brine assets in Argentina. The Company is headquartered in Toronto, Ontario and has offices in Dallas, Texas and Catamarca, Argentina. The common shares of the Company are listed on the TSX Venture Exchange (TSXV:LEXI) and the Frankfurt Exchange (FR:LO9). The Company recently completed the acquisition of a portfolio of lithium brine concessions in the Argentina Province of Catamarca in the heart of the lithium triangle.

Jett Capital Advisors LLC of New York, NY acted as advisor to the transaction.

Additional Key Terms of the Transaction:

Each Note will be issued at 95% of face value and each is redeemable at par at its maturity. Repayment of the Credit Facility is Note-specific with each Note maturing and becoming repayable by the Company after the expiration of twelve months from the date of the Note, subject to a maturity extension at the election of the Company of an additional 12 months for each such Note. All conditions precedent for the initial tranche under the Credit Facility have been satisfied and the Company is in receipt of the initial tranche. The advance of the four remaining tranches are subject to the conditions of the Credit Facility, including notice by the Company, the sole discretion of Arena and confirmation at the relevant time that no events of default under the Credit Facility have occurred and are continuing at that time. The Notes have a coupon of 10% for the first twelve months and 15% for the second twelve months, if maturity is extended, and such coupon is payable at the time the applicable Note is repaid.

As a corollary to the Credit Facility, the Company and Arena have contemplated alternate mechanisms by which the Credit Facility can be satisfied. Subject to TSXV regulations, the Company intends to undertake an effort to file a shelf prospectus ("Prospectus") and if successful, Arena will have the right to participate in certain offerings qualified by the Prospectus with proceeds from Arena's participation in such prospectus offering being used to satisfy the Notes. The terms of any prospectus offering by Arena will be determined in the context of the market, including certain agreed considerations for pricing (average 5-day VWAP) and warrants (0.4 warrants for each common share, 3 year term, 115% of the then-current market price for the Company's common shares). No assurance can be given that the Company will be successful in its efforts to file or obtain a receipt for the Prospectus.

Qualified Person

The scientific and technical information contained in this news release has been reviewed and approved by Caitlin Jeffs, P.Geo., a consultant of the Company, and a qualified person as defined by National Instrument 43-101.

ON BEHALF OF THE BOARD OF DIRECTORS

"Chris Hobbs"

Chris Hobbs,
Chief Financial Officer and Director

FOR FURTHER INFORMATION PLEASE CONTACT:

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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.

This news release contains "forward-looking information" and "forward-looking statements" (collectively, "forward-looking statements") within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements. In this news release, forward-looking statements

relate, among other things, to: the advancement of any additional tranches under the Credit Facility; the completion and timing of any proposed exploration or development program; the anticipated benefits of such activities to the Company and its shareholders; the preparation of a resource estimate and PEA; the preparation, filing and receipt of any prospectus; the participation by Arena in any subsequent equity offering; anticipated use of proceeds; statements about the estimation of mineral resources; magnitude or quality of mineral deposits; anticipated advancement of mineral properties or programs; future operations; future exploration prospects; the completion and timing of mineral resource estimates; the length of the current market cycle and requirements for an issuer to survive in the current market cycle; future growth potential of the Company; and future development plans.

These forward-looking statements are based on reasonable assumptions and estimates of management of the Company at the time such statements were made. Actual future results may differ materially as forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to materially differ from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors, among other things, include: satisfaction or waiver of all applicable conditions to the advancement of future tranches under the Credit Facility (including the discretion of Arena); receipt of all necessary stock exchange and regulatory approvals or consents in respect of any prospectus offering, the absence of material changes with respect to the Company and its businesses; possible variations in mineralization, grade or recovery rates; actual results of exploration activities; conclusions of future economic evaluations; fluctuations in general macroeconomic conditions; fluctuations in securities markets; fluctuations in spot and forward prices of commodities; fluctuations in currency markets (such as the Canadian dollar to United States dollar exchange rate); change in national and local government, legislation, taxation, controls, regulations and political or economic developments; risks and hazards associated with the business of mineral exploration, development and mining (including environmental hazards, industrial accidents, unusual or unexpected formations pressures, cave-ins and flooding); the speculative nature of mineral exploration and development (including the risks of obtaining necessary licenses, permits and approvals from government authorities); and title to properties. Although the forward-looking statements contained in this news release are based upon what management of the Company believes, or believed at the time, to be reasonable assumptions, the Company cannot assure its shareholders that actual results will be consistent with such forward-looking statements, as there may be other factors that cause results not to be as anticipated, estimated or intended.

Readers should not place undue reliance on the forward-looking statements and information contained in this news release. Except as required by law, the Company assumes no obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change, except as required by law.

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