

# INTERNATIONAL BATTERY METALS LTD. COMPLETES STRATEGIC PRIVATE PLACEMENT

VANCOUVER, BC and HOUSTON, June 20, 2024 /CNW/ - **International Battery Metals Ltd.** (the "**Company**"), is pleased to announce that it has completed a subsequent closing of its previously announced (April 26, 2024, and May 31, 2024) strategic private placement (the "**Private Placement**"). Pursuant to the Private Placement, the Company issued 11,478,246 units (each a "**Unit**"), with each Unit being issued at a deemed price of CAD\$0.76632, for aggregate proceeds of USD\$6,430,772 (approximately CAD\$8,796,010).

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.

The Private Placement was completed with EV Metals VI LLC, a private company controlled by Jacob Warnock, a director of the Company ("**EV Metals**"), and funds and accounts managed by Encompass Capital Advisors LLC ("**Encompass**"). Encompass is participating in the Private Placement pursuant to certain pre-emptive rights granted under the terms of an Investment Agreement dated effective April 21, 2023.

In connection with the Private Placement, the Company will pay a structuring fee to EV Metals (or as directed by EV Metals) in the amount of USD\$237,500 (CAD\$324,852), payable through the issuance of 423,912 Common Shares (the "**Structuring Fee**").

The proceeds of the Private Placement will be used by the Company for expenditures to increase the production capacity of its modular direct lithium extraction plant (the "**DLE Plant**") contracted for operations in the western United States as previously announced on January 11, 2024 and May 6, 2024, and for general working capital purposes. The expanded production capacity will be achieved by adding an additional modular set of extraction columns into the existing framework. In order to manage the increase in production, the Company will also increase the size of the filtration and reverse osmosis units.

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 8,478,246 Units for gross proceeds of USD\$4.75 million (approximately CAD\$6,497,050), 423,912 Common Shares pursuant to the Structuring Fee, and Encompass acquired 3,000,000 Units for gross proceeds of USD\$1,680,772 (approximately CAD\$2,298,960). The participation of EV Metals and Encompass in the Private Placement and the payment to EV Metals of the Structuring Fee and the Reimbursement Issuance, respectively, each 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 and Encompass, and the Common Shares issued pursuant to the Structuring Fee, nor the consideration to be received for those Units and Common Shares, exceeds 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 (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 or Encompass in the Private Placement at least 21 days before closing of the Offering as the participation of EV Metals and Encompass 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 the DLE Plant which allows for rapid deployment to a resource holder's 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 cost 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, Chair of the Board  
+1 (832) 683-8839

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. 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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**For further information:** Royal Centre, Suite 1750, 1050 West Georgia St., Vancouver, B.C., V6E 3P38,  
info@ibatterymetals.com, ibatterymetals.com, CSE: IBAT

CO: International Battery Metals Ltd.

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