Critical Elements Provides an Update on Rose Project Permitting and Portfolio Exploration

written by Raj Shah | March 8, 2021

March 8, 2021 (Source) – Critical Elements Lithium Corporation (TSXV:CRE)(OTCQX:CRECF)(FSE:F12) ("**Critical Elements**" or the "**Company**") is pleased to provide an update on progress on the Rose Lithium Tantalum Project ("**Rose**" or the "**Project**").

Highlights

- **Critical Elements has initiated a new phase of exploration on its extensive land position in Eeyou Istchee, Québec to further its aspiration to be a large, responsible supplier of lithium. The Company has over 700 square kilometres of highly prospective lands in its portfolio beyond Rose, the first to be advanced.**
- **Regarding provincial level permitting, the responsible committee has successfully completed public hearing sessions. The environmental and social impact assessment and review procedure will conclude shortly, to be followed by a recommendation in respect of the authorization of the Project by provincial authorities.**
- **On the Federal permitting level, the responsible committee has confirmed having received all information required to allow it to complete the environmental assessment of the Project and the Company has been advised by the Impact Assessment Agency of Canada ("Agency") that due to the particular and challenging circumstances caused by the**

pandemic, the Impact Assessment Agency of Canada and the Cree Nation Government (the "Committee") needs more time to consult with local communities in order to complete the environmental assessment process.

A New Phase of Exploration

Critical Elements announces that it has engaged Geo Data Solutions GDS Inc. to conduct a high-resolution heliborne magnetic survey of 17,187 km linear over the Rose Lithium-Tantalum project and its large portfolio of properties located in James Bay that cover approximately 700 square kilometers. The objective of the survey is to identify structures that would be high-priority lithium targets for future exploration. The survey is expected to be completed by the end of March. By covering the known mineralisation on the Rose deposit and the known Hélico, Pivert, and Lemare showings, their geophysical signatures will be useful to identify similar signatures and corresponding structures that may be associated with spodumene-bearing pegmatite. In addition to potentially identifying spodumene, the survey will also generate prospective targets for nickel and copper mineralization.

"We are very excited to be starting this airborne survey covering our large landscape of properties covering more than 700 square kilometers" stated Jean-Sebastien Lavallée, Critical Elements' Chief Executive Officer. *"Surveying the known mineralisation area will help to demonstrate the high potential for new lithium discoveries in that lithium district where Critical Elements owns the largest strategic position."*

Critical Elements' President, Dr. Steffen Haber, reiterated the Company's vision to become a large responsible supplier of lithium to the flourishing electric vehicle and energy storage systems industries. *"Our Rose Project features one of the purest lithium deposits globally. Quebec is strategically well-*

positioned regarding the critical transitioning energy and e-mobility markets in Europe and the United States and boasts excellent infrastructure including low-cost, low-carbon hydroelectricity, as well as human capital. Our cooperative relationship with the Cree Nation of Eastmain, the Grand Council of the Crees (Eeyou Istchee), and the Cree Nation Government has been formalized through the Pikhuutaau Agreement signed in July 2019. We are excited by the anticipated receipt of Provincial and Federal Phase I permitting, detailed engineering and financing for the construction of the Rose mine and concentrator, and the delivery of engineering studies for Phase II (a chemical plant for conversion of Rose spodumene concentrate to high quality lithium hydroxide for use in lithium-ion batteries).”

Rose Permitting Update

Critical Elements continues to be thankful for the progress being made in the permitting process by provincial and federal officials through the challenges posed during the COVID-19 pandemic crisis. The Chairman of the Environmental and Social Impact Review Committee (“**COMEX**“) has completed public hearing sessions in mid-February in Matagami, Eastmain, and Nemaska. The public hearings were held virtually and broadcast live via Facebook and LiveStream. A room was made available in each of the communities so that people who wish to gather in person can do so in compliance with current applicable health and safety standards given the COVID-19 pandemic. The COMEX’s mission is to contribute to the protection of human health and the environment and to the economic and social well-being of the peoples inhabiting the territory governed by the James Bay and Northern Quebec Agreement (JBNQA) that lies south of the 55th parallel. Once the environmental and social impact assessment and review procedure is completed, the COMEX will make a recommendation in respect of the authorization of the Project by provincial

authorities.

The Rose Lithium-Tantalum Project is in direct line with the governmental orientations contained in the *Québec Plan for the Development of Critical and Strategic Minerals 2020-2025* and the *2030 Plan for a Green Economy*. Lithium and tantalum are world renowned in manufacturing and automotive industrial sectors, including for, among others, the market of hybrid and electric cars in this era of increasing interest for energy transition.

The Federal Government runs a parallel permitting process to that of the Province of Québec. The Joint Assessment Committee established by the Committee has confirmed that it has received all information required to allow the Committee to complete the environmental assessment of the Project and prepare the draft environmental assessment report.

The Company has been advised by the Agency that due to the particular and challenging circumstances caused by the pandemic, the Committee needs more time to consult with local communities in order to complete the environmental assessment process. On March 4, 2021, the Impact Assessment Agency of Canada stated that "*The Minister of Environment and Climate Change, under subsection 27(3) of the Canadian Environmental Assessment Act, 2012, has extended by 90 days the time limit for issuance of the Decision Statement for the proposed Rose Lithium-Tantalum Mining Project to recognize the extenuating circumstances arising from the COVID-19 pandemic and its impacts to consulted Cree communities.*" The Company has been advised by the Agency that due to the particular and challenging circumstances caused by the pandemic, the Committee needs more time to consult with local communities in order to complete the environmental assessment process.

"The economy of tomorrow will be driven by strategic sectors, like the electric vehicles and batteries sectors. This vision aligns perfectly with our vision to become a large responsible supplier of lithium. We represent perfectly sustainable development with our project that is, not only good for the environment, but that is good for the development of local communities," stated Mr. Lavallée. "We remain confident in the progress being made in advancing the Rose project and excited by our intended contribution to the economy of the James Bay and Northern Quebec region, as well as the Province of Québec."

Qualified persons

Michel Allard, Eng., is the qualified person that has reviewed and approved the technical contents of this news release on behalf of the Corporation.

About Critical Elements Lithium Corporation

Critical Elements Lithium Corporation aspires to become a large, responsible supplier of lithium to the flourishing electric vehicle and energy storage system industries. To this end, Critical Elements Lithium is advancing the wholly owned, high purity Rose lithium project in Quebec. Rose is our first lithium project to be advanced within a highly prospective land portfolio of over 700 square kilometers. In 2017, the Corporation completed a robust feasibility study on Rose Phase 1 for the production of high quality spodumene concentrate. The internal rate of return for the Project is estimated at 34.9% after tax, with a net present value estimated at C$726 million at an 8% discount rate. Capital and operating cost parameters were confirmed in 2019 by Primero Group in the context of a Guaranteed Maximum Price under an Early Contractor Involvement agreement, as a prelude to an Engineering, Procurement and Construction process. Detailed engineering for Phase I is

expected to conclude this year as we also deliver technical studies for Phase II, the conversion of spodumene concentrate to high quality lithium hydroxide. In our view, Quebec is strategically well-positioned for US and EU markets and boasts exceptional infrastructure including a low-cost, low-carbon power grid featuring 93% hydroelectricity. We have a strong, formalized relationship with the Cree Nation.

For further information, please contact:

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