

# Zacks Small-Cap Research

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Steven Ralston, CFA

312-265-9426

sralston@zacks.com

scr.zacks.com

10 S. Riverside Plaza, Chicago, IL 60606

## Foremost Lithium R&T Ltd (FMST-NASDAQ)

**FMST: Zacks SCR Initiates Coverage of Foremost Lithium Resource & Technology Ltd.**

Based on comparative analysis of junior hard rock lithium companies, a mid-second quartile price-to-book (P/B) ratio of 3.0 indicates a share price target of \$6.20 per share.

Current Price (01/12/24) \$2.90  
Valuation \$6.20

### OUTLOOK

Foremost Lithium is poised to benefit from the expected **structural supply-demand imbalance of lithium** for EV batteries, bolstered by **incentives** designed to encourage **North American-sourced lithium**. The company is developing hard rock lithium projects located primarily in the vicinity of Snow Lake, Manitoba, Canada.

Management is focused on further resource development at its flagship **Zoro Project**. Through exploration efforts, Foremost's properties are now known to host **25 confirmed spodumene-bearing pegmatite dykes**. A **10,000m (45-hole) diamond drill campaign** is scheduled to begin in February 2024.

### SUMMARY DATA

52-Week High \$7.30  
52-Week Low \$2.75  
One-Year Return (%) -61.28  
Beta 2.01  
Average Daily Volume (shrs.) 27,602

Shares Outstanding (million) 4.83  
Market Capitalization (\$mil.) \$14.01  
Short Interest Ratio (days) 0.21  
Institutional Ownership (%) 0.33  
Insider Ownership (%) 7.92

Annual Cash Dividend \$0.00  
Dividend Yield (%) 0.00

5-Yr. Historical Growth Rates  
Sales (%) N/A  
Earnings Per Share (%) N/A  
Dividend (%) N/A

P/E using TTM EPS N/M  
P/E using 2024 Estimate N/M  
P/E using 2025 Estimate N/M

Risk Level Above Average  
Type of Stock Small-Value  
Industry Mining-Lithium

### ZACKS ESTIMATES

#### Revenue

(in millions of \$US)

	Q1	Q2	Q3	Q4	Year
	(Jun)	(Sep)	(Dec)	(Mar)	(Mar)
2022	0.0 A	0.0 A	0.0 A	0.0 A	0.0 A
2023	0.0 A	0.0 A	0.0 A	0.0 A	0.0 A
2024	0.0 A	0.0 A	0.0 E	0.0 E	0.0 E
2025					0.0 E

#### Diluted Earnings per Share

(EPS is operating earnings before non-recurring items)

	Q1	Q2	Q3	Q4	Year
	(Jun)	(Sep)	(Dec)	(Mar)	(Mar)
2022	-\$0.06 A	-\$0.03 A	-\$0.17 A	-\$0.64 A	-\$0.92 A
2023	-\$0.16 A	-\$0.15 A	-\$0.07 A	-\$0.02 A	-\$0.40 A
2024	-\$0.11 A	-\$0.29 A	-\$0.12 E	-\$0.26 E	-\$0.78 E
2025					-\$0.72 E

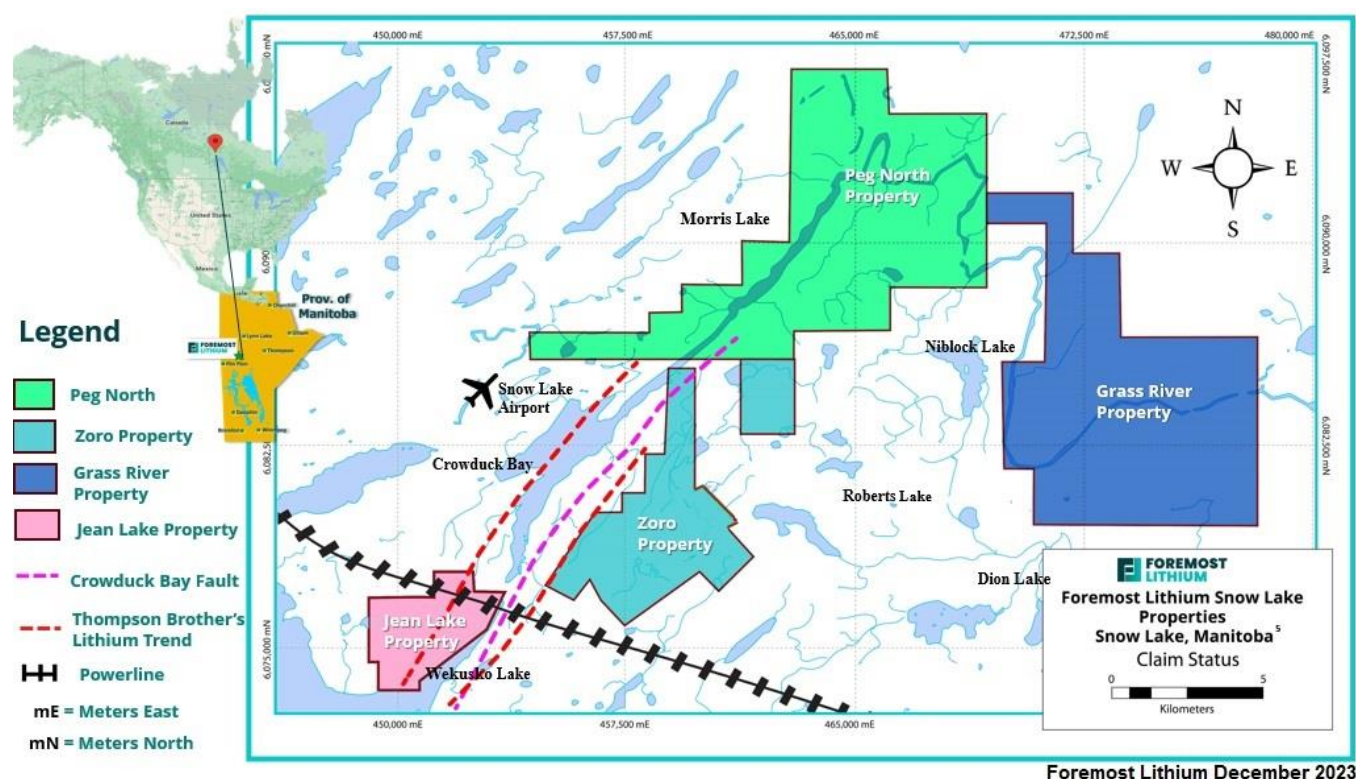
Quarterly EPS may not equal annual EPS due to rounding or dilution.

## KEY POINTS

- Foremost Lithium is one of the lithium resource companies poised to benefit from **legislative incentives designed to encourage North American-sourced lithium** for EV batteries. For example, part of the \$7,500 tax credit available to consumers in the U.S. is contingent to the source of the EV's battery components (free trade countries versus a "foreign entity of concern") in 2024, which will expand to critical minerals within the EV battery in 2025.
- The spodumene-bearing pegmatite Dyke 1 has several characteristics that indicate the resource meets industry and market specifications
  - A NI 43-101 Technical Report (and a SK-1300 report) that provides an **Inferred MRE** 1,074,567 tonnes grading 0.91% Li<sub>2</sub>O, 182 ppm Be, 198 ppm Cs, 51 ppm Ga, 1212 ppm Rb, and 43 ppm Ta at a cut-off of 0.3% Li<sub>2</sub>O (lithium oxide) with contained 9,700 tons Li<sub>2</sub>O and 24,000 tons contained Li<sub>2</sub>CO<sub>3</sub> (lithium carbonate) at a cut-off of 0.3% Li<sub>2</sub>O.
  - **Metallurgical studies** on a blended bulk sample collected from Dyke 1 were amenable to produce near battery-grade 6% Li<sub>2</sub>O concentrate.
  - Management plans to monetize ore through a **Direct Shipping Ore (DSO)** procedure.
  - In addition to the Zoro Project's Dyke 1, which remains open in all directions, there are an **additional 24 confirmed spodumene-bearing pegmatite dykes** on Foremost's Lithium Properties.
    - 100% interest in 3,390-hectare Zoro Project in Snow Lake, Manitoba
    - 100% interest in 6,339-hectare Grass River Claims in Snow Lake, Manitoba
    - option to acquire 100% interest 6,757-hectare PEG North in Snow Lake
    - option to acquire 100% interest in 1,002-hectare Jean Lake Property in Snow Lake
    - 100% interest in 25-hectare Jol Claim in Snow Lake, Manitoba
    - 100% interest in 4,792-hectare Lac Simard South in Québec
- Foremost Lithium also holds a 100% interest in the 2,800-acre **Winston Gold & Silver Project** located in New Mexico. Management anticipates spinning out this Project to shareholders after conducting another drill program.
- Recent financings include
  - The completion of an underwritten public offering of 800,000 Units, which provided **gross proceeds of USD \$4.0 million** and helped fund the uplisting process to NASDAQ.
  - A third grant from **MMDF grant of CND\$300,000**, which will assist toward financing the forthcoming winter drill campaign scheduled to commence in February 2024.
- A **10,000m diamond drill campaign** is scheduled to begin in February with **30 holes (7,500m) at the Zoro** Lithium Project in order to expand the existing resource at Dyke 1, along with further exploring Dyke 8 and Dyke 16, and **15 holes (2,500m) at the Jean Lake** Lithium/Gold Property to bolster the B1 and B2 spodumene-bearing pegmatite occurrences and to test the potential for further gold mineralization.
- Management continues to **raise awareness** of Foremost Lithium among investors by attending and/or **presenting at Analyst Conferences**. Recent events include:
  - LD Micro Main Event XVI (October 4, 2023)
  - The ThinkEquity Conference (October 19, 2023)
  - Virtual Roadshow Webinar (November 2, 2023)
  - CCMEC (Central Canada Mineral Exploration Convention) 2023 (November 6 – 7, 2023)The company also **plans to attend PDAC 2024** in Toronto (March 5 – 6, 2024)
- The common shares of **Foremost Lithium were uplisted and began trading on NASDAQ on August 22, 2023** under the ticker symbol FMST. The common shares of Foremost Lithium continue to trade on the Canadian Securities Exchange (CSE) under the ticker symbol FAT.

## OVERVIEW

**Foremost Lithium Resource & Technology Ltd**, which holds **22,305 hectares** (55,118 acres) within six lithium projects, five of which are situated in western central Manitoba, which the company has dubbed “**Lithium Lane.**” Management is **focused on advancing its flagship Zoro Project**, along with exploring the properties of the Grass River Claims, PEG North, Jean Lake and the Jol Claim in Manitoba, in conjunction with the Lac Simard South Property in Quebec. The company also holds the **Winston Gold-Silver Project** in New Mexico. Comprised of the Little Granite Mine and the Ivanhoe & Emporia claims, the Winston property is situated in the historically prolific Black Range (Chloride-Grafton) Mining District.



There are **16 known spodumene-bearing pegmatite dykes at the Zoro Project**. Two more are situated at the Jean Lake Property and another seven at the Grass River Claims.

Foremost Lithium Resource & Technology Ltd								
Lithium Properties	Location	Date of Acquisition	Under Option Agreement	Size (hectares)	Size (acres)	No. of Claims	No. of Outcrops	No. of Confirmed Dykes
Zoro Project	Manitoba	5/9/2017		3,390	8,377	16		16
Grass River Claims	Manitoba	1/20/2022		6,339	15,664	29	10	7
PEG North	Manitoba	under option	6/28/2022	6,757	16,697	28	5	
Jean Lake	Manitoba	under option	7/30/2021	1,002	2,476	5		2
Jol Claim	Manitoba	7/12/2022		25	62	1	1	
Lac Simard South	Québec	5/15/2023		4,792	11,842	80	12	
<b>TOTALS</b>				<b>22,305</b>	<b>55,118</b>	<b>159</b>	<b>28</b>	<b>25</b>

## Equity Events

The company **changed its name** from FAR Resources Ltd to **Foremost Lithium Resource & Technology Ltd. on January 7, 2022** in order to better reflect the company's focus on lithium resources in the area of Snow Lake, Manitoba.

In connection with the company's application to list on NASDAQ, **Foremost Lithium** undertook a common share consolidation on a 1-for-50 basis that was effective **on July 5, 2023**.

The common shares of Foremost Lithium were uplisted from the OTC Pink Sheets to the OTCQB Venture Market in February 2022 (OTCQB: FRRSF). Subsequently, **Foremost Lithium was uplisted and began trading on NASDAQ on August 22, 2023** under the ticker symbol FMST. The common shares of Foremost Lithium continue to trade on the Canadian Securities Exchange under the ticker symbol FAT. The NASDAQ listing should enhance and expand awareness of Foremost Lithium and facilitate the trading of the company's shares among US investors, both retail and institutional. Foremost Lithium has **joined a select group of Canadian-domiciled hard rock lithium junior mining companies** that trade in the U.S. on NASDAQ.

## Direct Shipping Ore Plan

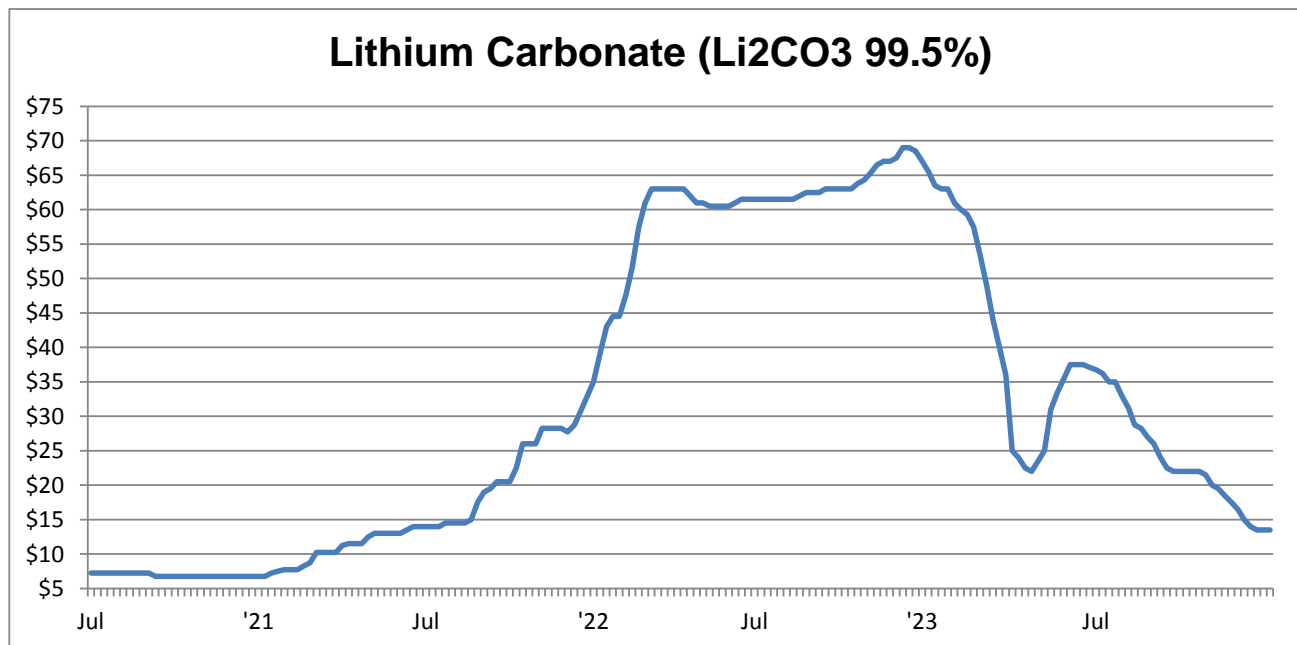
Management has an approach to monetize ore through a **Direct Shipping Ore (DSO)** procedure whereby bulk ore (conventionally blasted from the ground) can be shipped directly to a mine (possibly the Tanco Mine, 825 km from Snow Lake and located only 180 km east of Winnipeg), where the ore can be processed into concentrate. Thereafter, this feedstock can be shipped via the NAFTA superhighway (a portion of which starts in Winnipeg, only 180 km west of the Tanco Mine) to North American battery manufacturing sites. Management has put forward a **Zoro Project Timeline that anticipates the DSO could commence in the first half of 2026**.

Zoro Lithium Project Timeline				
H1 2023	Q3 2023	Q4 2023	2024	H1 2025
Successful Results from XPS study for processing a near 6% Li <sub>2</sub> O concentrate into a saleable battery-grade lithium hydroxide	Prospecting, rock and soil geochemical surveys, geo-chem work; final data interpretation will determine high-quality drill targets	Projected drill program expected to be announced to follow up to H1 2022 program and define further resource	Complete drill program; with expected results released	Expected program to start drilling inferred resource based on data interpretation

Foremost Lithium Presentation October 2023

## LITHIUM INDUSTRY

From the beginning of 2021 and the end of 2022, the price of lithium skyrocketed over 900% as the transition to electric vehicles (EVs) incentivized the production of rechargeable batteries to support the demand for vehicle-related lithium-ion batteries. The construction of gigafactories bolstered the demand. At the same time, the COVID-19 pandemic had disrupted the supply of lithium causing the market to tighten further. Several market research firms expected the demand for lithium to exceed supply in 2023; however, additional supply came to market as new capacity came online. Consequently, **the price of lithium declined 78.7% in 2023**, and the stocks of lithium producers and junior mining companies have also weakened, providing a **thought-provoking investment opportunity** to benefit from the projected long-term shortage of lithium supply. The valuations of lithium producers and early-stage lithium junior mining companies have become more reasonable.



The decline in the price of lithium has led many pundits, forecasting firms and analysts to residue their demand forecasts for both EVs and lithium in recent months, after initially believing only inflation, higher interest rates (increasing financing costs) and economic uncertainty were impacting demand. We believe that lithium's price decline was primarily a result of an **unexpected expansion of production**. Analyzing the results of the major producers of lithium, it is apparent that volumes increased during 2023 through September as managements have placed a priority in expanding production capacity. Consequently, a shift from a deficit to a surplus occurred in the lithium industry. Parenthetically, the current low price of lithium should bolster the widespread build-up of battery capacity, which should further aid in the adoption of EVs.

We believe there is still a **long-term structural supply-demand imbalance** due to years of underinvestment in the search for and development of new sources of lithium coupled with the incentivized shift toward EVs. The current low price of lithium will exacerbate the future supply deficit by making it more challenging to incentivize the development of new lithium mines.

A study conducted by the Fraser Institute projects that **50 new lithium mines will be required** to meet the 2030 targets for governmental EV mandates that require the phase out of ICE passenger vehicles in North America. In the U.S., President Biden's EV Acceleration Challenge targets 50% of all new passenger vehicles sold be EVs by 2030, while in Canada, the ZEV mandate requires that 100% of all new passenger vehicles sold must be zero-emission by 2035. The report estimates it takes approximately 15 years to commence production from a new mine (from discovery to initiating production). For reference, the report estimates that it requires 10 kilograms of lithium to manufacture a typical electric car.<sup>1</sup>

There are **three key drivers of lithium demand** over the short-, intermediate- and long-term time horizons. Short-term, the tenor of lithium demand is being influenced by the **health of China's economy**, while in the intermediate-term, the **effects of incremental increases in supply** appear to dominate. Long-term, the **mega-trend of transitioning from ICE to EVs** (Internal Combustion Engines to Electric Vehicles) has become a **major secular driver for battery-grade lithium**. Both public policy and the subsequent investments being made by OEMs into vehicle electrification have supported the increased demand for lithium. In addition, demand for lithium-ion batteries is being generated from stationary grid storage applications, the second largest consumer of lithium.

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## ELECTRIC VEHICLES: DRIVING FORCE FOR THE INCREASING DEMAND FOR LITHIUM

Although lithium is important for many applications (consumer electronics, glass, ceramics, aerospace and other industrial uses), **the primary driver of lithium demand is the rapid growth of EVs**. Lithium-ion batteries are the power source of choice due to the characteristics of high energy density, long cycle life and being lightweight. The market penetration of EVs has accelerated from 2.5% in 2019 to approximately 15% in 2023 with projections for 2030 being in the wide range of 38%-to-68%.

There are many market research firms providing statistics and forecasts for both EVs and lithium demand (consumption) and supply (production). Benchmark Minerals' currently forecasts that the lithium market will return to a deficit in 2028, with the expectation that lithium prices will begin discount the deficit roughly 12 months ahead of time.<sup>ii</sup> However, **the EV industry is still in an early stage of development**, and **the lithium market is sensitive to changing sentiment** due to the potential huge supply deficits estimated in the out years, namely 390,000 tonnes in 2030 and increasing to 1,900,000 tonnes in 2040.

### China

**China is the largest EV market**, accounting for approximately 60% of global EV sales, and home to the EV manufacturer, BYD Co. Ltd. (Pink: BYDDY), which is now neck and neck with Tesla (NASDAQ:TSLA) for the global production title. The country also dominates the supply chain for lithium-ion batteries. Though the short-term outlook is murky, current demand for lithium by cathode manufacturers is waning, which has resulted in destocking at the battery cell level. As supply chain destocking diminishes, conditions in the Chinese lithium market should tighten.

Contrary to Benchmark's forecast, BMI Industry Research, a research unit of Fitch Solutions, expects a shortage of lithium as soon as 2025 due to China's lithium demand (between 2023 and 2032) is projected to increase at a CAGR of 20.4%, while at the same time China's lithium supply is expected to grow only at a CAGR of 6%.<sup>iii</sup> We believe that if China is unable to satisfy its own internal demand for lithium, national priorities will result in a lithium deficit in other countries.

### Narrowing Down the Opportunities to North America

Globally, the leading countries producing lithium (hydroxide & carbonate) are (in order of production) Australia, Chile, China, Argentina, Canada and Zimbabwe with the major producers of lithium being Albemarle (NYSE: ALB), Mineral Resources Ltd (ASX: MIN), Pilbara Minerals (ASX: PLS), Arcadium Lithium (NYSE: ALTM) [potential upcoming merger of Livent and Allkem] and Sociedad Quimica y Minera de Chile (NYSE: SQM). The investment performance of these producers should reflect the company's prospects considering both company production levels and lithium pricing.

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## NORTH AMERICAN LITHIUM MARKET

### Onshoring of North American Supply

**In North America**, governments have emphasized the development of lithium production capacity in the name of national security. In **the U.S.**, lithium was listed as **one of the 35 critical minerals** by the U.S. Department of the Interior in May 2018; subsequently, in June, the U.S. Department of Energy published a collaborative report entitled "**National Blueprint for Lithium Batteries 2021-2030**", in which it was stated the one of the main goals (of this combined effort of the U.S. Departments of Energy, Defense, Commerce, and State) is to "secure U.S. access to raw materials

for lithium batteries.” Under the **Defense Production Act of 2023** in conjunction with the **Inflation Reduction Act of 2022**, funds are being appropriated to increase the domestic mining and production of lithium in order to reduce the dependency on foreign imports of this strategically important metal.

Effective January 1, 2024, under the Inflation Reduction Act of 2022, the **\$7,500 tax credit** for purchasing an EV **in the U.S.** was modified such that it can be used to lower the EV’s purchase price at the point of sale by transferring the tax credit to the car dealer, rather than having to wait to claim the credit on an income tax form in the following year. This should enhance the incentive to purchase an EV.

However, the same legislation **requires an escalating amount of content from domestic sources or any of the 20 designated free trade partners** (which includes Canada) in order to qualify for the full tax credit. The **content is divided into two categories** (each accounting for a \$3,500 tax credit): **battery components** manufactured or assembled and **battery minerals** extracted or processed. If a certain percentage of content is supplied by a foreign entity of concern aka FOEC (currently China, Russia, North Korea and Iran), the tax credit is no longer applicable.

**Canada** has also recognized the importance of critical minerals and is funding \$3.8 billion toward implementing Canada’s **Critical Minerals Strategy**, which was released in December 2022. Importantly, **lithium is one of the six prioritized minerals** among the 31 listed under Canada’s strategic vision. In mid-December 2023, Canada’s Environment Minister Steven Guilbeault outlined the details of a plan to **phase out the sale of new gas-powered** passenger cars, SUVs and pickups **by 2035** (police, fire and ambulance vehicles excluded).

In mid-December 2023, Canada’s Environment Minister Steven Guilbeault outlined the details of a plan to **phase out the sale of new gas-powered** passenger cars, SUVs and pickups **by 2035** (police, fire and ambulance vehicles excluded). Originally announced in late 2023, the **Electric Vehicle Availability Standard** will begin in 2026, when at least 20% of new cars, SUVs and pickups must be zero-emissions vehicles. The percentage will increase annually, reaching 60% in 2030 and 100% in 2035.

Since May 2019, the Canadian government has been offering and continues to offer a CDN\$5,000 rebate for fully electric vehicles and CDN\$2,500 for hybrids at certain price points. There are also provincial rebates between CDN\$500 and CDN\$8,000 in Quebec, British Columbia, Nova Scotia and Prince Edward Island.

The expected global **supply gap for lithium should be more intense in North America** since there is an ongoing trend to emphasize local supply to satisfy North American lithium demand. There is strong government support for securing domestic supplies of lithium in order to avoid, or at least to diminish the effect of, supply chain interruptions in the U.S. and Canada.

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## ZORO LITHIUM PROJECT (100% interest)

**The Zoro Project** consists of 16 claims encompassing a total of **3,390 hectares** (8,377 acres), which **host 16 known spodumene-bearing pegmatite dykes**. The Zoro Project is contiguous with Snow Lake Lithium’s (NASDAQ: LITM) Properties, which have a MRE of approximately 9.08 million tonnes grading at 1% Li<sub>2</sub>O and an Inferred Resource of approximately 1.97 tonnes grading at 0.98% Li<sub>2</sub>O.<sup>iv</sup>

**Dyke 1** is the largest and main spodumene-bearing pegmatite dyke discovered at the Zoro Project. Dyke 1 has a near vertical body that is trending in roughly a north-to-south direction and extends for at least 280m along strike with a maximum thickness of roughly 35m.

## Ownership

The area surrounding the Zoro 1 pegmatite dyke (approximately 52 acres) was first staked in 1953. After a series of holders, including Green Bay Mining & Exploration Ltd. and Dalton Bruce Dupasquier, among others, Foremost Lithium optioned the Zoro 1 claim on April 28, 2016. In addition, Foremost Lithium entered into two other option agreements concerning 15 other contiguous claims later in 2016 and 2017 with Strider Resources Limited. **Foremost Lithium acquired 100% interest in all 16 claims that now comprise the Zoro Project** by fulfilling the terms of all three option agreements.

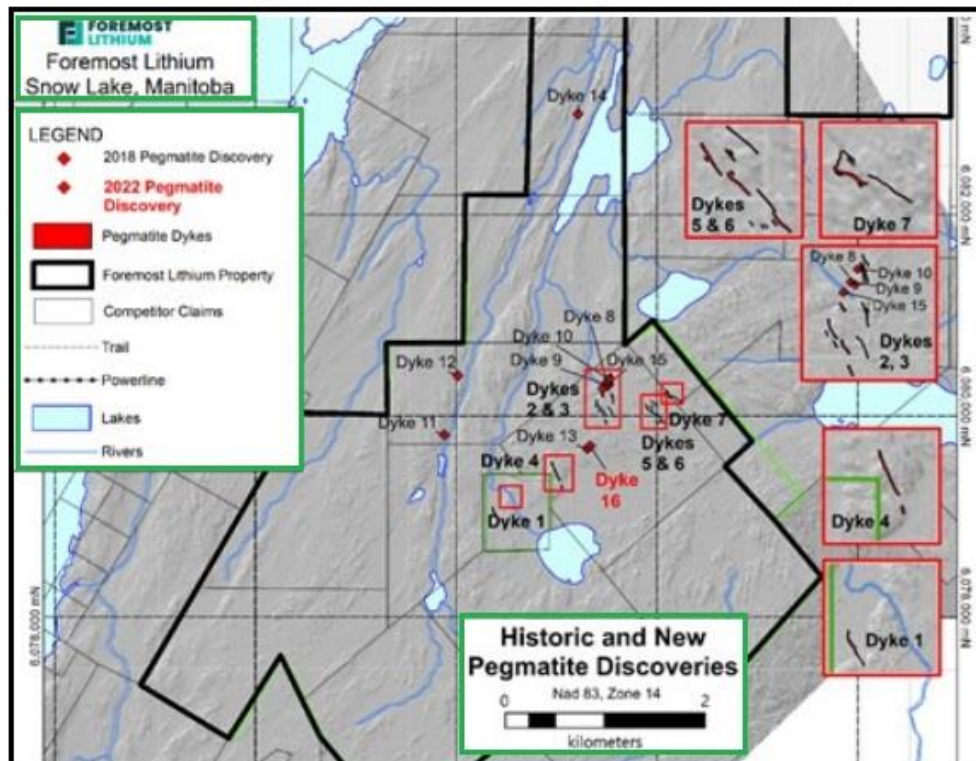
## Synopsis of Prior Exploration

In addition to several airborne surveys, blasting trenches and rock chip sampling, Green Bay Mining & Exploration conducted diamond drilling programs consisting of 78 holes (8,469m on Dykes 1, 2, 3, 4, 5 and 7, with the majority (6,001m) targeting Dyke 1.<sup>v</sup> Subsequently, Force Energy, which had optioned the Zoro 1 claim from Dalton Bruce Dupasquier between 2009 and 2012, collected 165 channel samples from 16 historic trenches in 2012. Assay results from the chip and grab samples had weighted average lithium concentrations of 0.33%-0.72% Li<sub>2</sub>O and 0.74-1.78 Li<sub>2</sub>CO<sub>3</sub> in 13 of the 16 trenches investigated on the Zoro 1 claim.<sup>vi</sup>

## Exploration Conducted by Foremost Lithium

**Exploration programs conducted by Foremost Lithium at Zoro** have included prospecting in 2016, soil geochemical surveys in 2017 and 2018, **six (6) diamond drill programs (2016-2022)** that totaled 8,466m in 60 holes and both a UAV-assisted magnetic survey and an airborne LiDAR survey in June 2022. In 2016, there were seven (7) known dykes, and through subsequent exploratory efforts, additional dykes were discovered: D8 in 2018, eight in 2019 (D9-D15) and D16 in 2022, bringing the **total of confirmed spodumene-bearing dykes to 16** today at the Zoro Project.

## Zoro Project - Historic & Newly Discovered Dykes



Foremost Lithium Press Release April 26, 2022



In late October **2016**, the company completed a **7-hole (1,142m) drill program** on Dyke 1 in order to verify historic drilling conducted by Green Bay in 1956. The weighted averages of the best intercepts ranged between 1.18% Li<sub>2</sub>O and 1.46% Li<sub>2</sub>O in six of the seven holes, comparing well with the historic data.

In the first half of April of **2017**, the company completed its second drill program on the Dyke 1 pegmatite. It consisted of **7 holes drilling 1,088m** (FAR17-8-14) and designed to test Dyke 1 along strike to within 150m from surface. The program confirmed that Dyke 1 thickens at depth. The longest intersection assayed at 1.2% Li<sub>2</sub>O over 38.3m (FAR17-010) and two shorter intersections (4.6m and 2.1m) assayed at 2.3% Li<sub>2</sub>O and 2.6% Li<sub>2</sub>O respectively. During the summer of 2017, a field program, which included trenching and outcrop sampling, identified a spodumene-bearing dyke swarm in the vicinity of Dykes 5, 6, and 7. Between late-September and mid-October, a **5-hole (710m) drill program** (drill holes FAR17-15-19) was completed at locations in areas where no modern drilling had taken place at Dyke 1. Two wider intervals of mineralization were intersected (1.43% Li<sub>2</sub>O over 20.6 m and 1.15% Li<sub>2</sub>O over 12.4 m). Two higher grade intervals were present in FAR17-18 (2.19% Li<sub>2</sub>O over 4m and 3.12% Li<sub>2</sub>O over 1m). There were also multiple narrow intersections of mineralization in all five drill holes.

A 19-hole (2,472m) **winter diamond drill program** (FAR18-20-38) that commenced in **mid-January 2018** was completed in mid-March, and later a UAV-drone aerial magnetic survey was completed. The company's **fourth drilling program** at Zoro **tested Dyke 1 at depth** (below 150m from the surface); assay results confirmed lithium mineralization **to a depth of 365m**. In addition, there was some infill drilling, which contributed to the maiden MRE announced in July and filed in September. Also, 10 drill holes tested under surface zones at Dykes 2, 4, 5 and 7 where there had been positive assay results from trench and outcrop sampling. Finally, a test of a MMI soil geochemical anomaly with holes FAR18-34 & FAR18-35 **discovered Dyke 8** with mineralized interceptions of 20.7m and 36.5m, respectively.

The **2018 summer exploration program** (end of July-early September) consisted of field work of a helicopter-assisted geological mapping effort and MMI soil geochemical surveys (784 soil samples using Dutch augers), along with drill core sampling and metallurgical drill core sampling. The MMI anomalies generated over 50 potential drilling targets.

The **2018 winter 22-hole (3,054m) diamond drill program**, the company's fifth in the Snow Lake region, commenced in mid-November and ended in mid-February 2019 (FAR18-43-47).

Due to constant downward pressure on the price of lithium from early 2018 through the third quarter of 2020, which was exacerbated by the COVID-19 pandemic, along other various reasons, further exploration of the Zoro Project was delayed until March 2022 when field operations commenced in preparation for 10-hole (1,509m) diamond drill program.

In mid-March 2022, Foremost Lithium commenced its sixth drill program at the Zoro Project. In late April, **Dyke 16 was discovered** having been intersected by two exploratory drill holes (DDH FM22-70 & 70B) In June 2022, a drone-assisted **1,264.7-line km magnetic survey** and a **LiDAR survey** was completed over the Zoro Project. The results of the surveys were visually integrated with prior exploratory efforts, including prospecting observations, MMI soil geochemical data and drill core data.

**During 2023**, in preparation for drill program, the company engaged Dahrouge Geological Consulting to conduct a 19-day **Summer Exploration Program** that occurred between late-August and mid-September. At Zoro, Dyke 1 was re-visited and eight pegmatite samples were collected, five of which presented visible spodumene. The top four lithium assays were 2.13%, 1.45%, 1.09% and 0.64% Li<sub>2</sub>O. The assays also revealed the presence of Cesium (Cs<sub>2</sub>O) and Tantalum (Ta<sub>2</sub>O<sub>5</sub>).

In 2024, the upcoming 30-hole (7,500m) diamond drill program in February will include infill drilling at the two most prominent dykes (Dyke 1 and Dyke 8). These dykes remain open at depth and along strike.

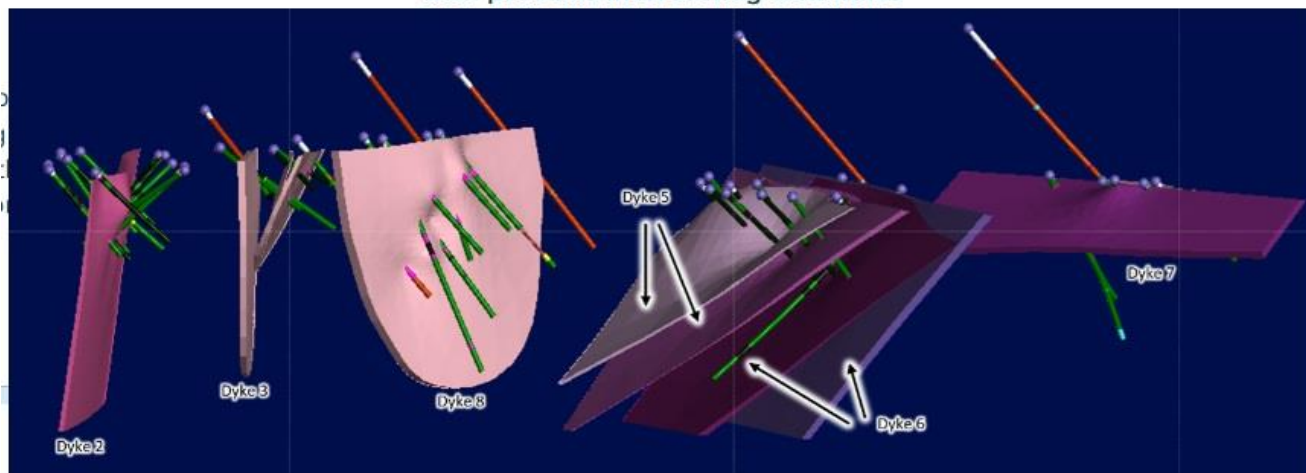


### 3D Model of Dyke 1

Historical drilling was focused on Dyke 1.  
 Outcrops along west side of ridge (4.5-6m high).  
 Up to 27m wide at surface.  
 Exposed in 16 historical cross-trenches over a 183m strike length.  
 Lithium mineralization is defined for 265 m along strike, up to 40 m wide and to a depth of 265m.  
 Dyke 1 is open in all directions with excellent potential for further resource development.

Foremost Lithium Presentation November 2023

3D model of showing the proposed shape and relationship of Dyke 2, 3, 5, 6, 7, and 8 with previous intersecting drill holes



Foremost Lithium Press Release December 28, 2023

### Maiden Resource Estimate

In July 2018, a NI 43-101-compliant maiden resource estimate (MRE) on a portion of dyke D1 was completed. Subsequently, the Technical Report concerning the MRE was filed as an S-K 1300-compliant Technical Report with the SEC in 2023. At a cut-off of 0.3%  $\text{Li}_2\text{O}$  (lithium oxide), the **Inferred Resource Estimate** is 1,074,567 tonnes grading 0.91%  $\text{Li}_2\text{O}$ , 182 ppm Be, 198 ppm Cs, 51 ppm Ga, 1212 ppm Rb, and 43 ppm Ta at a cut-off of 0.3%  $\text{Li}_2\text{O}$  (lithium oxide) with contained 9,700 tons  $\text{Li}_2\text{O}$  and 24,000 tons contained  $\text{Li}_2\text{CO}_3$  (lithium carbonate). The spodumene mineralization has various geophysical signatures occurring both within laterally and vertically pegmatite dykes and hosted by both mafic volcanic and felsic sedimentary rocks.

## Base Case Inferred Resource Estimate

using 0.3% Li<sub>2</sub>O, and sensitivities to tonnage and grade based on increased cutoffs.

Li <sub>2</sub> O (%) Cut-off	Tonnes	Li <sub>2</sub> O (%)	Be (ppm)	Cs (ppm)	Ga (ppm)	Rb (ppm)	Ta (ppm)
0.3	1,074,567	0.91	182	198	51	1212	43
0.4	946,402	0.99	180	201	51	1203	43
0.5	881,815	1.03	179	203	51	1197	43
0.6	780,350	1.09	180	207	52	1196	42
0.7	721,660	1.13	179	208	52	1190	42
0.8	629,578	1.18	181	210	52	1174	42
0.9	515,652	1.26	183	211	53	1152	43
1.0	419,961	1.33	188	212	54	1135	43

Foremost Lithium NI-43-101 Technical Report July 6, 2018

### Metallurgical studies

**Three metallurgical studies** have been performed on samples collected from **Dyke 1** of the Zoro Lithium Project. In 2020, the first was conducted on a 489kg blended bulk sample collected from three spodumene-mineralized pegmatite zones of D1. The test work included heavy liquid separation (HLS), dense media separation (DMS) and dry magnetic separation. A technical paper concerning the metallurgical study was published in [Mining Metallurgy & Exploration](#).

Another metallurgical report was completed in 2022, and in 2023, more metallurgy work was conducted. In their totality, the **metallurgical studies confirmed** that the final product from the ore collected in **Dyke 1** is **amenable to produce near battery-grade 6% Li<sub>2</sub>O concentrate** by employing a combination of two passes of Dense Media Separation and flotation of DMS middlings that **achieved a spodumene concentrate grade of 5.93% Li<sub>2</sub>O** with a global lithium recovery rate of 66.9%. The recovery rate after the DMS program was 81.6% after the DMS program.

### JEAN LAKE LITHIUM GOLD PROPERTY (option to acquire 100% interest)

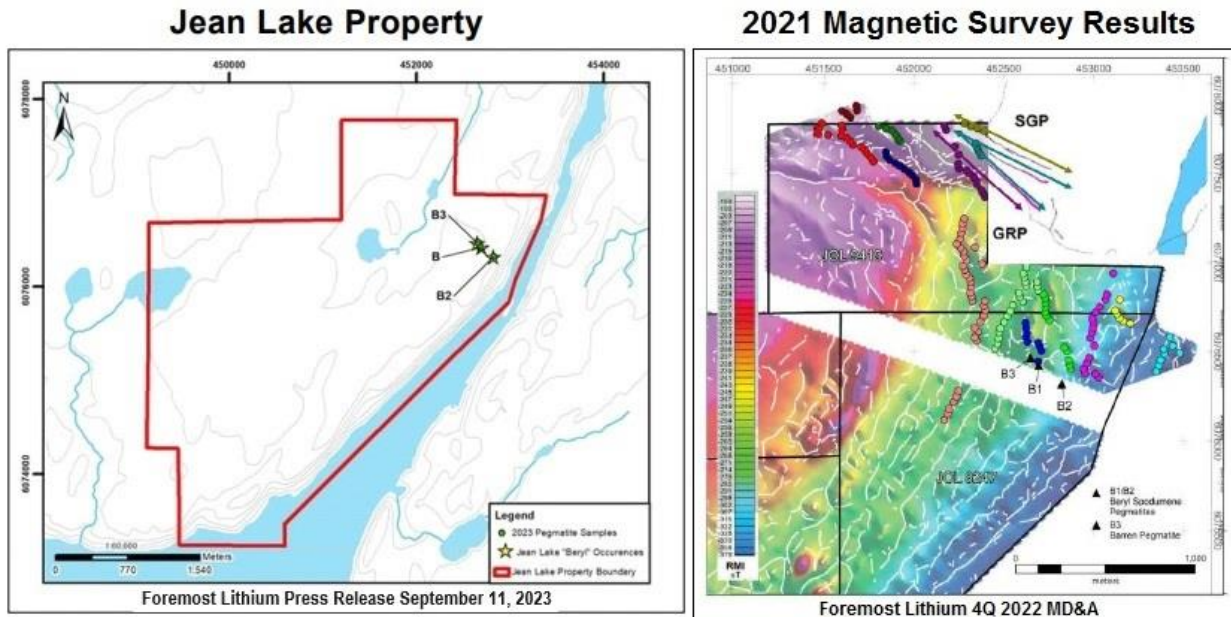
The Jean Lake Property consists of five contiguous claims encompassing **1,002 hectares** (2,476 acres) that host **three known pegmatites: B1, B2 and B3**, which are **currently being interpreted as possibly one (1) spodumene-bearing pegmatite dyke** 350m in length.

The Jean Lake property is **proximate to** the Grass River/Sherritt Gordon pegmatite dykes (which a magnetic survey appears to indicate that these dykes extend onto Foremost's Jean Lake claim JOL 9419) **and within 1.5km of** the Thompson Brothers pegmatites (a 1km lithium-bearing pegmatite dyke cluster), both of which are held and being explored and developed by Snow Lake Lithium (NASDAQ: LITM).

Two points of clarification:

- 1) Snow Lake Lithium's Grass River Project is separate and distinct from Foremost Lithium's Grass River Property and

- 2) The Grass River/Sherritt Gordon pegmatite dykes are now combined into one project (Snow Lake Lithium's Grass River Project) even though the Sherritt Gordon dykes are still noted as SGP on current maps.



B1, B2 and B3 spodumene-pegmatite occurrences are collectively referred to as the "Beryl Permatite"

### Ownership

In late-July 2021, Foremost Lithium entered into an option agreement to acquire a 100% interest in the Jean Lake Lithium Gold Project from Mount Morgan Resources Ltd., a private corporation. Once Foremost earns a 100% interest, a 2% NSR will be granted to Mount Morgan Resources, half of which (1%) can be purchased back for \$1.0 million.

### Exploration

A spodumene-bearing pegmatite dyke was historically discovered on the Jean Lake Property in 1931. Using historical reports from the 1940s and a reference to Beryl pegmatite in Manitoba mineral assessment file, Foremost conducted a prospecting field visit in August 2021 and rediscovered west-northwest striking Beryl pegmatite dykes B-1 and B-2. Five (5) grab rock chip samples were collected from two blasted and previously trenched locations situated along the trend of the beryl pegmatite; the samples assayed between 5.17% and 3.81% Li<sub>2</sub>O (see table below).

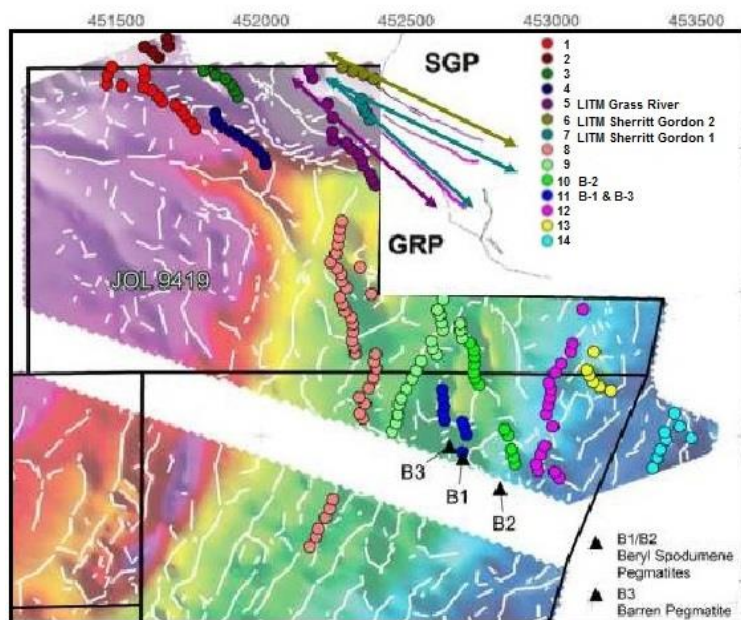
Element	Li <sub>2</sub> O%	Li <sub>2</sub> CO <sub>3</sub> %
<b>Beryl Pegmatite B1:</b>		
FAR 21L-1	3.89	9.63
FAR 21L-2	5.17	12.78
<b>Beryl Pegmatite B2:</b>		
FAR 21L-3	4.74	11.71
FAR 21L-4	4.09	10.11
FAR 21L-5	3.81	9.42

Foremost Lithium Prospectus August 2023

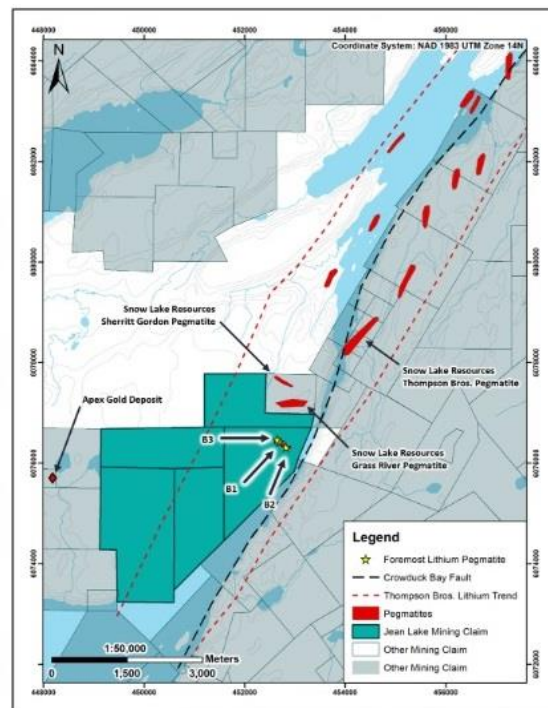
In November-December 2021 timeframe, a **483.4-line km UAV-borne (drone) magnetic survey** was conducted consisting of 250m tie-lines with 25m line spacing. An interpretation of the linear trends of magnetic lows **identified 14 structural targets**, which are depicted as multicolored dots on

the survey's image above. The blue bubble dots (#11) to the locations of B-1 and B-3 Beryl pegmatites, and the green blue bubble dots (#10) match up with B-2 Beryl pegmatite. The purple bubble dots (#5) appear to be continuations of the Snow Lake Resources' Grass River spodumene-bearing pegmatite dyke swarm. Furthermore, the turquoise and olive green bubble dots appear to be extensions of the Snow Lake Resources' Sherritt Gordon 1 (SGP 1) and Sherritt Gordon 2 (SGP 2) pegmatite dykes, respectively. The UAV magnetic survey was funded by a \$300,000 grant from the MMDF.

### Maps Jean Lake Property Magnetic Survey Results & Proximity to Snow Lake Lithium's Projects



Foremost Lithium 4Q 2022 MD&A



Foremost Lithium Press Release December 19, 2023

**Summer field work in 2022** consisted of an airborne **LiDAR geophysical survey** in July. The results indicate that a **pegmatite field hosted by the Crowduck Bay Fault** extends from the vicinity of the Jean Lake Property, through Snow Lake Lithium's properties (which encompass the Thompson Brothers and Grass River/Sherritt Gordon dyke clusters) and continuing through the Zoro Project, a trend that management has **dubbed Lithium Lane**. In addition, **soil samples** at locations of the targeted magnetic anomalies were collected for **MMI geochemistry analysis**. Moreover, rock chip samples were collected in a prospecting effort.

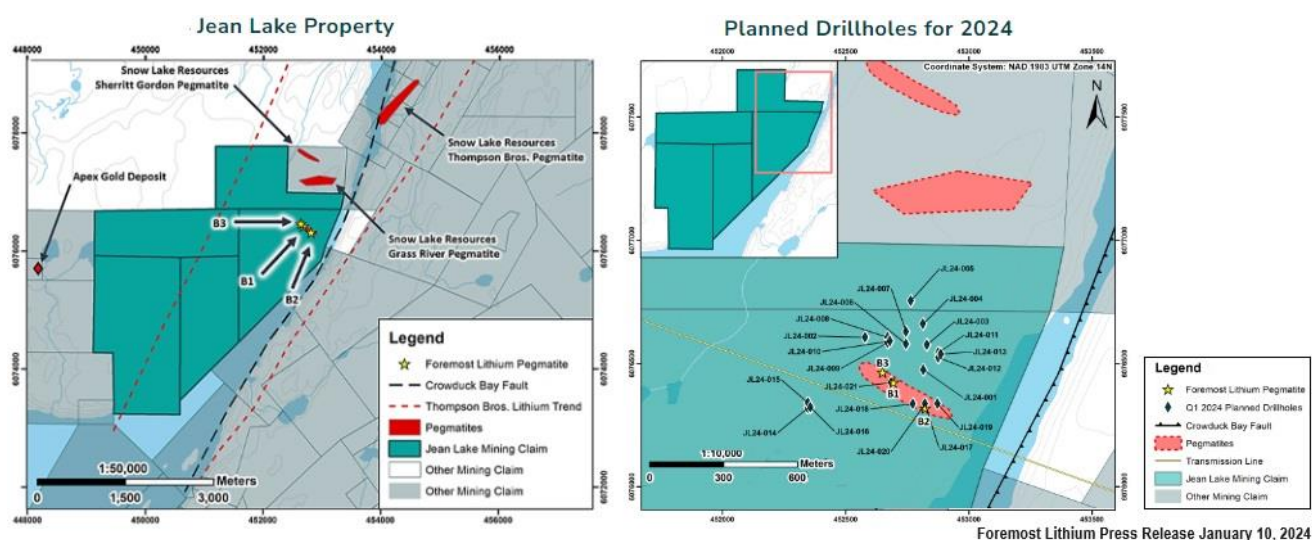
After defining drill targets based on the magnetic survey results, MMI geochemical analysis and rock chip analysis, the company conducted a **24-hole (3,002m) diamond drill program** between December 2022 and April 2023 that tested 14 targets. The drilling results indicated that B-1 and B2 are characteristic of a **single Beryl pegmatite dyke** with at least a **325m strike**. However, high-grade lithium (over 1.0%  $\text{Li}_2\text{O}$ ) was only detected with drill hole FM23-01A at the B-1 outcrop, which intersected a 3.35m interval at surface of spodumene-bearing pegmatite assaying at 1.26%  $\text{Li}_2\text{O}$ . Eight (8) drill holes **intersected gold mineralization** at depths up to 110m below surface.

## RECENT NEWS

### Winter Drill Programs Announced for Zoro Project & Jean Lake Property

On December 23, 2023, Foremost Lithium announced the details of the company's winter diamond drill program at the **Zoro Property**. The program is planned to be a **30-hole (7,500m)** program that is particularly focused Dyke 1 and Dyke 8, along with Dykes 3 & 16. Work permits will be submitted at the Manitoba Mines Branch.

On December 19, 2023, the company announced that **15-hole (2,500-m) winter diamond drill program** at its **Jean Lake Lithium/Gold Property**. A work permit (valid until April 30, 2026) was received soon thereafter. The program will target the B-1 & B-2 spodumene-bearing pegmatite dyke **to test the extent of mineralization laterally and down plunge** with the goal of better understanding the emplacement mechanisms at Jean Lake. There also will be drilling that will **test for additional gold mineralization at depth** based on the eight (8) drill holes that **intersected gold mineralization** at depths up to 110m below surface during the drill program that was conducted between December 2022 and April 2023.



Up to CDN\$3.0 million in 12-18-month credit financing commitments have been secured in arrangements with some of the company's vendors to fund the drill programs at Zoro and Jean Lake.

### Grant Received from Manitoba Mineral Development Fund

On January 4, 2024, Foremost Lithium announced the receipt of a **CDN\$300,000 grant** from the Government of **Manitoba's Mineral Development Fund (MMDF)**. This is the company's third CDN\$300,000 grant from the MMDF and will be used to **help fund the winter drill program at the Zoro Project**. The MMDF awards these grants to stimulate exploration activity for essential minerals (like lithium), thereby sponsoring the development of the mining industry in Manitoba, while contributing to job creation and promoting economic growth in the province.

## VALUATION

The valuation of junior exploration companies with projects that do not contain estimated resources is challenging. As an early-stage junior lithium exploration company, Foremost Lithium cannot be valued on the basis of revenues, EBITDA, earnings or cash flow.

We prefer a valuation technique based on book value as an appropriate methodology for valuing **early-stage** junior exploration & development mining companies. Book value of an early-stage exploration company represents the equity capital that has been raised to acquire the mineral concessions and to conduct exploration programs. An amalgamation of information is encapsulated within the raised capital total, including the quality of the properties (both in terms of mineral potential and political stability) and the exploration results from geophysical surveys and drilling programs. The equity capital that has been raised augments book value, which then represents the extent to which investors are willing to fund the acquisitive and exploration efforts of the company or in other words, **expresses a measure of investor confidence in the company's projects**. Therefore, **book value captures the complex valuation potential of the company's resource value potential by investors**, many with expert knowledge of junior mining companies in the exploration phase. Hence, we find the use of book value is an appropriate metric by which to determine a junior exploration company's valuation.

There are over 30 junior mining lithium companies with spodumene deposits in the Tier 1 mining jurisdictions of the U.S. and Canada. Many of these companies are in the very early stages of exploration (geophysics, sampling, mapping, desk top studies, etc.) without having yet put drill to ground.

In an effort to be selective, we **tightened the field** to companies which have reduced exploratory risk by advancing the hard rock lithium project(s) beyond the very early stage to a certain point, namely with **100%-owned properties** having discovered over **15 confirmed spodumene-bearing pegmatite dykes**, completed an **MRE** and conducted **metallurgical studies** that demonstrate that the ore is amenable to produce battery-grade lithium concentrate. Some of those companies are Patriot Battery Metals (OTCQX: PMETF), Critical Elements Lithium (OTCQX: CRECF), Snow Lake Resources Ltd. (NASDAQ: LITM) and Foremost Lithium Resource & Technology Ltd (NASDAQ: FMST). It is noteworthy to observe that all have been uplisted to either NASDAQ or the highest tier of OTC markets, the OTCQX. Three juniors that have at least drilled their Canadian hard rock properties were also added: Power Metals Corp. (OTCQB: PWRMF), Rock Tech Lithium Inc. (OTCQX: RCKTF) and Winsome Resources Limited (OTCQB: WRSLF).

<i>Industry Comparables</i>	Ticker	Exchange	U.S. Ticker	Beta	% Chg YTD	Mkt Cap (\$CAD mil.)	Price/Book
<b>FOREMOST LITHIUM</b>	<b>FMST</b>	NASDAQ	FMST	2.01	16.0%	USD 14.0	1.4
<b>FOREMOST LITHIUM</b>	<b>FAT</b>	CSE	CSE	2.09	17.9%	CAD 18.8	1.4
Industry Mean				1.46	-11.4%	178.6	3.0
Industry Median				1.45	-9.2%	99.0	3.2
S&P/TSX Composite Index	TSX			1.00	0.5%	N/M	1.8
S&P 500	SPX			1.00	0.3%	N/M	4.2
<b>Small Cap Hard Rock Juniors</b>							
Critical Elements Lithium	CRR	ASX	CRECF	0.42	-16.6%	127.0	2.4
Rock Tech Lithium Inc.	RCK	TSXV	RCKTF	1.65	-9.2%	92.6	3.2
Patriot Battery Metals Inc.	PMET	TSXV	PMETF	1.06	-19.1%	702.0	5.2
Power Metals Corp.	TSX.V	PWM	PWRMF	0.54	-3.8%	26.4	3.6
Snow Lake Resources Ltd	LITM	NASDAQ	LITM	2.29	1.7%	24.6	1.4
Winsome Resources Limited	ASX	WR1	WRSLF	2.78	-21.2%	99.0	2.3
<b>Larger Cap Producers</b>							
Allkem Limited	AKE	ASX	OROCF	1.15	-6.8%	USD 4,360	1.3
Soc. Química y Minera de Chile	SQM	NYSE	SQM	1.07	-19.2%	USD 13,900	2.7
Albemarle Corporation	ALB	NYSE	ALB	1.58	-12.8%	USD 14,790	1.5

Large diversified lithium-producing companies are not appropriate comparables (such as Albemarle, SQM and Allkem), since these companies are in a different phase of development, namely the commercial production stage, where the dynamics of production and debt issues can be the significant factors driving valuation. As a point of reference, these more mature lithium mining companies are currently valued at an average 1.8 times book value.

Currently, the P/B valuation range of these comparable companies is between 5.2 and 1.4. We believe that Foremost Lithium can attain at least an industry average price-to-book valuation of 3.0 times book, which indicates a **target of \$6.20 per share**.

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## RISKS

- As with almost all early stage junior mining companies, Foremost Lithium has yet to generate cash flow from operations to fund management's initiatives. However, the company has been able to fund its exploration and developmental operations and initiatives to date.
- Consistent with management's need to fund the company's exploration and developmental activities, along with general corporate expenses, the number of shares outstanding has increased. Adjusting for the 1-for-50 reverse split in July 2023, shares outstanding increased 18.0% in FY2021, 16.2% in FY2022 and 10.0% in FY2023 as equity financings have helped fund management's initiatives. Thus far in FY2024, shares outstanding have increased 21.7%.
- As with any metals company, the price of the targeted mineral is beyond management's control, in the case of Foremost Lithium, primarily the prices of spodumene (min. 6% Li<sub>2</sub>O), lithium carbonate and lithium hydroxide . Consequently, any significant movements in the price of lithium would materially affect the outlook of the company, particularly if lithium prices make it commercially unfeasible to develop the company's properties.
- Relatively unique to the mining industry, cultural, treaty and/or environmental claims by indigenous people(s) can delay or even force the cancelation of mining projects.
- Since the death of the company's founding CEO, Keith Anderson, in 2018, Foremost Lithium has a succession of five different CEOs over the ensuing five years. The CEOs appointed during the pandemic did not execute as expected, which led the company's largest shareholder, Jason Barnard, to launch a proxy battle that resulted in him being appointed CEO on December 5, 2022. Now, Foremost Lithium is being led by a person whose interests are truly aligned with the shareholders.



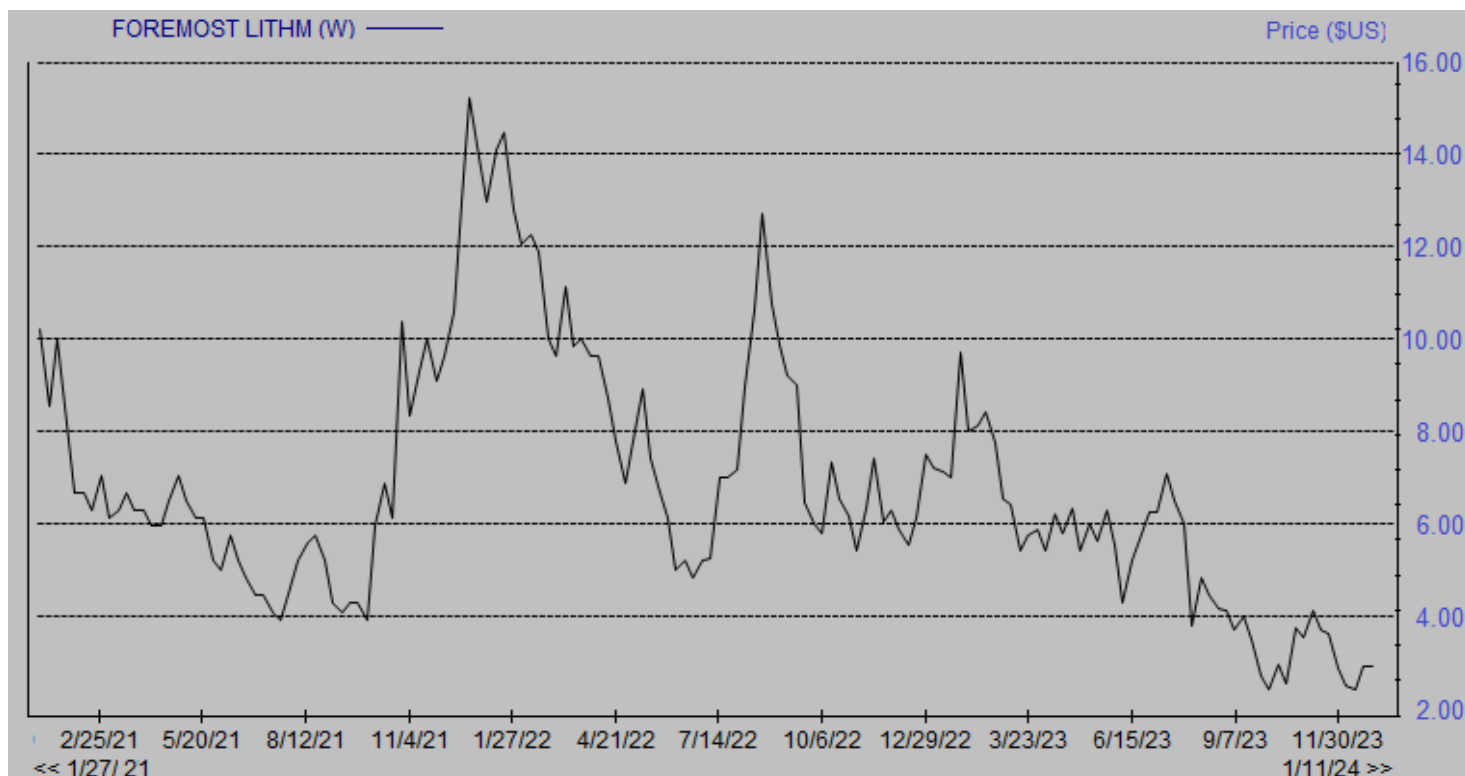
## BALANCE SHEETS

<b>Foremost Lithium Resource &amp; Technology Ltd</b>					
Balance Sheet (Canadian Dollars)	FY 2020 3/31/2020	FY 2021 3/31/2021	FY 2022 3/31/2022	FY 2023 3/31/2023	2Q 2024 9/30/2023
<b>ASSETS</b>					
Cash and cash equivalents	3,207	392,213	235,455	574,587	2,379,718
GST receivable	16,490	42,909	85,891	132,515	51,846
Prepaid expenses and deposits	42,549	32,028	55,948	56,710	307,790
Net investment in sublease	42,967	49,412	56,823	31,537	0
<b>Total current assets</b>	<b>105,213</b>	<b>516,562</b>	<b>434,117</b>	<b>795,349</b>	<b>2,739,354</b>
Prepaid expenses and deposits	48,000	48,000	253,302	24,404	22,043
Long-term investment	11,000	8,000	8,000	2,900	0
Exploration and evaluation assets	5,634,616	6,032,097	7,191,122	12,477,791	13,203,727
Net investment in sublease	137,772	88,360	31,537	0	0
<b>TOTAL ASSETS</b>	<b>5,936,601</b>	<b>6,693,019</b>	<b>7,918,078</b>	<b>13,300,444</b>	<b>15,965,124</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>					
Accounts payable and accrued liabilities	683,614	745,792	1,032,492	1,621,721	666,892
Short-term loans payable	7,500	7,500	7,500	1,216,715	1,206,061
Lease obligation	40,952	53,878	61,954	34,386	0
Other liabilities	-	-	-	40,000	40,000
<b>Total current liabilities</b>	<b>732,066</b>	<b>807,170</b>	<b>1,101,946</b>	<b>2,912,822</b>	<b>1,912,953</b>
Long-term loans payable	-	40,000	40,000	0	0
Lease obligation – long-term	135,248	96,340	34,386	0	0
Derivative liability	-	-	-	-	637,219
<b>Total Liabilities</b>	<b>867,314</b>	<b>943,510</b>	<b>1,176,332</b>	<b>2,912,822</b>	<b>2,550,172</b>
<b>Stockholders' Equity</b>					
Share capital	17,836,640	20,169,728	24,164,441	26,449,839	30,799,824
Subscriptions received	202,000	40,000	0	0	0
Contributed surplus	1,130,959	1,140,567	2,294,394	1,806,894	2,788,068
Accumulated deficit	(14,100,312)	(15,600,786)	(19,717,089)	(17,869,111)	(20,172,940)
<b>Shareholder's equity</b>	<b>5,069,287</b>	<b>5,749,509</b>	<b>6,741,746</b>	<b>10,387,622</b>	<b>13,414,952</b>
<b>TOTAL LIABILITIES &amp; STOCKHOLDERS'</b>	<b>5,936,601</b>	<b>6,693,019</b>	<b>7,918,078</b>	<b>13,300,444</b>	<b>15,965,124</b>
Shares outstanding	2,630,807	3,104,347	3,608,519	3,969,617	4,830,417

## PROJECTED & PAST INCOME STATEMENTS

<b>Foremost Lithium Resource &amp; Technology Ltd</b>					
<b>Income Statement</b>					Estimate
(Canadian Dollars)	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
(For Years Ending March 31)	3/31/2020	3/31/2021	3/31/2022	3/31/2023	6/30/2023
<b>Total Revenues</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Operating Expenses</b>					
Amortization	3,770	0	0	0	0
Consulting	324,000	115,905	219,743	405,138	0
Interest expense	-	-	112,478	104,031	0
Investor relations and promotion	209,985	240,486	267,376	157,983	474,500
Management and director fees	521,764	73,000	375,264	381,819	540,000
Office and miscellaneous	112,362	202,175	33,681	87,866	0
Property investigation costs	-	-	-	4,399	0
Professional fees	138,839	178,630	443,264	1,576,974	2,435,416
Share-based payments	14,987	1,782,851	2,482,219	815,428	1,314,932
Transfer agent and filing fees	32,307	34,596	85,914	75,446	0
Travel	15,430	0	53,806	31,466	0
<b>Total Operating Expenses</b>	<b>1,373,444</b>	<b>2,627,643</b>	<b>4,073,745</b>	<b>3,640,550</b>	<b>4,764,848</b>
<b>Income (loss) from operations</b>	<b>(1,373,444)</b>	<b>(2,627,643)</b>	<b>(4,073,745)</b>	<b>(3,640,550)</b>	<b>(4,764,848)</b>
Finance income on sublease	23,312	22,735	16,290	8,879	2,628
Foreign exchange gain (loss)	(4,443)	261	(5,734)	(29,423)	(63,290)
Gain (loss) on forgiveness of debt	72,000	0	(93,658)	184,813	0
Gain on sublease	17,868	4,295	5,925	5,925	5,924
Gain (Loss) on sale of property	-	-	-	3,500,000	0
Loss on long-term investment	-	-	-	(5,100)	-
Gain on derivative liabilities	-	-	-	-	236,378
Recovery of flow-through prem. liab.	-	-	-	977,534	0
Loss on lease amendment	-	(8,956)	0	0	0
Realized loss on marketable sec.	-	-	-	-	(1,595)
Unrealized loss on marketable sec.	-	(3,000)	0	0	1,850
Write-off of prepaid expenses	-	-	-	(48,000)	(1,000)
Write off of short-term loans payable	-	-	-	2,500	0
Write-off of advances	(135,215)	0	0	0	0
Write-off of explor. & eval. assets	(870,046)	0	0	0	0
<b>Total other income (expense):</b>	<b>(896,524)</b>	<b>15,335</b>	<b>(77,177)</b>	<b>4,597,128</b>	<b>180,895</b>
<b>Net Income (loss)</b>	<b>(2,269,968)</b>	<b>(2,612,308)</b>	<b>(4,150,922)</b>	<b>956,578</b>	<b>(4,583,953)</b>
<b>Net earnings per share (diluted)</b>	<b>(\$0.925)</b>	<b>(\$0.934)</b>	<b>(\$1.267)</b>	<b>\$0.243</b>	<b>(\$0.949)</b>
<b>Net operating EPS (diluted)</b>	<b>(\$0.925)</b>	<b>(\$0.934)</b>	<b>(\$1.267)</b>	<b>(\$0.647)</b>	<b>(\$0.949)</b>
Wgtd. avg. diluted shares outstanding	2,453,828	2,797,513	3,276,627	3,932,686	4,830,417

## HISTORICAL STOCK PRICE



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<sup>i</sup> Bennett, Nelson, Global EV mandates would require 388 new mines: Fraser Institute, November 23, 2023, <https://www.mining.com/web/global-ev-mandates-would-require-388-new-mines-fraser-institute/>

<sup>ii</sup> OEMs and battery makers on alert as lower lithium prices to push into 2024; October 11, 2023, <https://source.benchmarkminerals.com/article/oems-and-battery-makers-on-alert-as-lower-lithium-prices-to-push-into-2024-benchmark>

<sup>iii</sup> BMI Predicts Lithium Shortfall in 2025: September 6, 2023, <https://www.miningnewswire.com/bmi-predicts-lithium-shortfall-in-2025/>

<sup>iv</sup> Technical Report Summary, Initial Assessment of the Snow Lake Lithium Project, August 9, 2023, page 53.

<sup>v</sup> NI 43-101 Technical Report on the Zoro Lithium Project, July 6, 2018, page 43.

<sup>vi</sup> Ibid page 42.