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Supreme Metals Corp. Acquires Iberian Lithium Corp.

Sudbury, Ontario, October 23, 2018 – Supreme Metals Corp. (“Supreme” or the “Company”) (CSE: **ABJ**)(FSE: **A68**) announced that it has signed a definitive share purchase agreement (the “Share Purchase Agreement”) dated October 22, 2018, for the acquisition (the “Acquisition”) of 100 percent of the issued and outstanding shares of Iberian Lithium Corp. (“Iberian Lithium”), an Ontario based exploration corporation focused on the acquisition and development of lithium properties in Portugal and Spain. Pursuant to the Share Purchase Agreement, Supreme shall acquire all of Iberian Lithium’s assets including its current option on the Alberta II Lithium Property in Galicia, Spain with Strategic Minerals Spain, S.L. (“Strategic Minerals”). The Acquisition is anticipated to close on October 25, 2018, following receipt of final closing deliveries.

The Alberta II Property is a lithium (with associated tin and tantalum) advanced stage exploration project located in Northwest Iberia, in the Spanish Province of Galicia and has an exploration area of 10 square kilometers (15 Mining Squares of the Spanish Mining Grid).

Extensive regional exploration work has included detailed mapping, soil geochemistry using multiple techniques, remote sensing using high-resolution satellite imagery and low altitude flights using UAVs – Unmanned Aerial Vehicles, equipped with high-resolution multispectral cameras, and one 3,075 metre diamond drill program consisting of 10 diamond drill holes. Work to date has defined a lithium bearing pegmatite swarm can be followed along strike for more that 1,300 metres within a corridor of 800m wide.

The Alberta II property is stated, as of June 1, 2012, to have inferred NI 43-101 resources of 12,342,000 tonnes of 2,038 ppm lithium along with 440 ppm of tin and 99 ppm of tantalum. This resource would result in a grade equivalent of 2,245 ppm Li or 0.48% Li₂O. This grade equivalent represents a resource of 25,154 tonnes of lithium, 1,221

tonnes of tantalum and 5,429 tonnes of tin. No other mineral resources or reserves were reported in this report. The Company will file a technical report prepared in accordance with NI43-101 and Form 43-101F supporting this disclosed mineral resource estimate within 45 days of this announcement.

Bob Komarechka, P.Geo., CEO of the Company, commented:

The acquisition of Iberian Lithium and its Alberta II lithium property, having an exclusive right to apply for a mining concession, represents a significant asset for the Company. The Alberta II property greatly enhances the Company’s potential for rapid development of a significant lithium – and associated tin and tantalum – resource. Iberian is very fortunate to have secured a contract with the highly qualified Salamanca

Ingenieros team and their associated professional contractors. The positive results from their latest report on Alberta II undertaken over this year has found numerous geophysical and geochemical anomalies suggestive of additional anomalous lithium occurrences. The coming program is designed to evaluate promising new targets and to expand the existing 43-101 compliant resource, with a new report anticipated in the first quarter of 2019.

Acquisition Terms

In consideration for the Acquisition, Supreme shall issue 35 million common shares and 115 million non-voting, convertible series 1 preferred shares in the capital of Supreme (the "Preferred Shares") to the shareholders of Iberian Lithium at a deemed price per share of \$0.02.

The terms of the Preferred Shares provide, among other things, that they: (i) are non-voting; (ii) are convertible into common shares of the Company ("Common Shares") on a one for one basis, subject to customary adjustments; (iii) are eligible to participate in dividends if and when declared on the Common Shares; (iv) have priority rights on liquidation; and (v) are subject to a restriction that no holder of the Preferred Shares may convert into a number of Common Shares that would result in such holder beneficially owning greater than 9.99% of the Common Shares.

In connection with signing of the Share Purchase Agreement, the Company has entered into a finder's fee agreement which provides for a fee payable on any transaction completed between the Company and Iberian. Accordingly, a finder's fee of \$250,000 shall be payable on closing to an arm's length party.

NI 43-101 Resource

The NI 43-101 resource was determined as a result of surface mapping, 90 channel samples (80 within pegmatite), 10 diamond drill holes of 3,074.5 metres and sample analysis of both core and channel samples utilizing appropriate standards, blanks and duplicates. Data was collected and analyzed within Microsoft Excel and Access applications then exported into Vulcan Software Vers. 8.1 to construct geological solids, prepare assay data for geostatistical analysis, construct the block models, estimate metal grades and tabulate mineral resources. A density of 2.65 tonnes per cubic metre was used for the tonnage calculation.

The reader is advised that Inferred mineral resources are not mineral reserves and represents material that is considered too speculative to be included in economic evaluations at this point. Additional drilling will be required to convert inferred mineral resources to measured or Indicated mineral resources.

The property is currently under an active exploration permit granted to Strategic Minerals Spain, S.L. with granted mineral rights for lithium, tin, tantalum and niobium under a contract with the Spanish Government with the name Alberta II, number OU/C/05186 valid until December 29, 2020, with exclusive rights to apply for a mining concession. Access to the site to conduct exploration was granted by formal agreements with landowners and other stakeholders. All permits required for the work done and proposed have been obtained or are being applied for. At this time there are no known, legal, political, environmental or other risks that could materially affect the potential development of the mineral resources.

Alberta II Property Option

Iberian Lithium has the Option to acquire a 100 percent interest in the Alberta II Property by incurring €750,000 (\$1,125,000 CAD) in exploration expenditures in year 1, an additional €750,000 (\$1,125,000 CAD) in exploration expenditures in year 2, and a €2,500,000 (\$3,750,000 CAD) final mining rights transfer payment. Iberian Lithium and Strategic Minerals Spain, S.L. have also entered into an Investigation Works and Exploration Program Agreement setting out six phases of exploration, each representing €250,000 (\$375,000) advances, governing the exploration plan on the property being undertaken by Salamanca Ingenieros of Spain.

To date, €384,680 (\$576,000 CAD) have been incurred by Iberian Lithium in exploration expenditures under the Alberta II Property Option. An additional €133,912.86 (\$200,000 CAD) has also been committed and procured for a further magnetometer survey and drill program to be undertaken shortly. The focus of this drill program will be to confirm the further extension of the lithium resources in at least one of the better exposed pegmatites to expand a new 43-101 compliant resource anticipated in Q1 of 2019.

Qualified Person

Mr. Robert Komarechka, [P.Geo.](#), a Qualified Person under NI 43-101 regulations, has reviewed and approved the scientific and technical disclosure in the news release.

For further information, please visit www.suprememetalscorp.com or contact:

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About Supreme Metals Corp.

Supreme Metals Corp. (CSE: ABJ)(FSE:A68) is a Canadian based exploration company with a focused approach in the area of green and energy metals in the Western World adjacent to anticipated downstream manufacturing projects that will have a significant need for these metals.

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

This news release may contain forward-looking statements based on assumptions and judgments of management regarding future events or results. Such statements are subject to a variety of risks and uncertainties which could cause actual events or results to differ materially from those reflected in the forward-looking statements. There is no assurance the private placement, property option, change of board or reinstatement of trading referred to above will close on the terms as stated, or at all. The Company disclaims any intention or obligation to revise or update such statements.