

Grid Metals Completes \$5 Million Private Placement

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TORONTO, January 2, 2024 - [Grid Metals Corp.](#) (TSXV:GRDM)(OTCQB:MSMGF) ("Grid" or the "Company") is pleased to announce it has closed the second and final tranche of a non-brokered private placement (the "Offering") which was announced on November 29, 2023 and December 5, 2023. In total the Company raised \$5,058,882 in two tranches. The first tranche of 23,209,000 special flow-through common shares were issued at \$0.18 for proceeds of \$4,177,620 on December 22, 2023 (the "Special Flow-Through Shares"). The second tranche of the Offering consisted of 4,000,000 Special Flow-through Shares at a price of \$0.18 per share for proceeds of \$720,000 and 1,151,143 ordinary flow-through common shares priced at \$0.14 per share for proceeds of \$161,202 (the "Ordinary Flow-Through Shares").

The Special Flow-Through Shares and the Ordinary Flow-Through Shares have been issued as a "flow-through shares" within the meaning of the Income Tax Act (Canada). Proceeds from the sale of Special Flow-Through Shares and the Ordinary Flow-Through Shares will be used to incur "Canadian exploration expenses" as defined in subsection 66.1(6) of the Income Tax Act that qualify for the federal 30% Critical Mineral Exploration Tax Credit and will be eligible for the 30% Manitoba Mineral Exploration Tax Credit. Such proceeds will be renounced to the subscribers with an effective date not later than December 31, 2023, in the aggregate amount of not less than the total amount of gross proceeds raised from the issue of the Special Flow-Through Shares and the Ordinary Flow-Through Shares.

Finders fees paid on the closing of the second tranche of the Offering consisted of a cash payment of \$1,399 and issuance of 9,996 finders warrants exercisable at \$0.15 per share for a period of two years from the closing date. There were no finders warrants payable on the closing of the first tranche of the Offering. The proceeds of the financing will be used for resource drilling at the Company's Donner Lake Lithium Project and for further exploration drilling at the Donner Lake Lithium Project and at the Company's Falcon West Lithium Property.

Certain directors and officers of the Company participated in the Offering purchasing an aggregate total of 1,720,100 Ordinary Flow-Through Shares and Special Flow-Through Shares via backend buying, which participation constituted a related party transaction pursuant to the policies of the TSX Venture Exchange (the "TSXV") and Multilateral Instrument-101 - Protection of Minority Security Holders in Special Transactions ("MI 61-101"). The Company relied on the exemptions from the valuation and minority approval requirements set forth in Paragraphs 5.5(a) and (b) of MI 61-101 with respect to the valuation requirement and Paragraph 5.7(b) with respect to the minority shareholder approval requirement. A material change report with respect to the final closing of the Offering will be filed less than 21 days prior to the closing date of the Offering as participation by insiders was not settled until shortly prior to closing and the Company wished to complete the Offering as expeditiously as possible. Closing of the Offering has been conditionally approved by the TSXV, with final acceptance subject to the fulfillment of the customary requirements of the TSXV.

The Offering included additional investments from two institutional shareholders of the Company (see press release dated November 29, 2023) who purchased 18,619,000 shares as backend buyers of the Special Flow-Through Shares.

Resale of the securities of the Company issued under the Offering will be subject to a hold period pursuant to Canadian securities laws of four months and one day following the closing date of each tranche of the Offering.

This news release does not constitute an offer of securities for sale in the United States. The securities being

offered have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and such securities may not be offered or sold within the United States absent U.S. registration or an applicable exemption from U.S. registration requirements.

About Grid Metals Corp.

Grid Metals is focused on its Donner Lake Lithium Project located in the Bird River greenstone belt in southeastern Manitoba, approximately 150 km northeast of Winnipeg, Manitoba. Grid has a 75% project interest in Donner Lake and is the project operator subject to a joint venture agreement with a fund controlled by Waratah Capital Advisors. Grid has a lease agreement on the True North mill where it plans to process feed from the Donner Lake Property. Grid also has an MOU with Tantalum Mining Corporation of Canada Limited who operates the nearby producing Tanco Mine which is one of only two lithium-producing mines in Canada. In addition to the 100%-owned Falcon West Lithium Project, the Company controls the PEA stage Makwa-Mayville Ni-Cu-PGM-Co project. Grid's properties are located in the traditional territory of the Sagkeeng First Nation.

On Behalf of the Board of [Grid Metals Corp.](#)

For more information about the Company, please see the Company website at www.gridmetalscorp.com or contact:

Robin Dunbar - President, CEO & Director - rd@gridmetalscorp.com

Brandon Smith - Chief Development Officer - bsmith@gridmetalscorp.com

David Black - Investor Relations - info@gridmetalscorp.com

We seek safe harbour. This news release contains forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995 and forward-looking information within the meaning of the Securities Act (Ontario) (together, "forward-looking statements"). Such forward-looking statements include the Company's closing of the proposed financial transactions, sale of royalty and property interests, the overall economic potential of its properties, the availability of adequate financing and involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements expressed or implied by such forward-looking statements to be materially different. Such factors include, among others, risks and uncertainties relating to potential political risk, uncertainty of production and capital costs estimates and the potential for unexpected costs and expenses, physical risks inherent in mining operations, metallurgical risk, currency fluctuations, fluctuations in the price of nickel, cobalt, copper and other metals, completion of economic evaluations, changes in project parameters as plans continue to be refined, the inability or failure to obtain adequate financing on a timely basis, and other risks and uncertainties, including those described in the Company's Management Discussion and Analysis for the most recent financial period and Material Change Reports filed with the Canadian Securities Administrators and available at www.sedar.com.

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

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