

ALCHEMIST MINING INCORPORATED
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Alchemist
M I N I N G

Alchemist Completes Acquisition of Aqueous Resources LLC, a Leader in Industrial Brine Pre-Treatment Solutions and Direct Lithium Extraction

VANCOUVER, BC – August 8, 2023 – Alchemist Mining Incorporated (the “**Company**” or “**Alchemist**”) (CSE: AMS) is pleased to announce that, further to its news releases dated June 13, 2023 and July 27, 2023, it has closed (the “**Closing**”) its securities exchange agreement dated June 13, 2023 (the “**Securities Exchange Agreement**”) with Aqueous Resources LLC (“**Aqueous**”), a private arm’s length limited liability company based in Denver, Colorado, USA, pursuant to which the Company acquired all of the outstanding membership interests of Aqueous (collectively, the “**Membership Interests**”) from the holders of the Membership Interests (the “**Members**”), in exchange for common shares (each, a “**Share**”) in the capital of the Company (the “**Transaction**”). Upon Closing, Aqueous became a wholly-owned subsidiary of the Company.

Aqueous Limited Liability Company

Aqueous, a company existing under the laws of the State of Colorado, is the sole owner of patent pending technology for an electro-pressure membrane process and method for recovery and concentration of lithium chloride from aqueous sources (the “**Technology**”), and has built a complete pilot system for pre-treating, concentrating, and processing lithium enriched continental brines using their proprietary process in their laboratory facility in Denver. On May 18, 2023, Aqueous won a USD\$250,000 grant from the Advanced Industries Early-Stage Capital and Retention Grant Program, a grant made through the Colorado Office of Economic Development and International Trade, designed to help Colorado-based advanced industries technology businesses develop and commercialize advanced technologies. Aqueous also received a USD\$1,300,000 commitment from the U.S. Department of Energy on July 10, 2023. For details on the grant from the U.S. Department of Energy, see the Company’s press release of July 12, 2023.

Summary of the Transaction

Pursuant to the terms of the Securities Exchange Agreement, Alchemist acquired all the outstanding Membership Interests and as consideration issued 17,500,000 Shares, on a pro rata basis, to the Members at a deemed price equal to \$0.52 per Share. Upon Closing, in accordance with the terms of conditions of the Securities Exchange Agreement, Fredrik Klaveness was appointed as a director to Alchemist’s board. Following the appointment of Mr. Klaveness, Alchemist’s board consists of Scott Taylor, Eric Boehnke, Jennie Choboter, and Fredrik Klaveness.

Fredrik Klaveness, Director

Mr. Klaveness is a private investor with broad experience in building emerging growth companies, particularly within oil & gas services and technology, renewable energy and cleantech. He has 25 years' experience managing investment portfolios with a focus on early-stage growth opportunities, working closely with a variety of ventures to accelerate their development, growth and value realization. As a Co-founder and Chief Executive Officer of NLB Water LLC since 2016, Mr. Klaveness is part of a team dedicated to building a comprehensive water treatment technology and recycling services provider for the US on-shore oil & gas industry through innovative and environmentally responsible solutions that reduce costs, minimize waste streams and protect the environment. Mr. Klaveness holds a BSBA from the University of Denver and an MBA from Columbia Business School.

Pursuant to the terms of a finder's fee agreement dated August 4, 2023, an arm's length finder (the "**Finder**") was issued an aggregate of 1,000,000 Shares (collectively, the "**Finder's Shares**") at a deemed price of \$0.47 per Finder's Share in connection with the Transaction. The Finder's Shares are subject to a statutory hold period of four months and a day pursuant to relevant Canadian securities laws.

Following the Closing of the Transaction, Alchemist has 80,155,976 Shares issued and outstanding, of which approximately 76.9% of the Shares are held by the current shareholders of Alchemist, approximately 21.8% are held by the former Members and approximately 1.3% are held by the Finder. No change of control or creation of a new control person occurred to Alchemist as a result of the Transaction.

Voluntary Lock-Up

The Shares issued to the Members in exchange for their respective Membership Interests are subject to a voluntary escrow with such Shares to be released as follows: (a) 10% of the Shares released on Closing; and (b) 15% of the Shares released every six (6) months thereafter.

Name Change

The Company intends on changing its name to "Lithos Energy Ltd." to reflect the Company's focus in the lithium space. In connection with the change of name, the Company will be posting a listing statement with the Canadian Securities Exchange within 30 days of the date of this News Release.

This news release does not constitute an offer to sell or a solicitation of an offer to buy the securities described herein in the United States. The securities described herein have not been and will not be registered under the United States *Securities Act of 1933*, as amended, or any state securities laws and may not be offered or sold in the United States or to the account or benefit of a U.S. person absent an exemption from the registration requirements of such Act.

ON BEHALF OF THE BOARD

Scott Taylor – CEO

Contact Information

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The Canadian Securities Exchange (operated by CNSX Markets Inc.) has neither approved nor disapproved of the contents of this press release.

Forward-Looking Statements:

This news release contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning of applicable Canadian legislation. All statements in this news release that are not purely historical are forward-looking statements and include statements regarding beliefs, plans, expectations and orientations regarding the future including, without limitation, the anticipated name change of the Company and the anticipated timing of the listing statement. Although the Company believes that such statements are reasonable and reflect expectations of future developments and other factors which management believes to be reasonable and relevant, the Company can give no assurance that such expectations will prove to be correct. Forward-looking statements are typically identified by words such as: "believes", "expects", "anticipates", "intends", "estimates", "plans", "may", "should", "would", "will", "potential", "scheduled" or variations of such words and phrases and similar expressions, which, by their nature, refer to future events or results that may, could, would, might or will occur or be taken or achieved. In making the forward-looking statements in this news release, the Company has applied several material assumptions, including without limitation, the Company's ability to obtain approvals for the name change. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to differ materially from any future results, performance or achievements expressed or implied by the forward-looking information. Such risks and other factors include, but are not limited to, the inability of the Company to change its name. Further, the ongoing COVID-19 pandemic, labour shortages, inflationary pressures, rising interest rates, the global financial climate and the conflict in Ukraine and surrounding regions are some additional factors that are affecting current economic conditions and increasing economic uncertainty, which may impact the Company's operating performance, financial position, and future prospects. Collectively, the potential impacts of this economic environment pose risks that are currently indescribable and immeasurable. Other factors may also adversely affect the future results or performance of the Company, including those risk and concerns more fully described in the Company's annual and quarterly management's discussion and analysis and in other filings made by the Company with Canadian securities regulatory authorities under the Company's profile at www.sedar.com. Readers are cautioned that forward-looking statements are not guarantees of future performance or events and, accordingly, are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty of such statements.

These forward-looking statements are made as of the date of this news release and, unless required by applicable law, the Company assumes no obligation to update the forward-looking statements or to update the reasons why actual results could differ from those projected in these forward-looking statements.

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