Grid Battery Metals Announces its Plan to Finance and List its Subsidiary on the Canadian Securities Exchange - CSE

28.09.2023 | The Newswire

Coquitlam, Sept. 28, 2023 - Grid Battery Metals Inc. (the "Company" or "Grid Battery") (TSXV:CELL) (OTC:EVKRF) (FRA:NMK2) is pleased to announce that the Company has entered into an Arrangement Agreement with its wholly owned subsidiary 1427652 B.C. Ltd. ("SpinCo"). In accordance with the terms of the Arrangement Agreement, Grid will transfer to SpinCo ownership of its interests in its nickel properties in British Columbia, which consists of five claim blocks in three groups (Nickel West, Nickel Central, Nickel South) in the area surrounding Mount Sidney Williams, in close proximity to the Decar Project and the Baptiste deposit of FPX Nickel Corp (TSXV:FPX). (collectively, the "Transferred Assets") in exchange for 9,339,040 common shares of SpinCo (the "Consideration Shares"). Grid will spin out the Consideration Shares (the "Spin-Out Shares") to Grid shareholders.

It is proposed that the transaction will be carried out by way of statutory plan of arrangement (the "Spin-Out") pursuant to the Business Corporations Act (British Columbia). Under the terms of the Spin-Out, shareholders of Grid would exchange their existing common shares of Grid for the same number of new common shares of Grid (having the identical terms of the existing Grid common shares) and Spin-Out Shares of SpinCo. There will be no change in shareholders' holdings in Grid as a result of the Spin-Out. It is anticipated that each Grid shareholder will receive 1/20 of a Spin-Out Share for each Grid common share held as at the record date for the arrangement. Grid will continue to hold its interest in its Nevada-based Lithium Projects (Texas Springs, Volt Canyon and Clayton Valley Lithium Projects).

The Spin-Out Transaction requires the approval of the Grid shareholders and approval of the British Columbia Supreme Court in order to proceed. Full details on the Spin-Out Transaction will be contained in the Management Information Circular to be prepared for the Grid shareholder meeting. Grid shareholders are urged to read the Management Information Circular carefully and in its entirety.

The intention is to seek a listing of the SpinCo common shares on the Canadian Securities Exchange but no assurance can be provided that such a listing will be obtained. Any such listing will be subject to SpinCo fulfilling all of the applicable regulatory and listing requirements.

Tim Fernback, Grid President & CEO comments "In order to continue to create additional shareholder value, we are separating our Nevada-based lithium properties from our British Columbia-based nickel properties, and plan on separately financing and taking the BC nickel properties public on the CSE. Each Grid shareholder will receive a share dividend and have a proportionate share of this new entity. We believe this is a win for our shareholders, giving each shareholder an equity interest in a new public company at no additional cost to them."

About the Canadian Securities Exchange

The Canadian Securities Exchange, or CSE, is operated by CNSX Markets Inc. Recognized as a stock exchange in 2004, the CSE began operations in 2003 to provide a modern and efficient alternative for companies looking to access the Canadian public capital markets.

About Grid Battery Metals Inc.

Grid Battery Metals Inc. is a Canadian based exploration company whose primary listing is on the TSX Venture Exchange. The Company's maintains a focus on exploration for high value battery metals required for the electric vehicle (EV) market. www.gridbatterymetals.com.

About Texas Springs Property

The Company owns a 100% interest in the Texas Spring Property which consists of mineral lode claims located in Elko County, Nevada. The Property is in the Granite Range southeast of Jackpot, Nevada, about 73 km north-northeast of Wells, Nevada. The target is a lithium clay deposit in volcanic tuff and tuffaceous sediments of the Humbolt Formation.

The Texas Spring property adjoins the southern border of the Nevada North Lithium Project - owned by Surge Battery Metals Inc. ("Surge") (TSXV: NILI, OTC: NILIF) and comprised of 303 mineral claims. Surge's first round of drilling identified strongly mineralized lithium bearing clays. The average lithium content within all near surface clay zones intersected in the 2022 drilling program, applying a 1000 ppm cut-off, was 3254 ppm. (Press release March 29, 2023). More recent results have shown higher grade lithium up to 8070 ppm on this property after initial drilling (Press release September 12, 2023).

About Clayton Valley Lithium Project

The Company owns a 100% interest in 113 lithium lode and placer claims covering over 640 hectares in Clayton Valley. Clayton Valley is a down-dropped closed basin formed by the Miocene age Great Basin extension and is still active due to movement along the Walker Lane structural zone. As a result, the basin has preserved multiple layers of lithium bearing volcanic ash, resulting from multiple eruptive events over the past 6 million years including eruptions from the 700,000-year-old Long Valley Caldera system and related events. These ash layers are thought to contribute to the lithium brines extracted by Albemarle and are also likely involved in the formation of the exposed lithium rich clay deposits on the east side of Clayton Valley.

Volt Canyon Lithium Property

The Company owns a 100% interest in 80 placer claims covering approximately 635 hectares of alluvial sediments and clays located 122 km northeast of Tonopah, Nevada.

About the British Columbia, Nickel Projects

The Mount Sidney Williams Group consists of three claim blocks with a total area of 10,569 hectares in the area surrounding Mount Sidney Williams, both adjoining and near the Decar project of FPX Nickel Corp., located 100 kilometres northwest of Fort St. James, B.C., in the Omineca mining division. Metallic mineralization includes nickel, cobalt, and chromium. At least some of the nickel mineralization occurs as awaruite. The Mitchell Range Group area claim consists of one claim block covering 8,659 hectares with demonstrated metallic mineralization including nickel, cobalt, and chromium. Nickel cobalt mineralization has not been well explored, but the presence of awaruite has been documented.

On Behalf of the Board of Directors

"Tim Fernback"

Tim Fernback, President & CEO

Contact Information:

Email: info@gridbatterymetals.com

Phone: 604-428-5690

This news release may contain forward-looking statements which include, but are not limited to, comments that involve future events and conditions, which are subject to various risks and uncertainties. Except for statements of historical facts, comments that address resource potential, upcoming work programs, geological interpretations, receipt and security of mineral property titles, availability of funds, and others are forward-looking. Forward-looking statements are not guarantees of future performance and actual results may vary materially from those statements. General business conditions are factors that could cause actual results to vary materially from forward-looking statements.