



CleanTech Lithium PLC

Key Data

Listing:	AIM
Ticker:	CTL
Shares:	79M
Share Price:	42p
Market Cap:	£35.62m
12- month target	£1.14ps
Cash Balance:	US\$5.3m
Debt	US\$0.0m
Warrants:	4,000,000
Av exercise price:	66p
Options:	840,000
Av exercise price:	30p
Fully Diluted:	84,819,517
Asset Location:	Chile

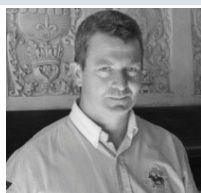
Price Chart



Company Summary

CleanTech Lithium (CTL) has a first mover advantage, acquiring several immature salar basins in their entirety, within a world-class lithium producing district. The collective tenement packages (Laguna Verde and Francisco)

Analyst



Approaching three decades of experience in commodities, primarily in Australia and the UK, including underground and surface mining operations, exploration,

corporate finance, mineral economics and as a resource analyst; for WMC, Outokumpu, Mincor, DJ Carmichael, WHI Securities, WH Ireland, HD Capital, Numis, Metalytics, Aegis Equities and Smartkarma.

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Maiden Resource of 0.53Mt LCE for Francisco Basin

Event

Maiden JORC Inferred resource estimate of 0.53MT LCE at an average grade of 305mg/L Li based on the first completed well at Francisco Basin.

Implications

The Negro Francisco Basin project is located within a fault-bound, volcanic alluvium-filled closed basin at the termination of three fluvial systems, to the immediate south of the Copiapo Volcano, although dormant, still has active fumaroles. The total licence area of 110km², of which 60km² resides within the Tres Cruces National Park, which has been excluded from CTL's exploration efforts. We had previously estimated that this resource would be around 0.6Mt LCE, but we observe in Figure 7 of the CTL announcement that part of the south west has been removed as a result of topography considerations.

Former project consultants had estimated the exploration potential for Francisco to be in the range of 0.25-1.2Mt LCE, which we consider conservative. In a previous note (published 8/8/22) that took into account that FB01 targeted the most attractive portion of the resistivity anomaly, even if all subsequent holes intersecting the reservoir are either not as thick and/or as deep, the eventual Francisco Basin exploration target could still approach ~2Mt LCE. This preliminary resource is sufficient to commence a Scoping Study with a base case production rate of 20ktpa LCE, scheduled to commence Q422.

Investment Summary

The drill programme to target the three remaining holes is expected to resume in October 2022 and is scheduled to be completed in early 1Q23; after which an upgraded resource estimate would likely be released in early Q223. Given drill hole density, not only will this resource be considerably larger, substantial portions of it will also be upgraded into Measured and Indicated categories, satisfactory to undertake a Pre-Feasibility Study, possibly early Q323.

We maintain our view that CTL is largely without peer, offering a clear path to production inside the next five years from two potential sites. Given the size of its potential resource base (see Figure 1), the proximity to nearby mains, sufficient fresh water and world-class experts, this remains the cheapest entry point for any lithium company globally.

Figure 1: Peer comparison of listed lithium brine DLE based explorers (close 30th Sept, 2022, AUD 0.64, CAD 0.72, EURO 0.98, GBP 1.11).

Company	Location	Status	Li Grade (mg/L)	Ticker	Mkt Cap US\$M	Cash EV (USD) US\$M	LCE (Mt)			US\$/t
							A	B	C = A/B	
Standard Lithium	Arkansas	Development	199	SLI: NYSE	727	129	598	3.9	152	
Lake Resources	Argentina	Development	211	LKE: ASX	794	112	681	4.4	155	
Vulcan Energy Resources	Germany	Exploration	181	VUL: ASX	691	172	519	15.4	34	
E3 Lithium	Alberta	Exploration	75	ETL: CVE	100	11	89	7.0	13	
Alpha Lithium Corp	Argentina	Exploration		ALLI: TSXV	107	27	79			
Pure Energy Minerals	Nevada	Exploration	123	PE: CVE	14	0.3	13	0.2	61	
Explorer Peer Average (DLE)			126						36	
CleanTech	Chile	Exploration	206	CTL: AIM	36	5.2	30	2.03	15	

Source: FD

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Research disclosure as of 3rd October, 2022

Company Name (the Relevant Issuer)	Disclosure
CleanTech Lithium PLC	1, 2, 3, 7

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