



Li-Metal Raises Over \$19 Million from the Exercise of Share Purchase Warrants

TORONTO, Canada – December 24, 2021 — Li-Metal Corp. (CSE: LIM) (FSE: 5ZO) (“Li-Metal” or the “Company”) is pleased to announce that it has raised CAD\$19,462,275 from the exercise of 10,500,000 share warrants with an exercise price of CAD\$ 1.85355 per warrant (the “Warrants”). The Warrants were originally issued pursuant to the terms of the Company’s warrant indenture dated September 7, 2021 (the “Warrant Indenture”), and subsequently accelerated as per the terms of the Warrant Indenture (refer to news release dated November 23, 2021). As of today, the Company has approximately CAD\$38.0 million in cash and equivalents.

“The exercising of these warrants provides capital that Li-Metal will use to continue development of our technologies as we work towards full commercial-scale production,” said Maciej Jastrzebski, co-founder and CEO. “The proceeds further strengthen our balance sheet as we advance our growth strategy focused on expanding lithium anode production capacity and lithium metal output. We are pleased that our shareholders continue to demonstrate their confidence and support in our business by fully funding our growth plans for next year and beyond.”

Li-Metal intends to use the proceeds from this completed exercise of warrants to:

- Expand engineering and operational teams at Rochester, NY and Markham, ON sites to accelerate development and scale-up work;
- Add analytical tools and facilities at the Markham, ON site to improve accuracy and turn-around time for piloting and development samples; and
- Complete engineering, purchase major equipment and complete build-out of commercial-scale anode production demonstration plant to be built in 2023.

The Company has 38,690,154 shares issued and outstanding as at December 24, 2021.

On behalf of the Board
Maciej Jastrzebski
CEO and Director

About Li-Metal Corp.

Li-Metal is a Canadian-based company developing lithium metal anodes and lithium metal production technologies for use in next generation batteries. Our production methods are significantly more sustainable than existing products and offer lighter, more energy dense and safer batteries that are critical to tomorrow’s electric vehicles. For more information visit, www.li-metal.com.

Forward-Looking Information

This news release contains “forward-looking information” within the meaning of applicable securities laws relating to the Company. Any such forward-looking statements may be identified by words such as “expects”, “anticipates”, “believes”, “projects”, “plans” and similar expressions. Readers are cautioned

not to place undue reliance on forward-looking statements. Statements about, among other things, the Company's strategic plans are forward-looking information. 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. Although such statements are based on management's reasonable assumptions, there can be no assurance that the development of the business of the Company will be completed as described above. The Company assumes no responsibility to update or revise forward-looking information to reflect new events or circumstances unless required by applicable law.

Investor Contact

For more information on Li-Metal or to be added to the Company's email distribution list, please contact:

Salisha Ilyas

ir@li-metal.com

647-795-1653