Imagine Lithium Announces a Private Placement to Raise $9.1 Million

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Vancouver, April 6, 2023 - Imagine Lithium Inc. (TSXV: ILI) (OTCQB: ARXRF) (the "Company" or "Imagine") is pleased to announce a non-brokered private placement of 48.82 million flow-through shares (the "FT Shares") at a price of $0.1725 per share for gross proceeds of $8,421,450. This represents a premium of 73% over the previous closing price of the Company's common shares on the TSX Venture Exchange. In addition, the Company will complete a private placement of 6.18 million non-flow-through common shares (the "Common Shares") at a price of $0.115 per common share for gross proceeds of $710,700. Total gross proceeds from the private placements will be $9,132,150.

The gross proceeds from the sale of the FT Shares will be used for general exploration expenditures on the Jackpot Lithium Project located approximately 140 km north-east of Thunder Bay, Ontario (see Figure 1). An exploration program on the property will incorporate expansion drilling at the Jackpot Main Zone, exploration drilling on additional targets beyond the Main Zone, as well as a prospecting and sampling program to cover the entire Jackpot property package.

The FT Shares will qualify as "flow-through shares" within the meaning of subsection 66(15) of the Income Tax Act (Canada, the "Tax Act") and expenditures will qualify as "flow-through critical mineral mining expenditure" (as defined in subsection 127(9) of Tax Act).

J.C. St-Amour, President and CEO of Imagine, commented, "This financing illustrates investor confidence in our Jackpot Lithium Project. Our project's proximity to infrastructure and general accessibility makes this project a stand-out from many lithium assets in Canada. The funds raised in this financing will allow us to expand and accelerate our exploration activities with additional drilling, sampling, and prospecting planned over the next two years. The Jackpot Main Zone remains open with significant expansion potential and a number of drill-ready lithium showings have been identified. In addition, the broader property package contains numerous granitic pegmatites that will also be tested in this program. An exploration program of this size can truly unveil the potential at Jackpot."

Gross proceeds from the sale of Common Shares will be used for general corporate purposes. The private placements are expected to close on or about April 26, 2023.

Figure 1: Jackpot Property located next to Trans Canada Highway, power, port, railroad and workforce.

To view an enhanced version of this graphic, please visit:
https://images.newsfilecorp.com/files/2962/161502_310353ba24cc1b29_001full.jpg

Qualified Person

The technical content of this news release was approved by Michel Boily, PhD, P.Geo, an Independent Qualified Person as defined by the National Instrument 43-101.

About Imagine Lithium Inc.

Imagine is a junior mining exploration company focused on seeking and acquiring world-class mineral projects. The company holds the Jackpot lithium property located in the Georgia Lake Area about 140 km NNE of Thunder Bay, Ontario, is approximately 12 km by air from the TransCanada Highway (Hwy 11) and the main railroad which connects to the port town of Nipigon, on Lake Superior. The property contains known lithium bearing granitic pegmatite dikes, of which two provided estimated historical resources of 2 million tons at 1.09% Li_2O and 750,000 tons at 1.38% Li_2O*.

* The estimates presented above are treated as historical information and have not been verified or relied upon for economic evaluation by the Company. These historical mineral resources do not refer to any category of sections 1.2 and 1.3 of NI-43-101 such as mineral resources or mineral reserves as stated in the 2010 CIM Definition Standards on Mineral Resources and Mineral Reserves. The explanation lies in the inability by the Company to verify the data acquired by the various historical drilling campaigns. The Company has not done sufficient work yet to classify the historical estimates as current mineral resources or mineral reserves.

ON BEHALF OF THE BOARD

"J.C. St-Amour"
J.C. St-Amour, President

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FORWARD-LOOKING STATEMENTS: This news release contains forward-looking statements, which relate to future events or future performance and reflect management's current expectations and assumptions. Such forward-looking statements reflect management's current beliefs and are based on assumptions made by and information currently available to the Company. Investors are cautioned that these forward-looking statements are neither promises nor guarantees and are subject to risks and uncertainties that may cause future results to differ materially from those expected. These forward -looking statements are made as of the date hereof and, except as required under applicable securities legislation, the Company does not assume any obligation to update or revise them to reflect new events or circumstances. All the forward-looking statements made in this press release are qualified by these cautionary statements and by those made in our filings with SEDAR in Canada (available at WWW.SEDAR.COM).

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