

# International Battery Metals Inc. Enters Into Definitive Share Exchange Agreement to Acquire Intellectual Property Related to Oil Field Brine Lithium Extraction

Vancouver, British Columbia--(Newsfile Corp. - March 5, 2018) - International Battery Metals Inc. (CSE: IBAT) ("IBAT" or the "Company") is pleased to announce it has entered into a binding Share Exchange Agreement (the "**SEA**"), with North American Lithium, Inc. ("**NAL**") and Selective Adsorption Lithium, Inc. ("**SAL**"), dated March 4, 2018, pursuant to which IBAT will acquire intellectual property related to lithium extraction from oil field brines (the "**Intellectual Property**") for petro lithium extraction projects.

NAL is a California corporation that has developed unique technology that allows direct extraction of lithium from complex brines such as those found in oil fields. SAL has advanced this technology and owns intellectual property related to oil field brines.

The SAL technology involves processes that are highly selective for lithium, and an extraction system that allows lithium recovery from complex brines with only minimal pretreatment. Pretreatment of the brine to remove calcium or magnesium is not necessary in the process. The process also inherently rejects sulfate and borate from interfering with the lithium extraction. Once the oil field brine flows into the system, lithium chloride is removed, and the remainder of the brine is injected back into the ground through an environmentally permitted well.

The output of the patent pending SAL process and system is a high concentration, clean lithium salt solution suitable for further processing into desired products.

Additionally, the SAL patent pending process and equipment are specifically designed to operate in the rugged conditions often present at remote oilfield operations.

The patent pending SAL technology provides significant advantages including cost savings by minimizing brine pretreatment and through reduced chemical consumption. The unique equipment design also allows for rapid implementation and installation, minimizing the traditional lag time associated with bringing resources on line.

In order to effect the transfer of the relevant oil field SAL Intellectual Property to IBAT, IBAT will acquire 100% of the issued and outstanding securities of SAL, in consideration of up to 25,309,488 common shares of IBAT as follows:

4,700,000 Shares on closing of the Proposed Transaction;

4,000,000 Shares upon SAL and IBAT completing an agreed upon milestone in respect of the Intellectual Property;

5,536,496 Shares upon SAL and IBAT completing an additional agreed upon milestone in respect of the Intellectual Property;

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and

5,536,496 Shares upon IBAT (i) completing one or more private placement financing(s) resulting in the issuance of no less than 5,000,000 common shares of IBAT and (ii) completing a laboratory-scale pilot plant for the processing of lithium or lithium concentrates.

Additionally, pursuant to the terms of the SEA, IBAT shall pay NAL for the following:

1. The initial overall project flowchart and design document;
2. A final opinion letter from NAL in respect of proposed applications of the Intellectual Property, and
3. Costs and fees associated with the Transaction.

On Closing, the board of IBAT shall be reconstituted in a manner that complies with the requirements of the Canadian Securities Exchange (the "**CSE**") and applicable laws and will include a total of five (5) members, including three (3) members of IBAT's current board, being Logan Anderson, David Scott, and Paul Pedersen, and two (2) new members appointed by SAL, subject to the receipt of all applicable regulatory approvals. IBAT will, on or before the 90<sup>th</sup> day following Closing, cause an additional one (1) of the IBAT Directors to resign and shall appoint in his or her stead one (1) additional director nominated by SAL. On closing of the Transaction, NAL's President and Chief Executive Officer John Burba will be appointed as the President and Chief Executive Officer of IBAT and Logan Anderson will be appointed Chief Financial Officer of IBAT. Closing of the Transaction is 15 days from completion of a number of conditions precedents customary for a transaction of this nature.

"We are excited to get this agreement finalized and look forward to working with Dr. John Burba and his experienced team at North American Lithium," commented Logan Anderson, President and CEO of IBAT. "They have developed a unique portfolio of intellectual property in the emerging petro lithium brine extraction space, and we are eager to collaborate with them in realizing its potential."

In connection with the Proposed Transaction, and subject to approval of the CSE, Mackie Research Capital Corp. and the

Company have agreed to cancel and renegotiate the terms of the proposed share financing announced on November 3, 2017 to a price more reflective of the current markets.

ON BEHALF OF THE BOARD

"Logan Anderson"

Logan Anderson, CEO and Director

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*Forward-looking statements*

*This release may contain certain forward-looking statements with respect to the financial condition, results of operations and business of the Company and certain of the plans and objectives of the Company with respect to the same. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future and there are many factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements.*

**THE CSE DOES NOT ACCEPT RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.**