

Major Alpha Lithium Shareholder Opposes Price and Structure of Tecpetrol Hostile Bid

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VANCOUVER, June 26, 2023 - Kyle Stevenson, a strategic advisor and major shareholder of [Alpha Lithium Corp.](#) (NEO: ALLI) (OTC: APHLF) (German WKN: A3CUW1), issues an open letter to his fellow shareholders declaring his opposition to the price and structure of Tecpetrol Investments S.L.'s hostile bid.

The full text of the letter is included below:

To my fellow shareholders,

My name is Kyle Stevenson. I currently own 9,200,000 common shares of Alpha and securities convertible to acquire 1,300,000 additional shares of Alpha. To the best of my knowledge, I am the single largest shareholder of Alpha Lithium.

I have been heavily involved in the Argentine lithium exploration and development industry since 2016, when I became President, CEO and a director of [Millennial Lithium Corp.](#) We developed the Pastos Grandes lithium brine project in Argentina, approximately 70 kilometers northeast of Alpha's Tolillar project. We sold Millennial to [Lithium Americas Corp.](#) in 2022, in a transaction valuing Millennial at approximately C\$491,000,000. This experience gave me considerable insight into the exploration and development of Argentine lithium brine assets, and their value in strategic M&A transactions.

In addition to my Millennial experience, I am familiar with Alpha, its assets, and its management team. I have done business with them in the past, and hope to continue working with them in the future. In 2019 I had the opportunity to travel to Argentina with management and experience, first-hand, the potential of Tolillar. Since then, I have been impressed by management's ability to add shareholder value, and continue to be impressed by the work they've done in developing Alpha's portfolio of assets.

I have carefully watched Tecpetrol's attempt to acquire Alpha from its shareholders. I have reviewed Tecpetrol's bid circular, as well as Alpha's Directors' Circular, and it is clear to me that the Tecpetrol bid is wholly inadequate, and I do not intend to tender any of my shares.

In my opinion, the Tecpetrol bid is an opportunistic attempt to seize both Alpha's Tolillar and Hombre Muerto assets at an indefensible discount to their true value, which I strongly oppose. The bid fails to deliver value to Alpha's shareholders, including myself, for two key reasons: The first is the valuation is embarrassingly low for Tolillar alone, and second, Tecpetrol is trying to get all the assets, including Hombre Muerto and over \$30 million in cash, for no additional consideration.

1. Inadequate Value - a stink bid by all measures

Asset Value: The Tecpetrol bid significantly undervalues the Tolillar asset on its own. As the Alpha team wrote in their Directors' Circular, the offer price represents a substantial discount to recent lithium brine transactions in Argentina, including the Millennial Lithium sale we completed in 2022. The confusing discount ignores the value added by the unique features of Alpha's Tolillar salar, most notably: Tolillar may be one of the last wholly-owned lithium bearing salars in Argentina, and Tolillar hosts a unique and valuable freshwater reserve.

In addition to the obvious operational advantages that come with exclusive ownership of the entire salar, an independent freshwater recharge study commissioned by Alpha indicated that the freshwater aquifer located within the Tolillar salar mining tenements can sustainably support the large freshwater withdrawals needed

for a top tier project (see Alpha's press release of January 23, 2023 for more information).

Market Value: The bid price of \$1.24 represents a ~15% discount to Alpha's closing price on Friday, June 23, 2023. When Tecpetrol first announced their intention to bid Alpha's share price was steadily climbing, consistent with prevailing trends in Lithium Carbonate Equivalent prices, making their inadequate offer even less appealing. The trading in Alpha's shares to a high of \$1.45 since the announcement of the bid indicates clearly to me that I'm not alone in considering this a 'take under' rather than a 'take over', which won't receive the shareholder support it needs.

The unique features of Tolillar make it an incredibly compelling standalone opportunity, and by any measure, worth considerably more than Tecpetrol has offered to pay.

2. Predatory Structure - Tecpetrol wants everything, at a huge discount

Assuming Tecpetrol has taken adequate time to familiarize itself with Alpha, they know, or ought to know, that Alpha has at least two distinct and compelling assets: (i) the Tolillar project, and (ii) the roughly 5,000-hectare land position in the world-class Hombre Muerto Salar. For those of my fellow shareholders who have not yet had the opportunity, I would encourage you to review Alpha's technical report about its Hombre Muerto asset. It's available under Alpha's profile at www.sedar.com. Even prior to the filing of the Hombre Muerto technical report, it would be clear to anyone who had conducted appropriate due diligence on Alpha that its early stage Hombre Muerto asset represents compelling potential for additional shareholder value. Therein lies the second problem with the Tecpetrol bid: for a low-ball price, Tecpetrol wants the de-risked Tolillar project, the discovery potential of the Hombre Muerto asset, and approximately \$30 million of capital.

Tecpetrol declined to participate in the Tolillar sale process when invited by Alpha, instead deciding to make a hostile bid for the entire company. While I expect Tecpetrol hopes to be able to use the hostile bid as a way to get Tolillar at a discount, shareholders need to understand that the proposed structure would also allow Tecpetrol to also take 100% of the future potential of Hombre Muerto, whatever that may be, for essentially nothing.

I put my trust, and capital, behind the team at Alpha to develop Tolillar from a very early stage, and am impressed by the work they have done. I want to bet on this management team again to do the same thing in Hombre Muerto.

I strongly encourage Tecpetrol to engage with Alpha in a constructive manner and offer a fair price for Alpha and/or its Tolillar asset. I further encourage them to include a structure which contemplates a spin out of Hombre Muerto along with the working capital necessary to begin to develop its potential for the benefit of all current shareholders of Alpha.

Your fellow shareholder,

[signed]

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