

# MegaWatt Pleased with New Australian Government Policy Initiative that Enhances Potential for Critical Minerals

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VANCOUVER, March 8, 2021 - [MegaWatt Lithium and Battery Metals Corp.](#) (CSE: MEGA) (FSE: WR20) (OTC PINK: WALRF) (the "Company" or "Megawatt") is pleased with the unveiling of the Australian government's new 10-year critical minerals value-add plan. Megawatt recently announced its intention to acquire 1260945 B.C. Ltd. ("TargetCo") on March 3, 2021 and indirectly five properties in Australia prospective for rare earth elements-scandium-cobalt. (See News Release dated March 3, 2021)

#### Australia's new value-add plan

Addressing wide spread concern that China largely dominates the global rare earth element (REE) and critical minerals supply chain, the Australian government has outlined a 10-year road map to accelerate the development of down-stream processing capability. Currently, Australia is a fast-growing REE and critical minerals (i.e. scandium & cobalt) supplier, but has only moderate processing infrastructure. As a result, Australia is mostly only capturing the upstream part of the value chain through shipping extracted minerals offshore. The new policy is designed to significantly extend the potential benefits by encouraging the manufacturing of value added products produced from the raw materials.

Critical minerals, including REE-scandium-cobalt, are required in a wide array of technologies ranging from military applications, electric vehicles and smart phones, underscoring the potential opportunity. For its part, the Australian government is set to roll-out a more incentivised environment and create a A\$1.3bn fund to aid manufacturers in accelerating the commercialization of high demand products for global supply chains.

With this multi-pronged strategic approach, the Australian government is endeavouring to align with industry, potentially undertake direct investment and encourage businesses to collaborate on key projects to enhance the nation's value-add manufacturing capabilities for critical minerals.

#### Timely proposed acquisition

For Megawatt, the announcement of this initiative by the Australian government coincides with the strategic decision to acquire the five properties across the Northern Territory (NT) and New South Wales (NSW).

#### A. Rare Earth Elements (NT) - Arctic Fox and Isbjorn

According to analysts at global investment bank, UBS, demand for key REEs - neodymium and praseodymium (NdPr) - is set to accelerate substantially over the next decade as the green electrification transition gains traction globally.

The primary drivers are: 1) rapidly expanding global electric vehicle (EV) fleet; and 2) increased use of wind turbines to generate electricity. Placing this in context, each EV requires 1-2kg NdPr, while 200kg goes into each wind turbine.

As China currently supplies approximately 80% of the world's REEs requirements, there is a strategic risk mitigation imperative to diversify global supply chains, with Australia featuring as a prominent alternative.

This initiative provides a more compelling argument for Arctic Fox and Isbjorn Projects in the NT, as both are prospective for REEs. Notably, the Arctic Fox Project is contiguous to Arafura Resources' (ASX: ARU) Nolans Bore REE project, which is due to come on stream in 2022 and supports a JORC Complaint Mineral Resource. Meanwhile, the Isbjorn Project is contiguous to the advanced Charley Creek REE project.

#### B] Nickel-cobalt-scandium-HPA (NSW) - Chinook, Kodiak & Caribou

Accelerating demand for EVs over the next decade is underpinning higher demand for key inputs such as nickel-cobalt-scandium-HPA. Both nickel and cobalt are used in varying types of batteries for EVs. However, strong light-weight scandium-aluminium alloys are essential for reducing EVs weight which in turn delivers longer battery range and improved efficiency.

The three nickel-cobalt-scandium-HPA properties - Chinook, Kodiak and Caribou - are located in central NSW which has the potential to morph into a global supply head for critical minerals, especially scandium-cobalt. The Australian government's new initiative for critical minerals could jump start the development of companion downstream industries focused on supplying key products for EV manufacturers globally.

Within the vicinity of the Chinook, Kodiak and Caribou Project are Alpha HPA's (ASX: A4N) Collierina asset and Scandium International's (TSE: SCY) Nyngan deposit which both support JORC Complaint Mineral Resources.

Chief Executive Officer David Thornley-Hall commented: "The Australian government's new critical minerals policy initiative is a welcome development that will be factored into our exploration strategy. With accelerating demand for electric vehicles and wind turbines, the Board believes the acquisition of five high-quality prospective Australian properties presents a timely opportunity."

Due process ongoing

While this critical minerals initiative out of Australia is encouraging, the Proposed Transaction remains subject to certain closing conditions including, without limitation, (a) entering into the Definitive Agreement; (b) the completion of due diligence; and (c) the receipt by the Company of all necessary corporate and regulatory approvals, including the approval of the Canadian Securities Exchange, as applicable. There can be no assurance that the Proposed Transaction will be completed as contemplated, or at all.

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) 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.

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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