

Appia Energy shares up 511% YTD as EV demand speculation rumbles with rare earths

In the last year Appia Energy Corp. (CSE: API | OTCQB: APAAF) share price has increased by 511%. From CAD\$0.18 at market close on June 9, 2020, to CAD\$1.10 today, the question that Jack Lifton poses in his column earlier this week Why lithium and rare earths are truly a bull market, and the EV transition is just bull is clearly confirmed, as Appia announced the appointment of Jack Lifton as a Strategic Adviser on Monday, the market responded favorably.



Source: TD Waterhouse Chart from June 9, 2021 taken at Market Close

So how did this happen?

April 22, 2021 – Appia reports 4.5 million warrants (from 2017) were exercised to bring in new equity of \$1.36 million – adding to the company’s cash balance as reported at March 31, 2021 of ~\$6.0 million and no debt. Closing share price C\$0.61

April 29, 2021 – Appia announces a \$4.0 million bought deal for a combined flow-through and common share equity (\$0.70 per unit and \$0.60 per unit respectively) that was subsequently upsized to \$5.0 million. Note that the company has only ever done non-brokered financings and has never had a bought deal. Closing share price C\$0.63

May 19, 2021 – Appia announces closing of financing including full over-allotment option, raising \$5.75 million of new equity. Closing share price C\$0.72

May 31, 2021 – Research Capital Corporation initiates research coverage with a full research report on Appia. There was no target price, but the analyst has a Speculative Buy rating on the stock.

Appia’s share price has been as high as C\$1.16 this week we await results from the 2021 drilling and exploration program at the northern Saskatchewan rare earths project at Alces Lake. Previous news releases indicated that 5,000+ meters of drilling will be done this year – that is more than the previous years’ exploration drilling combined.

For those new to the Appia story, between 2017 and 2020, the company has:

- Discovered 74 rare earths and uranium-bearing surface zones and occurrences;
- Completed a total of 64 short diamond drill holes (end of hole average 25 to 50 m depth) for a total of 2,276.2 meters;
- Completed a total of 14 long diamond drill holes (end of hole >50 m depth) for a total of 2,615.5 meters; and
- Has over 95% drill hole success rate intersecting rare

earths-bearing pegmatite system

And finally, as I mentioned above – by the end of the year, the experts who tell me that this is indeed a world-class rare earths deposit, should be telling all of us what to expect from Alces Lake.

Jack? Back to you...