

Giyani closes US\$10 million investment from ARCH

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TORONTO, Feb. 21, 2024 - [Giyani Metals Corp.](#) (TSXV:EMM, GR:A2DUU8) ("Giyani" or the "Company"), developer of the K.Hill battery-grade manganese project in Botswana ("K.Hill" or the "Project") is pleased to announce that on February 20, 2024 it closed the US\$10 million investment by ARCH Sustainable Resources Fund LP ("ARCH") announced on January 24, 2024 ("Closing"). The Company and ARCH have satisfied all necessary conditions precedent to Closing and US\$10 million has now been received by the Company.

The ARCH funding fulfils a key condition for drawdown of the US\$16 million convertible loan facilities (the "IDC Facility") secured by Giyani from the Industrial Development Corporation ("IDC") of South Africa Limited and forms part of a larger aggregate US\$26 million funding package to progress K.Hill to Final Investment Decision ("FID").

The IDC Facility remains subject to the approval of the TSX Venture Exchange (the "TSXV") and satisfaction of certain other conditions customary for a transaction of that nature.

Summary of the ARCH funding package

The ARCH funding package consists of: (i) a US\$4.8 million (approximately C\$6.4 million) offering of 54,835,235 units at C\$0.117 per unit, with each unit consisting of one common share (each, a "Share") and one common share purchase warrant (each, a "Warrant") exercisable at a price of C\$0.225 per Warrant for five years (subject to acceleration); and (ii) US\$5.2 million for a 2% gross revenue royalty which includes a 1% buy-back provision and an automatic step-down by 0.5% after the earlier of: (i) 2.5Mt of battery grade manganese ("HPMSM") production, and (ii) 20 years following the date of commencement of production of HPMSM or manganese metal at a processing plant that is at least majority owned by Giyani continuously during that period.

Following Closing, the Company will have 274,313,330 Shares issued and outstanding. The securities issued or made issuable under the offering are subject to a four-month Canadian statutory hold period and a further contractual escrow with half of the Shares issued or made issuable escrowed for 12 months following Closing and the other half of the Shares issued or made issuable are escrowed for 15 months following Closing. Without the prior written approval of Giyani and the TSXV and the approval of disinterested shareholders, ARCH shall not be entitled to exercise Warrants to the extent that, after giving effect to such exercise, ARCH would beneficially own in excess of 19.9% of the issued and outstanding number of Shares of Giyani.

At Closing, the Company entered into an investor rights agreement with ARCH pursuant to which ARCH will have certain board nomination rights, equity subscription and top up rights and a right of first offer for future royalty or stream financings of the Company.

Giyani intends to use the net proceeds of the ARCH funding package to progress K.Hill to FID, including an Optimized Feasibility Study ("OFS") for the Project and completing the construction, commissioning, and operation of the Company's demonstration plant, as well as for working capital and other general corporate purposes.

As consideration for services rendered to Giyani in connection with the US\$10 million ARCH funding, Giyani has agreed to pay Hannam & Partners an aggregate cash fee of US\$219,250, approximately US\$166,950 in respect of the financing and approximately US\$52,300 in respect of the royalty.

ARCH ESG Commitment

A core part of ARCH's investment strategy is focused on environmental, social and governance principles, including:

- monitoring and measuring environmental performance and implementing measures to reduce environmental impacts;
- respecting the rights, interests, customs and values of those who it interacts with, engaging with impacted communities and seeking to demonstrate a net positive impact resulting from operations; and
- being guided by the principles established by applicable stock exchanges, aspiring to meet the highest standards of ethical business practice and seeking to integrate sustainable development into corporate strategies.

Giyani, as a responsible battery metals developer, is committed to strive for carbon neutrality as per the Company's Environmental Policy and together with ARCH the Company will continue to expand its carbon neutral vision and net-zero strategy for the Project.

Board Appointments

Pursuant to the ARCH investor rights agreement, Giyani welcomes the appointment of Alex Azpitarte to the Board of Directors. Mr. Azpitarte has worked at ARCH since 2021. Prior to this Mr Azpitarte spent seven years working in the engineering industry, developing and managing power generation projects across the USA, China and Mexico. Mr. Azpitarte holds a Masters in Mechanical Engineering from the Illinois Institute of Technology in Chicago and an MBA from London Business School.

Early Warning Disclosure by ARCH

At Closing, ARCH was issued 54,835,235 Shares, representing approximately 19.99% of Giyani's issued and outstanding Shares on the date hereof. ARCH was also issued 54,835,235 Warrants exercisable for 54,835,235 Shares subject to the terms and conditions noted above.

The Shares were acquired for investment purposes. ARCH has no current plans or intentions which relate to, or would result in, acquiring additional securities of Giyani, disposing of securities of Giyani, or any other actions described in Item 5 of Form 62-103F1 *Required Disclosure under the Early Warning Requirements*. ARCH may, depending on market and other conditions, increase or decrease its beneficial ownership of or control or direction over Giyani's securities, whether in the open market, by privately negotiated agreements or otherwise, subject to a number of factors, including general market conditions and other available investment and business opportunities.

Further to the requirements of National Instrument 62-104 - *Take-Over Bids and Issuer Bids* and National Instrument 62-103 - *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues*, ARCH will file an early warning report which will be made available on SEDAR+ at www.sedarplus.ca. Further information and a copy of the early warning report may be obtained by contacting Robert Mason on behalf of ARCH at rob@mason-law.ca.

About Giyani

Giyani's mission is to become a sustainable, low-carbon producer of battery materials for the electric vehicle ("EV") industry. The Company has developed a hydrometallurgical process to produce HPMSM, a lithium-ion battery cathode precursor material critical for EVs, directly from ore from its manganese oxide deposits in Botswana. The Company's assets include K.Hill and the Otse and Lobatse manganese prospects.

Additional information and corporate documents may be found on [Giyani Metals Corp.](http://GiyaniMetalsCorp.com) website at www.giyanimetals.com and copies of the material ARCH funding package documents have been or will be posted to the Company's profile on SEDAR+ at www.sedarplus.com.

On behalf of the Board of Directors of [Giyani Metals Corp.](http://GiyaniMetalsCorp.com)

Danny Keating, President and CEO
Tel: +1 289 291 7632
dkeating@giyanimetals.com

Charles FitzRoy, Head of Corporate Development & Strategy
cfitzroy@giyanimetals.com

Hannam & Partners (Financial Adviser)
Andrew Chubb / Franck Nganou
Tel: +44 (0) 20 7907 8500

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

The securities described herein have not been registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws, and accordingly, may not be offered or sold to, or for the account or benefit of, persons in the United States or "U.S. persons," as such term is defined in Regulation S promulgated under the U.S. Securities Act ("U.S. Persons"), except in compliance with the registration requirements of the U.S. Securities Act and applicable state securities requirements or pursuant to exemptions therefrom. This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the Company's securities to, or for the account or benefit of, persons in the United States or U.S. Persons.

Forward Looking Information

This news release contains "forward-looking information" within the meaning of applicable Canadian securities legislation. All statements in this news release, other than statements of historical fact, that address events or developments that Giyani expects to occur, are "forward-looking statements". Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "does not expect", "plans", "anticipates", "does not anticipate", "believes", "intends", "estimates", "projects", "potential", "scheduled", "forecast", "budget" and similar expressions, or that events or conditions "will", "would", "may", "could", "should" or "might" occur.

Such statements include without limitation: drawdown of funds under the IDC Facility and the Company meeting the conditions precedent related thereto, the development of K.Hill to FID, completion of an OFS, construction, commissioning, and operation of the Company's demonstration plant or receipt of TSXV approval for the transactions contemplated in this news release, ARCH's rights under the investor rights agreement and ESG-related initiatives including development of a fully detailed net-zero strategy for the Project.

All such forward-looking statements are based on the opinions and estimates of the relevant management as of the date such statements are made and are subject to certain assumptions, important risk factors and uncertainties, many of which are beyond Giyani's ability to control or predict. Forward-looking statements are necessarily based on estimates and assumptions that are inherently subject to known and unknown risks, uncertainties and other factors that may cause actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking statements. In the case of Giyani, these facts include anticipated operations in future periods, planned exploration and development of its properties, and plans related to its business and other matters that may occur in the future. This information relates to analyses and other information that is based on expectations of future performance and planned work programs.

Forward-looking information is subject to a variety of known and unknown risks, uncertainties and other factors which could cause actual events or results to differ from those expressed or implied by the forward-looking information, including, without limitation: inherent exploration hazards and risks; risks related to exploration and development of natural resource properties; uncertainty in Giyani's ability to obtain funding; commodity price fluctuations; recent market events and conditions; risks related to the uncertainty of Mineral Resource calculations and the inclusion of Inferred Mineral Resources in economic estimation; risks

related to governmental regulations; risks related to obtaining necessary licences and permits; risks related to Giyani's business being subject to environmental laws and regulations; risks related to the Company's mineral properties being subject to prior unregistered agreements, transfers, or claims and other defects in title; risks relating to competition from larger companies with greater financial and technical resources; risks relating to the inability to meet financial obligations under agreements to which they are a party; ability to recruit and retain qualified personnel; and risks related to the Company's directors and officers becoming associated with other natural resource companies which may give rise to conflicts of interests. This list is not exhaustive of the factors that may affect Giyani's forward-looking information. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in the forward-looking information or statements.

Giyani's forward-looking information is based on the reasonable beliefs, expectations and opinions of the Company's respective management on the date the statements are made, and Giyani does not assume any obligation to update forward looking information if circumstances or management's beliefs, expectations or opinions change, except as required by law. For the reasons set forth above, investors should not place undue reliance on forward-looking information. For a complete discussion with respect to Giyani and risks associated with forward-looking information and forward-looking statements, please refer to Giyani's Annual Information Form, which is filed on SEDAR+ at www.sedarplus.com.

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