



Megawatt to accelerate developing prime Australian Rare Earth Projects

VANCOUVER, BC, May 12, 2021 /CNW/ - Megawatt Lithium and Battery Metals Corp. (CSE: MEGA) (FSE: WR20) (OTC: WALRF) (the "Company" or "Megawatt") is pleased to announce it is moving forward with a rare earth element (REE) sampling program at the recently acquired Arctic Fox and Isbjorn properties in Northern Territory, Australia (see April 14, 2021 press release). The decision to accelerate development plans for the REE properties is based on market intelligence indicating potential impending global REE supply shortages over the next decade, arising from green stimulus and rapid take up of electric vehicles (EV) propelling demand. Notably, key REEs in demand are neodymium and praseodymium which are prevalent across the region where Megawatt's properties are located in the Northern Territory.

Potential global REE supply shortages

Concerns are growing over potential global REE supply shortages, due to elevated demand resulting from green stimulus and rapid EV take up. Further, with China currently dominating the REE market, there is a growing necessity for supply diversity to mitigate against concentration risk. This macro backdrop presents a solid opportunity for emerging explorers with properties in Australia prospective for REEs to capitalise on.

Placing the global opportunity in context, a recent comprehensive study by independent research and advisory firm Adamas Intelligence highlights the potential for the magnet REE oxide market – principally neodymium, praseodymium and didymium oxide – to reach circa \$USD 15bn by 2030 (versus circa \$USD 3bn currently).

The study highlights a significant demand impetus being the US re-joining the Paris Agreement on climate change and then unveiling accelerating plans for electrifying vehicle production. Bundling this with known EV plans for Europe and China, the overall magnet REE oxide market in volume terms is projected to grow at a circa 10% CAGR 2021-30.

Concurrently, with REE supply shortages increasingly likely over the next decade, Adamas Intelligence projects persistent upward annual price pressure ranging from circa 5-10% over the same period. The Company views the likelihood of a significant forward REE supply deficit increasing, and underscores the strategic imperative for Megawatt to rapidly capitalise on this opportunity to develop the Arctic Fox and Isbjorn properties.

Fast tracking development plans for REE properties

Megawatt's Arctic Fox and Isbjorn properties are located in the Northern Territory in regions prospective for REEs, especially neodymium and praseodymium, complemented by supportive mining infrastructure. Notably, Arctic Fox is contiguous and along strike from the world-class Nolans Bore REE project, which is set for commissioning in mid-2022 and has a JORC Compliant Mineral Resource. Meanwhile, Isbjorn is contiguous to the advanced Charley Creek REE project.

Megawatt is reviewing plans for helicopter and ground supported mapping and sampling campaigns across both properties that can commence once all necessary approvals are secured.

David Thornley-Hall, Chief Executive Officer commented: "We sense an opportunity to capitalize on global macro demand with our two Australian REE properties. Megawatt clearly has two highly prospective REE assets located in Australia and consequently we have decided to move quickly and commence advancing the Arctic Fox and Isbjorn properties with the aim of identifying priority targets for test-drilling."

Qualified Person

Mr. Geoffrey Reed (MAusMM (CP)) (MAIG), Consultant for the Company, is a qualified person as defined by National Instrument 43-101 – Standards of Disclosure or Mineral Projects and has reviewed the scientific and technical information in this press release.

About MegaWatt Lithium and Battery Metals Corp.

MegaWatt is a British Columbia based company involved in the acquisition and exploration of mineral properties in Canada. The Company holds a 100% undivided interest, subject to a 1.5% NSR on all base, rare earth elements and precious metals, in the Cobalt Hill Property, consisting of eight mineral claims covering an area of approximately 1,727.43 hectares located in the Trail Creek Mining Division in the Province of British Columbia, Canada.

Additionally, the Company has acquired a 60% interest in a company that indirectly holds a 100% interest (subject to a 2% NSR) in two prospective silver-zinc projects in Australia, being the Tyr Silver Project and the Century South Silver-Zinc Project (see press release dated August 13, 2020), an indirect 100% interest (subject to a 1% NSR) in and to certain mining tenements in Northern Territory and New South Wales, Australia prospective for nickel-cobalt-scandium and rare earths and a 100% interest (subject to a 2% NSR) in and to the Route 381 Lithium Property, comprised of 40 mineral claims located in James Bay Territory, north of Matagami in the Province of Quebec, covering 2,126 hectares (see press release dated February 3, 2021).

Investors can learn more about the Company and team at <https://megawattmetals.com>.

The CSE does not accept responsibility for the adequacy or accuracy of this release.

This press release includes "forward-looking information" that is subject to a number of assumptions, risks and uncertainties, many of which are beyond the control of the Company. Forward-looking statements may include but are not limited to, statements relating to the trading of the Company's common shares on the Exchange and the Company's use of proceeds and are subject to all of the risks and uncertainties normally incident to such events. Investors are cautioned that any such statements are not guarantees of future events and that actual events or developments may differ materially from those projected in the forward-looking statements. Such forward-looking statements represent management's best judgment based on information currently available. No securities regulatory authority has either approved or disapproved of the contents of this news release.

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For further information: David Thornley-Hall Chief Executive Officer, david@megawattmetals.com

CO: MegaWatt Lithium and Battery Metals Corp.

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