



ACN 147 413 956

ASX: INF ANNOUNCEMENT

20 April 2020

Capital Raising to Advance the San José Lithium Project

HIGHLIGHTS

- Placement to sophisticated investors to raise approximately \$0.93 million
 - The capital raising is aligned and follows the recently announced strategic investment opportunity by EU-based InnoEnergy
 - The proposed InnoEnergy investment is initially focused on direct technical work with Phase 1 commitment totalling €800,000 (approximately \$1.5 million)
 - Infinity is now benefiting from its sole focus on lithium and the wider support of European institutions in the advancement of San José
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Infinity Lithium Corporation Limited (ASX:INF, 'Infinity', or 'the Company') is pleased to announce the placement ('Placement') to sophisticated investors and the receipt of commitments to raise approximately \$0.93 million to advance the San José Lithium Project ('San José', or 'the Project'). Infinity had initially sought a lower amount and oversubscriptions were taken to ensure Infinity remains in a solid position and can work with InnoEnergy in advancing the San José Lithium Project.

The maximum number of new securities to be issued under the offer is 26,714,286 ('Placement Shares') and 13,357,143 unlisted options ('Placement Options') to raise \$935,000 before costs. The issue price Placement Shares is \$0.035 per share, with participants in the placement issued one (1) attaching unlisted option for every two (2) shares subscribed in the placement at an exercise price of A\$0.07 with an 18-month term.

The funds raised under the Placement will be used to continue activities on the Project and for general working capital as the Company progresses towards the completion of the strategic investment execution with InnoEnergy. The potential strategic investment by InnoEnergy highlights the Company's progression to engage with European institutions and the endorsement of the technical outcomes following the release of the successful Pre-Feasibility Study for the production of lithium hydroxide (refer to ASX announcement 22 August 2019). San José is a highly advanced lithium-tin deposit with near term production potential.

Placement Details

The shares issued under the Placement will rank pari passu with existing fully paid ordinary shares in the Company. Except for Director participation the shares and attaching unlisted options issued under the Placement will fall within the Company's placement capacity under ASX Listing Rule 7.1 and 7.1A. A total of 40,071,429 securities are expected to be issued under the Placement.

A total of 17,213,764 shares and 12,642,857 unlisted options pursuant to Listing Rule 7.1, 8,071,950 shares pursuant to Listing Rule 7.1A and 1,428,572 shares and 714,286 unlisted options pursuant to shareholder approval. Settlement of the Placement (excluding the Directors participation) is scheduled to occur on 28 April 2020.

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Subject to shareholder approval, the Directors of the Company intend to participate in the Placement by subscribing to 1,428,572 shares and 714,286 unlisted options for \$50,000. The Company will seek shareholder approval at a General Meeting of the Company proposed to occur in June 2020.

Authorised for release by the Managing Director and the Chairman.

For further inquiries please contact;

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Use of Funds

Funds raised pursuant to the Placement will be used as follows:

- The advancement of Mining License applications, permitting, environmental, social and regulatory aspects of San José.
- The advancement of work associated with entering into strategic investment and/or supply and offtake agreements in respect of future lithium production as the Company advances towards the delivery of the San José Lithium Hydroxide Feasibility Study.
- Working capital purposes.

Competent Persons Statement

Infinity is not aware of any new information or data that materially affects the information included in this ASX release and Infinity confirms that, to the best of its knowledge, all material assumptions and technical parameters underpinning the resource estimates in this release continue to apply and have not materially changed.

Production Target, Ore Reserve and PFS Study announced to the ASX on 22 August 2019: The information in this report that relates to Exploration Results is based on the information compiled or reviewed by Mr Adrian Byass, B.Sc Hons (Geol), B.Econ, FSEG, MAIG and an employee of Infinity. Mr Byass has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code for Reporting of Exploration Results, Exploration Targets, Mineral Resources and Ore Reserves. Mr Byass consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

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