

# FIRST ENERGY ANNOUNCES CORPORATE RESTRUCTURING

VANCOUVER, BC, Oct. 25, 2022 /CNW/ - **First Energy Metals Ltd.** ("First Energy" or the "Company") (CSE: FE) is pleased to announce that it intends to complete a plan of arrangement under the British Columbia Business Corporations Act, pursuant to which First Energy would spin off assets related to its current exploration properties located in Quebec and Ontario (the "Spin-Out Transaction") into a separate wholly owned subsidiary of First Energy ("Spinco").

Prior to the completion of the Spin-Out Transaction, First Energy intends to consolidate its common shares ("Share Consolidation") on the basis of 3.80 existing common shares for 1 post-consolidation common share (the "Post-Consolidation Shares"). As of the date of this news release, the Company has a total of 85,064,215 common shares issued and outstanding and once the Share Consolidation becomes effective, the Company will have a total of approximately 22,385,320 Post-Consolidation Shares issued and outstanding. As part of the Share Consolidation, the Company will also change its name to FE Battery Metals Corp.

The Share Consolidation is anticipated to become effective on or before October 27, 2022 at which time, the Company's Post-Consolidation Shares will commence trading on the CSE under the same trading symbol FE. The Company also intends, prior to the completion of the Spin-Out Transaction and post Share Consolidation, to complete a non-brokered private placement for gross proceeds of up to \$1,500,000 by issuing up to 6,666,667 Post-Consolidation Shares at a price of \$0.225 per Post-Consolidation Share (the "Private Placement"). The Share Consolidation and Private Placement are subject to the approval of the Canadian Securities Exchange.

It is anticipated that under the Spin-Out Transaction, each First Energy shareholder will receive 1 common share of Spinco for every 1 Post-Consolidation Share of the First Energy held. First energy intends to seek a subsequent listing on the Canadian Securities Exchange of Spinco. Further details of the Spin-Out Transaction will be announced in future news releases.

The Spin-Out Transaction will be subject to various customary closing conditions, including among others, the approval of the British Columbia Supreme Court, the shareholders of the Company, and the Canadian Securities Exchange. There can be no assurance that such approvals will be obtained, or that the Spin-Out Transaction, Share Consolidation or Private Placement will be completed.

ON BEHALF OF THE BOARD OF  
**FIRST ENERGY METALS LTD.**

**"Gurminder Sangha"**

Gurminder Sangha  
CEO & Director

***Neither the Canadian Securities Exchange (CSE) nor its Regulation Services Provider accepts responsibility for the adequacy or accuracy of this news release and has neither approved nor disapproved the contents of this news release.***

## **Forward-looking Information**

*Except for the statements of historical fact, this news release contains "forward-looking information" within the meaning of the applicable Canadian securities legislation that is based on expectations, estimates and projections as at the date of this news release. "Forward-looking information" in this news release includes information about the Spin-Out Transaction, the Share Consolidation and the Private Placement, as well as the Company's intentions, plans and future*

*actions of the parties to the transactions described herein and the terms thereon.*

*Risk factors that could cause actual results to differ materially from those described in such forward-looking information include, but are not limited to, the Company may not complete the planned Share Consolidation, Private Placement or Spin-Out Transaction as currently anticipated, or at all; and other related risks as more fully set out in the continuous disclosure filings of the Company under the Company's profile at [www.sedar.com](http://www.sedar.com).*

*The forward-looking information in this news release reflects the current expectations, assumptions and/or beliefs of the Company based on information currently available to the Company. In connection with the forward-looking information contained in this news release, the Company has made assumptions about the Company's ability to obtain required approvals for the Spin-Out Transaction, the Share Consolidation and Private Placement. The Company has also assumed that no significant events occur outside of the Company's normal course of business. Although the Company believes that the assumptions inherent in the forward-looking information are reasonable, forward-looking information is not a guarantee of future performance and accordingly undue reliance should not be put on such information due to the inherent uncertainty therein. Forward-looking information in the news release will not be updated by the Company except as required by law.*

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