



Formation Metals Announces Closing of Non-Brokered Private Placement and Debt Settlement

Vancouver, British Columbia / November 7, 2023 – Formation Metals Inc. (the “**Company**” or “**Formation Metals**”) is pleased to announce that on November 3, 2023 it has closed its non-brokered private placement (the “**Private Placement**”) raising gross proceeds of \$850,000 through the issuance of 17,000,000 units (each a “**Unit**”) at \$0.05 per Unit. Each Unit consists of one common share (each a “**Share**”) of the Company and one transferable common share purchase warrant (each a “**Warrant**”) exercisable at \$0.20 per Share for a period of two (2) years (the “**Expiry Date**”) from the closing date (the “**Closing Date**”) of the Private Placement.

The Company anticipates using the proceeds from the Private Placement for its Nicobat project in Northwest Ontario and for general working capital.

The Company plans to apply to list its Shares on the Canadian Securities Exchange (the “**CSE**”). Listing will be subject to fulfilling all the requirements of the CSE. There can be no guarantee that the Shares will ever be listed on any stock exchange.

Formation Metals also announces that it has issued 2,000,000 Units at a deemed price of \$0.05 per Units, to settle \$100,000 in debt (the “**Debt Settlement**”) with one creditor of the Company. Each Unit consists of one Share and one Warrant, exercisable at \$0.20 per Share until the Expiry Date.

No finder’s fees were paid in connection with the Private Placement or the Debt Settlement.

The Shares issued pursuant to the Private Placement are subject to a hold period of four months and one day from the Closing Date, as well as voluntary restrictions from which 25% of the Shares issued to non-insiders shall vest quarterly over the period of one year from the date the Shares are listed on the CSE.

The Warrants issued pursuant to the Private Placement and the Debt Settlement, and the Shares issued pursuant to the Debt Settlement are subject to a hold period of four months and one day from the Closing Date.

Deepak Varshney, President, CEO, Secretary and a director of Formation Metals, subscribed for 500,000 Units through a company he controls and David Ellett, a director of Formation Metals, subscribed for 200,000 Units. As a result, the issuance of 700,000 Units pursuant to the Private Placement to these two insiders is a related party transaction (as defined under Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). The Company relied upon section 5.5(b) the “Issuer Not Listed on Specified Markets” and 5.7(a) the “Fair Market Value Not More than \$2,500,000” and exemptions from the formal valuation and minority shareholder approval requirements, respectively, under MI 61-101. The 700,000 Shares issued to the two insiders are expected to be subject to escrow pursuant to the Policies of the CSE.

FORMATION METALS INC.

“Deepak Varshney” CEO and Director

For more information, please contact the Company at 778-899-1780.

Forward-looking statements:

This news release contains "forward-looking information" under applicable Canadian securities legislation. Such forward-looking information reflects management's current beliefs and are based on a number of estimates and/or assumptions made by and information currently available to the Company that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors that may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking information. Readers are cautioned that such forward-looking information are neither promises nor guarantees and are subject to known and unknown risks and uncertainties including, but not limited to, general business, economic, competitive, political and social uncertainties, uncertain and volatile equity and capital markets, lack of available capital, actual results of exploration activities, environmental risks, future prices of base and other metals, operating risks, accidents, labour issues, delays in obtaining governmental approvals and permits, and other risks in the mining industry.

These statements include the proposed listing of Company's Shares. These statements reflect management's current estimates, beliefs, intentions and expectations. They are not guarantees of future performance. The Company cautions that all forward-looking statements are inherently uncertain and that actual performance may be affected by many material factors, many of which are beyond their respective control. Such factors include, among other things: risks and uncertainties relating to the receipt of approvals to proceed with and complete the listing, the market valuing the Company in a manner not anticipated by management of the Company. Accordingly, actual and future events, conditions and results may differ materially from the estimates, beliefs, intentions and expectations expressed or implied in the forward-looking information. Except as required under applicable securities legislation, the Company does not undertake to publicly update or revise forward-looking information.

The Company is presently an exploration stage company. Exploration is highly speculative in nature, involves many risks, requires substantial expenditures, and may not result in the discovery of mineral deposits that can be mined profitably. Furthermore, the Company currently has no reserves on any of its properties. As a result, there can be no assurance that such forward-looking statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements.