

INTERNATIONAL BATTERY METALS LTD. ANNOUNCES CLOSING OF STRATEGIC PRIVATE PLACEMENT

VANCOUVER, BC, and HOUSTON, May 6, 2024 /CNW/ - **International Battery Metals Ltd.** (the "**Company**"), is pleased to announce that it has closed its previously announced non-brokered private placement financing (the "**Private Placement**"). Pursuant to the Private Placement, the Company issued 18,642,134 units (each a "**Unit**"), with each Unit being issued at a deemed price of CAD\$0.76632, for aggregate proceeds of USD\$10,436,000 (approximately CAD\$14,285,840).

Each Unit consists of one common share ("**Common Share**") of the Company, and one Common Share purchase warrant (a "**Warrant**"), each Warrant entitling the holder thereof to acquire one Common Share for a period of two years from the date of issuance for an exercise price of CAD\$0.9579 per Common Share. In connection with the Private Placement, the Company extended the expiry of 6,396,999 previously issued Common Share purchase warrants from April 21, 2025, to May 3, 2026. In addition, the Company has agreed to pay EV Metals VI LLC, a private company controlled by Jacob Warnock, a director of the Company, ("**EV Metals**"), a structuring fee in connection with the Private Placement, in the amount of USD\$321,800 (approximately CAD\$440,512), payable through the issuance of 574,840 Common Shares with each Common Share having a deemed issuance price of CAD\$0.76632.

The proceeds of the Private Placement will be used by the Company to meet current obligations for the deployment of its modular direct lithium extraction plant (the "**DLE Plant**") in the western United States as previously announced on January 11, 2024, and for general working capital purposes.

The Company further intends to complete additional private placement financings of up to USD\$13,564,000 million on similar terms of the Private Placement. The securities issued under the Private Placement are subject to a statutory hold period of four months from the date of issuance under Canadian Securities laws and will be restricted securities under the United States Securities Act of 1933.

MI 61-101 Disclosure

In connection with the Private Placement, EV Metals acquired 7,924,157 Units for gross proceeds of USD\$4,436,000 (approximately CAD\$6,072,440), representing approximately 42.51% of the aggregate proceeds raised by the Company in the Private Placement. In addition, the Company will pay to EV Metals the structuring fee. The participation of EV Metals in the Private Placement constitutes a "related party transaction" within the meaning of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). The Company is relying upon exemptions from the formal valuation and minority shareholder approval requirements of MI 61-101 pursuant to sections 5.5(b) and 5.7(1)(a), respectively - *Fair Market Value Not More Than 25 Per Cent of Market Capitalization*, on the basis that at the time the Private Placement was agreed to, neither the fair market value of the Units to be distributed pursuant to the Private Placement to EV Metals, nor the consideration to be received for those Units, will exceed 25 per cent of the Company's market capitalization. The terms of the Private Placement were negotiated with a special committee of directors of the Company, all of whom are independent for the purposes of MI 61-101. The Board of Directors of the Company has unanimously approved the Private Placement and Structuring Fee (with Jacob Warnock abstaining) and no materially contrary view or abstention was expressed or made by any director in relation to the Private Placement. The Company did not file a material change report in respect of the participation of EV Metals in the Private Placement at least 21 days before closing of the Offering as the participation of EV Metals was not determined at that time.

About the Company

The Company is an advanced technology company focused on the development of environmentally responsible methods of extracting lithium compounds from brine. The Company has developed a patented modular direct lithium extraction ("**DLE**") plant which allows for rapid deployment to a resource holders production site. The Company is working with resource holders of oilfield brines, brine aquifers, and industrial customers with brine by-products. The Company believes the modular design of its DLE plant provides significant initial costs savings to customers and the proprietary DLE technology lowers operating costs by selectively extracting lithium from the brine while efficiently removing contaminants.

ON BEHALF OF THE BOARD

"William Webster"

William Webster, Chair of the Board

Neither Canadian Securities Exchange nor its Regulation Services Provider (as that term is defined in the policies of the Canadian Securities Exchange) accepts responsibility for the adequacy or accuracy of this release.

Forward looking and cautionary statements

This press release shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any state in the United States in which such offer, solicitation or sale would be unlawful. The securities referred to herein have not been and will not be registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements. This release may contain statements within the meaning of safe harbour provisions as defined under securities laws and regulations.

This release contains certain forward looking statements with respect to, among other things, the anticipated use of proceeds from the Private Placement and the Company's expectation that it may complete future private placements with the Private Placement investors, on similar terms, for up to an additional USD\$13,564,000. 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.

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