Electra Announces Brokered Private Placement for Gross Proceeds of up to $10 Million

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Electra Battery Materials Corp. (NASDAQ: ELBM; TSX-V: ELBM) ("Electra" or the "Company") is pleased to announce that the Company has entered into an agreement with Red Cloud Securities Inc., as lead agent and sole bookrunner, on behalf of a syndicate of agents (collectively, the "Agents"), in connection with a "best-efforts" private placement (the "Marketed Offering") for the sale of up to 9,090,909 units of the Company (the "Units") at a price of $1.10 per Unit (the "Issue Price") for gross proceeds of up to $10 million. All amounts are in Canadian currency unless noted.

Each Unit will consist of one common share of the Company (each, a "Common Share") and one Common Share purchase warrant (each, a "Warrant"). Each Warrant shall entitle the holder thereof to purchase one Common Share at a price of $1.74 at any time on or before the date that is 24 months after the Closing Date (as defined below).

The Company has granted to the Agents an option, exercisable up to 48 hours prior to the Closing Date, to sell up to an additional 1,363,636 Units at the Issue Price for additional gross proceeds of up to $1,500,000 (the "Agents' Option", and together with the Marketed Offering, the "Offering").

The Offering forms part of a $20 million financing package that includes the strategic investment commitment by Three Fires Group Inc. announced by the Company on June 26, 2023. The Offering is intended to satisfy one of the outstanding conditions for the strategic investment, and is being conducted on the same terms. Completion of the Offering is conditional upon completion of the strategic investment, and it is anticipated that both the Offering and the strategic investment will be completed concurrently.

The Company intends to use the net proceeds of the Offering to advance its black mass recycling strategy, its cobalt refinery, for working capital to retire existing payables and general corporate purposes.

The Offering is scheduled to close on or around July 27, 2023 (the "Closing Date") and is subject to customary conditions including the receipt of all necessary regulatory approvals, including the approval of the TSX Venture Exchange and notification to The Nasdaq Stock Market. There can be no assurance as to whether or when the Offering may be completed.

As consideration for their services, at the Closing Date, the Company shall pay to the Agents a cash commission equal to 6% of the gross proceeds of the Offering and will issue to the Agents a number of non-transferable warrants of ?the Company (the "Broker Warrants") equal to 6% ?of the number of Units sold under the Offering. Each Broker Warrant will entitle the holder to acquire one Common Share exercisable at a price of C$1.10, subject to adjustment in certain events, at any time on or before the date that is 24 months following the Closing Date.?

The Units are being offered on a private placement basis to purchasers in each of the provinces of Alberta, British Columbia, Manitoba, Ontario and Saskatchewan (the "Canadian Selling Jurisdictions") pursuant to the accredited investor exemption outlined in Part 2 of National Instrument 45-106 -- Prospectus Exemptions ("NI 45-106"), as well as to purchasers resident outside of Canada pursuant to Ontario Securities Commission Rule 72-503 - Distributions Outside Canada. Up to 4,545,454 Units under the Marketed Offering will be offered to purchasers resident in the Canadian Selling Jurisdictions pursuant to the listed issuer financing exemption as outlined in Part 5A of NI 45-106 (the "Listed Issuer Financing Exemption"). There will be an offering document related to the portion of the offering conducted under the Listed Issuer Financing Exemption accessible under the Company's profile on SEDAR (www.sedar.com) and on the Company's website. Prospective investors should read this offering document before making an investment decision.

The Common Shares issuable from the sale of up to 4,545,454 Units under the Listed Issuer Financing

Exemption will not be subject to a hold period in accordance with Canadian securities laws and are expected to be immediately freely tradeable if sold to purchasers resident in Canada. All other securities issued in the Offering will be subject to a statutory hold period of four months and one day following issuance to the extent required by applicable securities laws.

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This announcement has been prepared for publication in Canada and may not be released to U.S. wire services or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or any other jurisdiction. Any securities described in this announcement have not been, and will not be, registered under the US Securities Act of 1933, as amended (the "US Securities Act"), or any state securities laws, and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws.

About Electra Battery Materials
Electra is a processor of low-carbon, ethically-sourced battery materials.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Cautionary Note Regarding Forward-Looking Statements
This news release may contain forward-looking statements and forward-looking information (together, "forward-looking statements") within the meaning of applicable securities laws and the United States Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical facts, are forward-looking statements. Generally, forward-looking statements can be identified by the use of terminology such as "plans", "expects', "estimates", "intends", "anticipates", "believes" or variations of such words, or statements that certain actions, events or results "may", "could", "would", "might", "occur" or "be achieved". Such forward-looking statements include, without limitation, statements regarding the size, pricing, terms, and timing of closing of the Offering, the receipt of all necessary approvals, and the expected use of proceeds. Forward-looking statements involve risks, uncertainties and other factors that could cause actual results, performance, and opportunities to differ materially from those implied by such forward-looking statements. Factors that could cause actual results to differ materially from these forward-looking statements are set forth in the management discussion and analysis and other disclosures of risk factors for Electra Battery Materials Corp., filed on SEDAR at www.sedar.com and with on EDGAR at www.sec.gov. Although Electra Battery Materials Corp. believes that the information and assumptions used in preparing the forward-looking statements are reasonable, undue reliance should not be placed on these statements, which only apply as of the date of this news release, and no assurance can be given that such events will occur in the disclosed times frames or at all. Except where required by applicable law, Electra Battery Materials Corp. disclaims any intention or obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

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