

NEWS RELEASE

International Lithium Corp. Expands Raleigh Lake Lithium and Rubidium project in Ontario, Canada and divests its 49% interest in Mavis Lake Lithium Project, Canada

Vancouver, October 25, 2021. The board of International Lithium Corp. (the “**Company**” or “**ILC**”, TSX Venture: ILC) is pleased to announce the further expansion of its Raleigh Lake lithium and rubidium project in Ontario, Canada where it now has claims totalling 27,000 hectares (270 square kilometres), an increase of 10,000 hectares from the previously announced 17,000 hectares and from 3,000 hectares when ILC’s drilling began in April 2021. At the same time the Company and its partner Essential Metals Limited (ASX:ESS, “**ESS**”) have announced their divestment of 100% of the Mavis Lake Project in Ontario through the granting of an option to Critical Resources Limited (ASX:CRR).

Further detailed announcements will be made in respect of Raleigh Lake and the neighbouring new claims, but we can disclose now that multiple new pegmatites were discovered in October 2021 including on some of the new claims. We will make further announcements when laboratory analysis has been carried out. The board remains excited about the potential of this project.

The Mavis Lake sale will, if the option is exercised, realise AUD\$ 3.2m in cash & shares (approx. CAD\$ 2.952m at an exchange rate of CAD\$=AUD\$ 1.0840) with a possible further AUD\$ 3.0m (CAD\$ 2.768m) of cash linked to resource discovery milestones. ILC will, on option exercise, receive exactly 50% of these proceeds, i.e. approximately CAD\$ 1.476m with a possible further CAD \$1.384m linked to resource discovery milestones.

Key transaction details of the sale of Mavis Lake (including Fairservice) are as follows:

- a) Critical Resources will pay AUD\$ 175,000 to purchase the option to acquire the Project with the option exercisable by 4 January 2022 upon completion of due diligence and the fulfilment of certain conditions precedent. Upon exercising the option, Critical Resources will pay/issue the following:
 - AUD\$1,500,000 cash; and
 - 68 million shares in Critical Resources at a price of AUD\$ 0.022 per share (with a deemed value of AUD\$ 1.5 million).
- b) ESS and ILC will share the proceeds equally. ESS will, if the option is exercised, give up its rights to acquire a further 29% of the project, while ILC will also give up its 1.5% NSR.
- c) In addition, milestone payments totalling AUD\$3.0 million will be payable on the definition of a lithium resource as follows
 - AUD\$1.5m on definition of a mineral resource estimate exceeding 5m tonnes of which at least 50,000 tonnes of Li₂O using a cut-off grade of 0.4%.

- A further AUD\$ 1.5m on definition of a resource exceeding 10m tonnes of which at least 100,000 tonnes of Li₂O using a cut-off grade of 0.4% or, in case both milestones are defined at the same time, AUD\$3.0m in total.

ESS and ILC will share the proceeds equally.

- d) If CRR were to complete its purchase but then sell or joint venture the Mavis Lake claims in future, then any further milestone payment obligations would pass to any future owner of the claims.
- e) ILC and ESS will have a right of first refusal to buy the claims back if CRR had not achieved and made additional payment for the first additional payment milestone.

Mavis Lake is a joint venture with Essential Metals Limited (ASX:ESS, "ESS") in which ILC has for the last three years owned 49% and ESS 51%, with ILC having an additional 1.5% Net Smelter Royalty. The Mavis Lake claims and mining leases are around 2,600 hectares. By spending CAD\$ 8.5m, ESS would have acquired the right to increase its stake in Mavis Lake to 80%. It seemed unlikely that ESS were going to prioritise this spending in the near future, preferring to focus on their Australian projects, and therefore the two parties looked at other strategic options, including ILC buying ESS out as it had the right to do. Critical Resources Ltd. (ASX:CRR) emerged as the preferred buyer.

John Wisbey, Chairman and CEO of International Lithium Corp. commented:

We have a strong commitment to growing our position in the lithium and rare metals market, so it is ironic that we are announcing our second disposal in a week – Mavis Lake optioned out, and our stake in Mariana sold. We are however at the same time increasing our claims in Ontario appreciably at Raleigh Lake and the wider Ignace area where we have now increased the size of our claims to 27,000 hectares. Many new pegmatites have recently been revealed at these claims and we will be doing a lot of further exploration and drilling to validate the scale of our discovery there over the next few months. Focus is important, and we decided that it was better for ILC to concentrate its efforts in Ontario on our key and wholly owned project there Raleigh Lake rather than also paying to regain 100% of Mavis Lake.

About International Lithium Corp.

International Lithium Corp. believes that the '20s will be the decade of battery metals, at a time that the world faces a significant turning point in the energy market's dependence on oil and gas and in the governmental and public view of climate change. Our key mission in this decade is to make money for our shareholders from lithium and rare metals while at the same time helping to create a greener, cleaner planet. This includes optimizing the value of our existing projects in Canada and Ireland as well as finding, exploring and developing projects that have the potential to become world class lithium and rare metal deposits. In addition, we have seen the clear and growing wish by the USA and Canada to safeguard their supplies of critical battery metals, and our Canadian Raleigh Lake property is strategic in that respect.

A key goal has been to become a well funded company to turn our aspirations into reality, and following the disposal of the Mariana project in Argentina in 2021, the Board of the Company believe that ILC is already well placed in that respect. The disposal of Mavis Lake, assuming the option is exercised as planned, will add useful further liquidity.

International Lithium Corp. has a significant portfolio of projects, strong management, and strong partners. Partners include Ganfeng Lithium Co. Ltd., ("Ganfeng Lithium") a leading China-based lithium product manufacturer quoted on the Shenzhen and Hong Kong stock exchanges (A share code: 002460, H share code: 1772) and Essential Metals Limited, quoted on the Australian Stock Exchange (ASX:ESS).

The Company's primary strategic focus is now on the Raleigh Lake lithium and rubidium project

in Canada and on identifying additional properties.

The Raleigh Lake project now consists of 27,000 hectares (270 square kilometres) of adjoining mineral claims in Ontario, and is regarded by ILC management as ILC's most significant project in Canada. The exploration results there so far, which are on only about 5% of ILC's current claims, has shown significant quantities of rubidium and caesium in the pegmatite as well as lithium. Raleigh Lake is 100% owned by ILC, is not subject to any encumbrances, and is royalty free.

Complementing the Company's rare metal pegmatite property at Raleigh Lake, are interests in two other rare metal pegmatite properties in Ontario, Canada known as the Mavis Lake and Forgan Lake projects, and the Avalonia project in Ireland, which encompasses an extensive 50-km-long pegmatite belt.

The ownership of the Mavis Lake project is currently 51% Essential Metals Limited (ASX: ESS, "ESS") and 49% ILC. In addition, ILC owns a 1.5% NSR on Mavis Lake. ESS has an option to earn an additional 29% by sole-funding a further CAD \$8.5 million expenditures of exploration activities, at which time the ownership will be 80% ESS and 20% ILC. Mavis Lake is now under option until January 2022 to Critical Resources Ltd. (ASX:CRR) to buy 100% at which point ILC's NSR would also be surrendered. If exercised, that option will bring the Company approximately CAD\$1.4m of cash and shares in CRR, with upto a further CAD\$1.4m if certain resource targets are achieved by CRR. If CRR were to complete its purchase but then sell or joint venture the Mavis Lake claims in future, this further payment obligation would pass to any future owner of the claims. ILC and ESS would have a right of first refusal to buy the claims back if CRR had not achieved and made additional payment for the first additional payment milestone.

The Forgan Lake project will, upon Ultra Resources Inc. meeting its contractual requirements pursuant to its agreement with ILC, become 100% owned by Ultra Resources (TSXV: ULT), and ILC will retain a 1.5% NSR on Forgan Lake.

The ownership of the Avalonia project is currently 55% Ganfeng Lithium and 45% ILC. Ganfeng Lithium has an option to earn an additional 24% by either incurring CAD \$ 10 million expenditures on exploration activities by September 2024 or delivering a positive feasibility study on the project, at which time the ownership will be 79% Ganfeng Lithium and 21% ILC. In the event that ILC does not contribute to the project after that, and its share consequently falls below 10% of the project, its share will be substituted by a 1% NSR.

With the increasing demand for high tech rechargeable batteries used in electric vehicles and electrical storage as well as portable electronics, lithium has been designated "the new oil", and is a key part of a "green tech" sustainable economy. By positioning itself with projects with significant resource potential and with solid strategic partners, ILC aims to be one of the lithium and rare metals resource developers of choice for investors and to continue to build value for its shareholders in the '20s, the decade of battery metals.

Patrick McLaughlin, P. Geo., a Qualified Person as defined by NI 43-101, has verified the disclosed technical information and has reviewed and approved the contents of this news release.

On behalf of the Company,

**John Wisbey
Chairman and CEO**

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