



## **Corporate & Operational Update**

**-FOR IMMEDIATE RELEASE-**

**Montréal, June 5, 2024 – St-Georges Eco-Mining Corp. (CSE: SX) (OTCQB: SXOOF) (FSE: 85G1)** would like to provide an update on the progress of its battery recycling operations and offer some guidance on the progress of other initiatives.

### **EVSX**

#### **Battery Operations**

Per the terms of the environmental compliance approval issued to EVSX by the Ministry of the Environment, Conservation and Parks, the financial assurance required by the Ministry is now in place, having been accepted in the form of an all-cash guarantee.

The Company is now in the process of completing the commissioning of its 4,200 tons per year industrial line at its Thorold, Ontario location, for a final inspection by the pertinent regulatory authorities.

Management is now negotiating the form of the battery allocations with its sponsors and partners. It has also reactivated discussions with suppliers that require recycling credits. The aim is to use the results obtained in the first three months of battery processing operations to help finance the installation of the first of the larger multi-chemistry lines in storage at the plant.

Entities with large volumes of lithium batteries are soliciting the Company to provide processing capacity. After obtaining an update to its operational and environmental permits, the Company will be better positioned to enter this market segment. This is expected to occur after accumulating several months of financial and technical data from the operations of its alkaline industrial line.

Management is now planning to use the Thorold plant as its showcase.

All expansion projects outside Thorold are expected to be done via partners, joint ventures, or licensing agreements. With discussions at different stages, the Company is prioritizing potential partnerships with private and para-public entities with a clear and fast track to permitting and in already established adjacent or complementary operations.

## **St-Georges Metallurgy**

### **Freeing Up Management Resources**

EVSX Corp. is the entry point for the Company into the supply of blackmass for St-Georges Metallurgy (SXM), where margins are expected to be significantly more important. Although industrial operations experience exists within the current management, EVSX should transition from the current management to hired operators in the future. This move frees up St-Georges management to focus on deploying SXM's blackmass metallurgical processes where expertise is not interchangeable.

### **Micronutrient and Soil Regeneration Agreement**

SXM has entered into an updated agreement with an industrial farming group to process the initial two years of mainly manganese-zinc-potassium hydroxide blackmass that EVSX operations will generate. The partners expect to create a joint venture following the initial testing period. The product blend design and the request for government certification will allow the joint venture to sell its high-value micronutrient and soil regenerator blends to big box stores. Initial research has shown that in some contexts, these products could bring higher profits than the production of ferro-manganese and zinc. This will provide flexibility to the partners to route the blackmass to the most profitable operations based on market conditions.

### **U.S. Subsidiary**

St-Georges Metallurgy Corp. expects to create a U.S. subsidiary that will allow it to meet some of the requirements for United States Department of Defense Title III grants.

### **Lithium Technology Licensing Agreement**

The Company would also like to disclose that it has entered into an exclusive agreement with LiOH Corp., a corporation created to finance and market SXM lithium technology. Frank Dumas, an officer of St-Georges, is the company's president, and certain officers, directors, and shareholders of St-Georges have become shareholders of the new entity.

The Intellectual Property license is not transferable and is limited to the processing of mining feedstock exclusively. Hybrid operations, from battery blackmass, metal recycling, and other mineral sources supplemented by primary mined material, are not part of the license and are still expected to be operated by SXM.

LiOH will pay all cash disbursements required to finance and operate the initial showcase lithium nitrate and lithium hydroxide operations. The initial budget calls for disbursements of \$5m to \$8m. No cash commitment from SXM is required. Equipment manufacturers and governments are expected to contribute to portions of the financing.

St-Georges will not have to raise money for this operation, and its contribution is limited to access to its scientists and innovation team. LiOH will finance any potential IP challenge. A timeline established by the partners requires disseminating a feasibility study and starting the preliminary engineering work for the larger industrial plant by March 31, 2027.

St-Georges will receive 8% of the outstanding shares of LiOH either at the time of a public listing or at the start of the commercial operations that coincide with the start of the regular royalty payments.

LiOH will pay an initial advance royalty fee of \$125,000 before year-end and will pay advance royalty fees of \$125,000 each year until commercial operations start.

### ***Royalty Calculation***

For all its operations, LiOH shall pay SX Royalties as follows:

For the period starting from the date on which LiOH starts to process lithium-bearing material until the date the cumulative operations reached the milestone of 10,000 tons of lithium-bearing material being processed in connection with the Manufacture of Licensed Product (the “**First Royalty**”) there are no Royalties payable.

For the period starting from the date on which LiOH reaches the initial milestone of 10,000 tons of lithium-bearing material being processed and for the initial 250,000 tons of lithium-bearing material being processed annually, the Royalties owed per quarter, shall be equal to three percent (3%) of the Net Sales of Licensed Product Manufactured and sold within the relevant quarter and when payment for the product is received.

For the period starting from the second milestone where LiOH reaches an annual processing production for lithium-bearing material in excess of the initial 250,000 tons annually, the excess production of Licensed Product will be applied (the “**Second Royalty**”), the excess Royalties owed per quarter shall be increased by two percent (2%) for a cumulative total of five percent (5%) of the Net Sales of Licensed Product Manufactured and sold within the relevant quarter on the excess material, with no effect on the initial 250,000 tons of production of lithium-bearing material which will remain under the First Royalties payment structure and remain at three percent (3%).

Royalty payments shall be calculated and accrued on a quarterly basis and pro-rated, as applicable, per calendar year [(i.e., March 31, June 30, September 30, and December 31)] and LiOH shall pay to SX all outstanding amounts within thirty (30) days of the reception of payment for the products sold. LiOH shall deliver a business summary for every quarter that summarizes, among other things, the gross amount billed and calculation of Net Sales for the Licensed Products. Each payment shall be accompanied by a statement indicating the calculation of the Royalties for each Plant in Operation.

### **Royalty Buy Back Right on “Second Royalty”:**

During the Second Royalty Term, at any time after a Plant has reached a processing level of 250,000 tons or more of spodumene in connection with the Manufacture of Licensed Products, LiOH shall have the right (the “**Royalty Buy Back Option**”) to repurchase a portion of SX’s right, title and interest in and to the Royalties hereunder in consideration of paying CA \$25,000,000 (the “**Buy Back Price**”). Upon payment of the Buy Back Price, the Royalties shall be reduced from five percent (5%) of the Net Sales to three percent (3%) of the Net Sale. LiOH may exercise the Royalty Buy Back Option by delivering to SX a written notice of exercise (the “**Royalty Buy Back Notice**”) at any moment and the buy back of the second royalty will become effective on the 1<sup>st</sup> day of the following quarter. Thereafter, the Royalties set out in Section 0 shall be reduced to three percent (3%) for the remainder of the Second Royalty Term.

## **H2SX**

### **Demonstration Plant**

The Company is working on a US\$7.5m financing for which it has received interest and is initiating due diligence with institutions’ placees. Current operations are setting up the demonstration plant in Seoul,

South Korea. H2SX is expected to contribute equally to the proposed budget to put the plant into operation with its Korean partner and the South Korean government.

### **Ownership Dilution**

St-Georges expects to have its position diluted by the current financing and might also sell portions of its holding to stay under 20% of the total equity of H2SX.

### **New Intellectual Property**

H2SX expects to receive an exclusive and perpetual license for two new provisional patents covering a newly discovered method to make battery-grade carbon with methane-generated hydrogen as a by-product.

### **St-Georges Eco-Mining Corp**

#### **Québec Exploration**

A more comprehensive press release that covers the operations at Manicouagan, an update on permits and technical NI 43-101 reports, and 2024 exploration plans will be issued. It will also include the initial observations on a prospective niobium discovery that is taking shape on the Notre-Dame Niobium Critical Minerals Project.

#### **Iceland Resources**

IR is completing due diligence with companies that have shown interest in investing directly into its equity prior to its proposed spin off via a plan of arrangement and the listing of its shares in Europe and North America. The Company is also in the process of assembling a team of seasoned directors and executives in preparation for its next phase of development.

#### **Other Corporate Matters**

##### **Fenix Battery Metals Inc.**

The Company is currently negotiating with and expects to finalize a detailed agreement with FeNiX Battery Metals, a company led by Enrico Di Cesare, a director and officer of St-Georges Eco-Mining Corp. FeNiX would be responsible for financing all its operations. An equity payment would be received by St-Georges in shares of FeNiX prior to a going public transaction. FeNiX has developed metallurgical technologies that could significantly improve the bottom line and the environmental record of the iron and steel-making industry. The developments for ferro nickel and ferro manganese are of strategic interest for the St-Georges ecosystem.

##### **Financing Offering**

The Company is expecting to announce a financing offering for \$500k to \$750k in the form of a convertible debenture with two half warrants per tranche of unit value of \$0.10. The conversion mechanism shall be a discount to market at the time of the conversion. The interest will be paid in shares of the Company on a quarterly basis. The Company expects to announce the details of the financing in a future press release. The proceeds would be used to launch the operations at its Thorold, Ontario plant and for administrative purposes.

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ON BEHALF OF THE BOARD OF DIRECTORS

**‘Neha Edah Tally’**

NEHA EDAH TALLY

Corporate Secretary of St-Georges Eco-Mining Corp.

**About St-Georges Eco-Mining Corp.**

St-Georges develops new technologies to solve some of the most common environmental problems in the mining sector, including maximizing metal recovery and full-circle battery recycling. The Company explores for nickel & PGEs on the Manicouagan and Julie Projects on Quebec’s North Shore and has multiple exploration projects in Iceland, including the Thor Gold Project. Headquartered in Montreal, StGeorges’ stock is listed on the CSE under the symbol SX and trades on the Frankfurt Stock Exchange under the symbol 85G1 and as SXOOF on the OTCQB Venture Market for early stage and developing U.S. and international companies. Companies are current in their reporting and undergo an annual verification and management certification process. Investors can find Real-Time quotes and market information for the company on

Visit the Company website at <https://www.stgeorgesecomining.com>

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