

Cruz Announces Record Date for Spin-Out of Hector Silver-Cobalt Project

Vancouver, British Columbia--(Newsfile Corp. - October 4, 2024) - Cruz Battery Metals Corp. (**CSE: CRUZ**) (**OTC Pink: BKTPF**) (**FSE: A3CWU7**) ("**Cruz**" or the "**Company**") is pleased to announce that, further to its news release dated August 1, 2024 and September 6, 2024 (the "**Arrangement Agreement**") it has entered into an arrangement agreement with its wholly-owned subsidiary, Makenita Resources Inc. ("**Makenita**"), pursuant to which the Company intends to: (i) transfer all of its rights, title and interest in and to its Hector Silver-Cobalt Project (the "**Hector Property**"), consisting of 126 contiguous unpatented mineral claims totaling 2,243 hectares (5,542-acres), located within the Coleman and Gillies Limit Townships, Larder Lake Mining Division, Timiskaming District, Ontario, Canada, and (ii) spin-out all of the securities of Makenita received in consideration for the Hector Property (the "**Makenita Spinout Share**") to Cruz's securityholders on a *pro rata* basis, all pursuant to a statutory plan of arrangement (the "**Arrangement**") to be effected under Part 9, Division 5 of the *Business Corporations Act* (British Columbia) (the "**BCBCA**").

The record date will be October 29, 2024. The mailing date will be November 5, 2024 and the Meeting date will be December 11, 2024. The meeting is being held by Notice and Access and we recommend and encourage everyone to vote in person or by proxy in support of the Arrangement.

James Nelson, President of Cruz states, "We now have a record date for the spin out. You must be a shareholder of record on October 29, 2024 to receive the free shares of Makenita and maintain 100 percent of your Cruz shares as well. This is a very nice bonus for shareholders of record to receive free shares without any additional cost to them. Cruz has well over a million dollars in the treasury currently allowing Cruz the ability to be nimble and opportunistic to maximize the shareholders' value in the short and medium term going forward."

The Arrangement will result in Makenita becoming a separate "reporting issuer" in each of Alberta, British Columbia and Ontario, and will allow it to focus on the development of the Hector Property. The Hector Property will be Makenita's material property for the purposes of National Instrument 43-101 - *Standards of Disclosure for Mineral Projects*. The Company will focus on the development of its Solar Lithium Project and Clayton Valley Lithium Project in Nevada, and its Idaho Cobalt Belt Project in Idaho (collectively, the "**US Properties**") and intends to seek to acquire more advanced assets of business opportunities of merit.

The Transaction

The Arrangement will include a transfer of the Hector Property to Makenita, a share capital reorganization of Cruz, and a securities exchange whereby, among other things, Cruz's shareholders will receive Makenita Spinout Shares. The existing common shares in the capital of Cruz will be renamed and redesignated as Class A common shares (each, a "**Cruz Class A Share**") and Cruz will create a new class of voting common shares (each, a "**New Cruz Share**"). Each Cruz Class A Share will be exchanged for one New Cruz Share and 0.1 of a Makenita Spinout Share. As part of the Arrangement, all outstanding Cruz stock options, warrants and restricted share units will be adjusted to allow holders to acquire, upon exercise, New Cruz Shares and common shares of Makenita (each, a "**Makenita Share**") in amounts reflective of the relative fair market values of Cruz and Makenita at the effective time of the Arrangement.

On completion of the Arrangement, Cruz shareholders and holders of Cruz stock options, warrants and restricted share units will maintain their interest in Cruz and will obtain a proportionate interest in Makenita.

In connection with the Arrangement, Makenita intends to seek a listing of the Makenita Shares on the

Canadian Securities Exchange ("**CSE**"). Additionally, Makenita will undertake one or more offerings of securities to raise gross proceeds of approximately \$500,000 (the "**Makenita Financing**"), or such other amount as the board of directors of Makenita may determine, to, among other things, finance its exploration activities on the Hector Property and to fund its working capital requirements. Jason Gigliotti will be the President of Makenita. Certain insiders of Cruz may participate in the Makenita Financing. Accredited investors may contact Jason Gigliotti directly with questions or interest in the planned placement. Toll free at 1.855.646.6901 or makenitaresources@gmail.com

Approvals

The Company intends to obtain an interim order (the "**Interim Order**") from the Supreme Court of British Columbia (the "**Court**") to authorize the Company to call a shareholder's meeting to, among other things, approve the Arrangement. The Arrangement will be subject to, among other conditions, final court approval, approval by not less than two-thirds of the votes cast at the special shareholder's meeting of Cruz shareholders (the "**Meeting**"), and approval of the CSE.

The Arrangement is anticipated to be completed by the end of the fourth quarter of 2024, subject to receipt of the aforementioned approvals and satisfaction of other closing conditions.

For more information on the Arrangement, please see the Company's news release dated August 1 2024, and September 6, 2024.

About Cruz Battery Metals Corp.

Cruz currently has several projects located throughout North America. Cruz's Nevada lithium projects consist of the 4,938-acre 'Solar Lithium Project' and the 240-acre 'Clayton Valley Lithium Project'. Cruz's 5.542-acre Hector Property is located in the vicinity of the town of Cobalt, Ontario, which is prospective for cobalt, silver and diamonds. Cruz also has the 124-acre 'Idaho Cobalt Belt Project'. Management cautions that past results or discoveries on properties in proximity to Cruz may not necessarily be indicative of the presence of mineralization on the Company's properties. If you would like to be added to Cruz's news distribution list, please send your email address to info@crusbatterymetals.com.

Cruz Battery Metals Corp.

"James Nelson"

James Nelson
President, Chief Executive Officer, Secretary and Director

For more information regarding this news release, please contact:

James Nelson, CEO and Director

T: 604-899-9150

Toll free: 1-855-599-9150

E: info@crusbatterymetals.com

W: www.crusbatterymetals.com

Twitter: @CruzBattMetals

Forward Looking Statements

Certain information set forth in this news release may contain forward-looking statements that involve substantial known and unknown risks and uncertainties, including whether or not the Company will proceed with the Spin-Out as currently proposed or at all, the anticipated timeline of the Spin-Out, the expected terms and structure of the Spin-Out and the parties' ability to satisfy closing conditions and receive necessary approvals and the belief that the Spin-Out will provide value as a stand-alone asset. These statements should not be read as guarantees of future performance or results. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by such statements such as the inability to obtain regulatory, Court or shareholder approval, the inability of Cruz or

SpinCo to finance growth and transactions expenses, and other risks as set out in the Company's periodic disclosure documents available on SEDAR+. Although such statements are based on management's reasonable assumptions, there can be no assurance that the Spin-Out will occur or that, if the Spin-Out does occur, it will be completed on the terms described above. The Company does not assume any responsibility to update or revise forward-looking information to reflect new events or circumstances unless required by law.



To view the source version of this press release, please visit <https://www.newsfilecorp.com/release/225540>