

## Lithium Americas Provides a Thacker Pass Construction Plan Update

3/14/2024

(All amounts in US\$ unless otherwise indicated)

VANCOUVER, British Columbia, March 14, 2024 (GLOBE NEWSWIRE) -- Lithium Americas Corp. (TSX: LAC) (NYSE: LAC) ("Lithium Americas" or the "Company") provides a construction plan update for its Thacker Pass lithium project located in Humboldt County, Nevada ("Thacker Pass" or the "Project").

### HIGHLIGHTS

- Lithium Americas has received a conditional commitment ("Conditional Commitment") from the U.S. Department of Energy ("DOE") for a \$2.26 billion loan under the Advanced Technology Vehicles Manufacturing ("ATVM") Loan Program (the "Loan") for financing the construction of the processing facilities at Thacker Pass, targeting to produce an initial 40,000 tonnes per year ("tpa") of battery grade lithium carbonate ("Phase 1"). The expected Loan plus General Motors Holdings LLC ("GM") strategic investment are expected to provide the vast majority of the capital necessary to fund Phase 1.
- Site preparation for major earthworks has been completed, including all site clearing, commissioning a water supply system, site access improvements and site infrastructure.
- The Company is currently focused on advancing detailed engineering, procurement and execution planning for the construction of Thacker Pass Phase 1. Detailed engineering is approximately 30% design complete to date, and the Company plans to continue to increase the level of detailed engineering in advance of issuing full notice to proceed ("FNTP"), which is expected in the second half of 2024.
- The Company leased a parcel of land in the nearby City of Winnemucca for a transloading terminal ("TLT") to be used during operations, providing direct access to the mainline railroad and an interstate highway.

- The Company and its engineering, procurement and construction management (“EPCM”) contractor, Bechtel, entered into a National Construction Agreement (Project Labor Agreement) (“PLA”) with North America’s Building Trades Unions (“NABTU”) for construction of Thacker Pass.
- Estimated total capital cost for Phase 1 construction has been revised to \$2.93 billion to reflect updated quantities and execution planning tied to increased engineering progress, use of union labor through a PLA for construction of Thacker Pass, development of an all-inclusive housing facility for construction workers, updated equipment pricing and a larger project contingency.
- During the year ended December 31, 2023, approximately \$194 million was spent on Thacker Pass. The Company expects capital expenditures to be significantly lower in the first half of 2024 as the focus turns from early works to advancing detailed engineering and project planning ahead of FNTF.
- Mechanical completion of Thacker Pass Phase 1 is targeted for 2027 following a three-year construction period. Major construction is expected to commence in the second half of 2024 following the anticipated closing of the DOE Loan and issuance of FNTF.
- In light of current market conditions and to preserve strong liquidity, the Company has reduced project capital expenditures to minimal levels until closing of the DOE Loan and issuance of FNTF, which are expected in the second half of the year. In addition, the Company has taken actions to reduce its general and administrative and operating expense budget for 2024 by more than 25%.

“Our team has been focused on refining the development plan and de-risking construction execution of Phase 1 for Thacker Pass,” said Jonathan Evans, President and Chief Executive Officer of Lithium Americas. “We have de-risked execution by advancing detailed engineering and project planning. To date, we have completed all the early-works and infrastructure required for major construction, including excavating the processing plant areas. We anticipate issuing FNTF and commencing major construction shortly following the closing of the DOE Loan.”

Evans added, “In advancing Thacker Pass to production, we have an incredible opportunity to lead the next chapter of global electrification in a way that both strengthens our national security of critical materials and ensures that the economic benefits are directed toward American workers, companies and communities.”

## PROJECT FINANCING

### DOE ATVM Loan Program

Following a robust due diligence and term sheet negotiation process since receiving the Letter of Substantial Completion in February 2023, the DOE has provided the Company with Conditional Commitment of an ATVM Loan for \$2.26 billion with interest rates fixed from the date of each monthly advance for the term of the loan at then applicable U.S. Treasury rates. The Loan will include interest accrued during construction, which is estimated to be

\$290 million over the three-year construction period.

The Company expects the Loan to provide the cornerstone financing for the construction of Thacker Pass Phase 1, which the Company estimates could support lithium needs for a domestic production supply chain for up to 800,000 electric vehicles (“EVs”) annually.

The Conditional Commitment represents a significant milestone and demonstrates the DOE’s intent to finance the Project. Certain technical, legal and financial conditions, including negotiation of definitive financing documents, must be satisfied before funding of the Loan.

#### General Motors

In January 2023, GM agreed to invest \$650 million in Lithium Americas across two tranches for the development of Thacker Pass, representing the largest investment publicly disclosed to date by an automaker in a company to produce battery raw materials (the “GM Investment”). GM has exclusive access to 100% of the lithium production from Phase 1 for up to 15 years and has a right of first offer on Phase 2 production. In February 2023, Tranche 1 for \$320 million of the total GM Investment closed and closing of Tranche 2 for the remaining \$330 million is expected before or in connection with closing of the DOE Loan.

Together, the expected DOE Loan plus GM’s Investment are expected to provide the vast majority of the capital necessary to fund the construction of Phase 1.

## CONSTRUCTION WORKFORCE

#### Project Labor and Economic Impact

Phase 1 is expected to create approximately 1,800 direct jobs during its three-year construction period and 360 jobs in operations for its 40-year mine life.

The Company commissioned the University of Nevada, Reno to complete an economic impact assessment, which estimated that every direct job created by Lithium Americas’ construction investment will generate an additional 1.5 local jobs during construction.

Lithium Americas and Bechtel entered into a PLA with NABTU for construction of Thacker Pass.

#### Workforce Hub

The Workforce Hub is a temporary full-service housing facility for construction workers in the nearby City of Winnemucca. Earthworks for the facility are completed and the delivery of the remaining housing modules is expected during Q1 2024. The housing modules are currently stored in-place to allow for staged erection to align

with the Project's construction timeline following issuance of FNTF.

## CONSTRUCTION AND ENGINEERING PROGRESS

In late 2022, the Company awarded the EPCM contract to Bechtel for the design, procurement and execution of Phase 1. Over the past year, Bechtel has provided significant expertise based on their experience with global capital projects to improve the Project's execution planning and to de-risk the construction phase.

Following the start of early works construction activities at Thacker Pass in early 2023, the following has been completed to prepare for major construction, which is expected to commence in the second half of 2024:

- First phase of major earthworks including site clearing and plant pad excavation;
- Stockpiled growth media for future reclamation;
- Commissioned a water supply system consisting of pipelines, pumps and ponds in July 2023;
- Improved State Route 293 with acceleration and deceleration lanes, conforming to Nevada Department of Transportation specifications to improve safety and traffic flow for vehicles entering and exiting the Project site; and
- Completed site infrastructure including erection of temporary offices, fencing, security gates and systems.

The Company continues to take steps to further de-risk the project construction, including:

- Progressing minor earthworks to the plant pad; and
- Progressing detailed engineering above the current 30% design complete prior to FNTF. A higher level of advanced engineering prior to commencing major construction mitigates the potential for field rework and supports well-planned construction execution.

## TRANSLOADING TERMINAL

The Company has leased a parcel of land adjacent to the mainline railroad from the City of Winnemucca and purchased an adjacent property with access to State Route 796, approximately 60 miles from the Project site, for the development of a TLT.

The TLT will provide direct access to the railroad for shipping of reagents during operations and is expected to create approximately 50 jobs for Phase 1. Expected benefits of direct access to the mainline railroad during operations include reduced transportation costs for reagents, such as liquid sulfur and soda ash, and minimizing Scope 3 emissions by utilizing lower carbon intensity transportation methods.

## CAPITAL COST ESTIMATE

Together with Bechtel and other major mining and processing plant contractors, the Company has further refined and updated the Thacker Pass Phase 1 capital cost estimate, following the Project's November 2022 Feasibility Study ("FS") estimate. The revised capital cost estimate of \$2.93 billion reflect steps the Company has taken to de-risk construction, including:

- Achieving a higher degree of engineering, advancing estimates of key quantities and execution plans;
- Increasing project contingency to 15%;
- Updating labor costs due to an increase in estimated number of construction workers to approximately 1,800 and substantially de-risking skilled labor availability with the PLA;
- Securing land and temporary housing facility for the Workforce Hub in Winnemucca for construction workers; and
- Updating pricing for over 70% of procurement packages to reflect current market conditions.

Construction commenced in early 2023 including site preparation, geotechnical drilling, well installation, water pipeline development and associated infrastructure. The majority of capital expenditures are expected in 2025 as the Project ramps up to peak-construction.

#### PROJECT TIMELINE

Mechanical completion of Thacker Pass Phase 1 is targeted for 2027 following a three-year construction period. Major construction is expected to commence in the second half of 2024 following the anticipated closing of the DOE Loan and issuance of FNTF. The Company anticipates a commissioning and ramp-up period of six to twelve months, targeting achieving full capacity production in 2028.

#### EXPLORATION PROGRAM

The 2023 drilling program at Thacker Pass to further define and expand the resource estimate concluded successfully in December 2023. A total of 97 core holes totaling 50,099 feet were drilled and the process of sampling and analysis is currently underway. The exploration program continues to confirm that sedimentary deposits are common throughout Thacker Pass.

#### QUALIFIED PERSON

The scientific and technical information contained in this news release has been reviewed and approved by Rene LeBlanc, RM-SME, Vice President, Growth and Product Strategy of the Company, a "qualified person" ("QP") as defined under National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101").

Further information about Thacker Pass, including a description of key assumptions, parameters, methods and risks, data verification and quality assurance/quality control programs, methods relating to mineral resources and mineral reserves and factors that may affect those estimates are contained in the Company's technical report dated effective November 2, 2022 entitled "Feasibility Study National Instrument 43-101 Technical Report for the Thacker Pass Project, Humboldt County, Nevada, USA," which is available under the Company's profile on SEDAR+ and on the Company's website.

## ABOUT LITHIUM AMERICAS

Lithium Americas is committed to responsibly developing the 100%-owned Thacker Pass project located in Humboldt County in northern Nevada, which hosts the largest known Measured and Indicated lithium resource in North America. The Company is focused on advancing Thacker Pass Phase 1 toward production; targeting nameplate capacity of 40,000 tpa of battery-quality lithium carbonate. The Company and its EPCM contractor, Bechtel, entered into a National Construction Agreement (Project Labor Agreement) with NABTU for construction of Thacker Pass. The three-year construction build is expected to create approximately 1,800 direct jobs. Lithium Americas' shares are listed on the Toronto Stock Exchange and New York Stock Exchange under the symbol LAC. To learn more, visit [www.lithiumamericas.com](http://www.lithiumamericas.com) or follow @LithiumAmericas on social media.

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## FORWARD-LOOKING INFORMATION

This news release contains "forward-looking information" within the meaning of applicable Canadian securities legislation, and "forward-looking statements" within the meaning of applicable United States securities legislation (collectively referred to as "forward-looking information" ("FLI")). All statements, other than statements of historical fact, are FLI and can be identified by the use of statements that include, but are not limited to, words, such as "anticipate," "plan," "continues," "estimate," "expect," "may," "will," "projects," "predict," "proposes," "potential," "target," "implement," "scheduled," "forecast," "intend," "would," "could," "might," "should," "believe" and similar terminology, or statements that certain actions, events or results "may," "could," "would," "might" or "will" be taken, occur or be achieved. FLI in this news release includes, but is not limited to, the expected operations, financial results and condition of the Company; the Company's future objectives and strategies to achieve those objectives, including the future prospects of the Company; the capitalization and adequacy thereof for the Company; capital

expenditures and programs; mineral resource and mineral reserve estimates, and any change in estimates, of the mineral resources and mineral reserves at Thacker Pass; development of mineral resources and mineral reserves; the realization of mineral resources and mineral reserves estimates, and information and underlying assumptions related thereto; statements with respect to future financial or operating performance of the Company; development of the Project, including anticipated timing, progress, approach, continuity or change in plans, construction, commissioning, milestones, production capacity, production type, product quality, production timeline, mine life, expansion plans and other parameters; the realization of the expected economics of Thacker Pass; expected potential benefits of Thacker Pass, including the creation of a battery supply chain in the United States to support the EV market; the Company's ability to raise capital; expected expenditures to be made by the Company on the Project; ability to produce high purity battery grade lithium products; the timing, cost, quantity, capacity and product quality of production at the Project; the expected capital expenditures for the construction of the Project; anticipated job creation and workforce hub at Thacker Pass; the expectation that the PLA will minimize construction risk, ensure availability of skilled labor, address the challenges associated with Thacker Pass' remote location and be effective in prioritizing employment of local and regional skilled craft workers, including members of underrepresented communities; ability to achieve capital cost efficiencies; the Company's commitment to sustainable development, minimizing the environmental impact at Thacker Pass and plans for phased reclamation during the life of mine; the GM Investment and the potential for additional financing scenarios for the Project; the expected timetable for completing Tranche 2 of the GM Investment; the ability of the Company to complete Tranche 2 of the GM Investment on the terms and timeline anticipated, or at all; the expected benefits of Tranche 2 of the GM Investment; as well as other statements with respect to management's beliefs, plans, estimates and intentions, and similar statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts.

FLI involves known and unknown risks, assumptions and other factors that may cause actual results or performance to differ materially. FLI reflects the Company's current views about future events, and while considered reasonable by the Company as of the date of this news release, are inherently subject to significant uncertainties and contingencies. Accordingly, there can be no certainty that they will accurately reflect actual results. Assumptions upon which such FLI is based include, without limitation: a cordial business relationship between the Company and third party strategic and contractual partners; risks relating to general business and economic uncertainties and adverse market conditions; the ability of the Company to fund, advance and develop Thacker Pass, and to produce battery grade lithium; the respective benefits and impacts of the Project when production operations commence; the Company's ability to operate in a safe and effective manner, and without material adverse impact from the effects of climate change or severe weather conditions; uncertainties relating to receiving and maintaining mining, exploration, environmental and other permits or approvals in Nevada; demand for lithium, including that such demand is supported by growth in the EV market; demand for EVs and the supply of lithium required to meet such demand; the impact of increasing competition in the lithium business, and the

Company's competitive position in the industry; continuing support of local communities and the Fort McDermitt Paiute Shoshone Tribe for the Project; continuing constructive engagement with these and other stakeholders, and any expected benefits of such engagement; the stable and supportive legislative, regulatory and community environment in the jurisdictions where the Company operates; impacts of inflation, currency exchanges rates, interest rates and other general economic and stock market conditions; the impact of unknown financial contingencies, including litigation costs, environmental compliance costs and costs associated with the impacts of climate change, on the Company's operations; increased attention to environmental, social and governance ("ESG") and sustainability-related matters, risks related to the Company's public statements with respect to such matters that may be subject to heightened scrutiny from public and governmental authorities related to the risk of potential "greenwashing," i.e., misleading information or false claims overstating potential sustainability-related benefits, risks that the Company may face regarding potentially conflicting anti-ESG initiatives from certain U.S. state or other governments; estimates of and unpredictable changes to the market prices for lithium products; development and construction costs for Thacker Pass, and costs for any additional exploration work at the Project; estimates of mineral resources and mineral reserves, including whether mineral resources not included in mineral reserves will be further developed into mineral reserves; reliability of technical data; anticipated timing and results of exploration, development and construction activities, including the impact of ongoing supply chain disruptions and availability of equipment and supplies on such timing; timely responses from governmental agencies responsible for reviewing and considering the Company's permitting activities at Thacker Pass; availability of technology, including low carbon energy sources and water rights, on acceptable terms to advance the Project; the impact of inflationary and other conditions on the Company's business and global markets; the Company's ability to obtain additional financing on satisfactory terms or at all, including the final closing of the ATVM Loan Program; accuracy of development budgets and construction estimates; that the Company will meet its future objectives and priorities; that the Company will have access to adequate capital to fund its future projects and plans; that such future projects and plans will proceed as anticipated; as well as assumptions concerning general economic and industry growth rates, commodity prices, currency exchange and interests rates and competitive conditions. Although the Company believes that the assumptions and expectations reflected in such FLI are reasonable, the Company can give no assurance that these assumptions and expectations will prove to be correct.

There can be no assurance that FLI will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. As such, readers are cautioned not to place undue reliance on this information, and that this information may not be appropriate for any other purpose, including investment purposes. The Company's actual results could differ materially from those anticipated in any FLI as a result of the risk factors set out herein and in the Company's Form 20-F filed on August 22, 2023, as amended, alternative AIF disclosure document dated September 30, 2023, and interim and annual MD&A for carve-out financial statements available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) and EDGAR at [www.sec.gov](http://www.sec.gov). All FLI contained in this news release is expressly qualified by the risk factors set out in the aforementioned documents. Readers are further cautioned to



review the full description of risks, uncertainties and management's assumptions in the aforementioned documents and other disclosure documents available on SEDAR+ and on EDGAR.

The Company expressly disclaims any obligation to update FLI as a result of new information, future events or otherwise, except as and to the extent required by applicable securities laws. Forward-looking financial information also constitutes FLI within the context of applicable securities laws and as such, is subject to the same risks, uncertainties and assumptions as are set out in the cautionary note above.

Source: Lithium Americas Corp.