



Li-Metal Announces Private Placement Financing of up to \$2,000,000

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Funding will support Li-Metal's continued development of lithium metal and anode technologies

TORONTO, Canada, June 12, 2024 – Li-Metal Corp. (CSE: LIM) (OTCQB: LIMFF) (FSE: 5ZO) ("Li-Metal" or the "Company"), a developer of lithium metal anode and lithium metal production technologies critical for next-generation batteries, is pleased to announce the initiation of a non-brokered private placement to raise gross proceeds of up to \$2,000,000, comprising 20,000,000 units (each a "Unit"), at \$0.10 per Unit (the "Offering").

The Company also announces that is currently in advanced discussions with an arm's length party for the potential sale of the Company's lithium production business. At this time, the parties have not agreed on terms or timing for the completion of a transaction and there is no certainty that an agreement will be reached or a transaction completed. The intention of the transaction would be to enhance the Company's balance sheet and provide capital to allow the Company to focus on lithium metal anode business.

The Offering

Each Unit will consist of one common share of the Company and one-half common share purchase warrant, and each whole warrant (a "Warrant") will entitle the holder to purchase one common share of the Company at a price of \$0.20 per share for a period of 24 months following the date of issuance. Additionally, the Warrants will be callable during the 24-month period, at the option of the Company, in the event that the 20-day volume-weighted average price of the Company's common shares meets or exceeds \$0.40 for 10 consecutive trading days based on trades on a recognized Canadian stock exchange (which includes the Canadian Securities Exchange). Subscribers will be notified of the call provision being triggered and will have a 30-day period to exercise the Warrants.

Any securities issued under the Offering will be subject to a statutory hold period of four months and one day from the date of issuance. The anticipated closing date of the Offering is June 28, 2024. Closing of the financing is subject to CSE approval.

The Offering will be conducted by the Company utilizing the Existing Security Holder Prospectus Exemption under Ontario Securities Commission Rule 45-501 - *Ontario Prospectus and Registration Exemptions* and other equivalent provisions of applicable securities laws in other jurisdictions in Canada (collectively, the "Existing Security Holder Exemptions") as well as the "accredited investor" exemption under National Instrument 45-106 *Prospectus and Registration Exemptions* and also other exemptions available to the Company.

The Company will make the Offering available to all shareholders of the Company as of June 7, 2024 (the "Record Date") who are eligible to participate under the Existing Security Holder Exemptions and who have notified the Company by no later than June 21, 2024 at 5:00 pm (Eastern) of their intention to participate

in the Offering. The Existing Security Holder Exemptions limit a shareholder to a maximum investment of \$15,000 unless the shareholder certifies in the subscription agreement that he or she has obtained advice regarding the suitability of the investment from a registered investment dealer or otherwise qualifies to rely on another private placement exemption.

In the subscription agreement, shareholders will be required to certify the number of common shares of the Company held as of the record date and the total number of Units they wish to subscribe for. Each existing shareholder on the record date will be entitled to purchase that number of Units equal to at least their pro rata share based on the common shares owned on the record date, subject to a \$4,000 minimum subscription. Any additional available Units will be allocated by the Company based on subscriptions received and Units available. Orders will be processed by the Company on a first come, first served basis such that it is possible that a subscription received from a shareholder may not be accepted by the Company if the Offering is over subscribed. Any person who becomes a shareholder of the Company after the Record Date shall not be entitled to participate in the Offering under the Existing Security Holders Exemptions.

The Company intends to use the net proceeds from the Offering for general working capital purposes.

Existing shareholders of the Company are directed to contact the Company for further information concerning subscriptions for Shares pursuant to the Existing Shareholder Exemption, as follows:

Contact person: Srinu Godavarthy, CEO

Telephone: +1 647-494-4887

Email: ir@li-metal.com

About Li-Metal Corp.

Li-Metal is a Canadian-based vertically integrated battery materials company and innovator commercializing technologies to enable next-generation batteries for electric vehicles and other applications. We believe our patented lithium metal technology, next-generation battery anode technology and production methods are significantly more sustainable than existing solutions and offer lighter, more energy-dense and safer batteries. Li-Metal's battery materials support battery developers' ability to power more cost-effective electric vehicles that go farther and unlock the future of transportation. For more information, visit: <https://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 and the financings 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 or that the financings will be completed. The

Company assumes no responsibility to update or revise forward-looking information to reflect new events or circumstances unless required by applicable law.