

Patriot Battery Metals Announces C\$75M Flow-Through Financing

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VANCOUVER, May 21, 2024 - May 22, 2024 - Sydney, Australia

Highlights

- Patriot is capitalizing on the current advantageous flow through financing conditions by executing a private placement at \$14.54 per share for C\$75m at a 51% premium to the Company's last traded price on the TSX as of May 17, 2024.
- The Company is acting decisively due to recent measures announced in the 2024 Canadian Federal budget, which are to take effect on June 25 2024, and are expected to reduce future Flow-Through premiums to exploration companies.
- The Placement received strong demand from existing and new institutional, professional and sophisticated investors. Existing substantial investors also maintained their pro-rata in the placement, which included committing to a four month hold on its new securities.
- Placement results in issuance of common shares as well as CDIs which will further increase liquidity on the ASX.
- Proceeds from the flow through capital raise will be used exclusively on exploration at the Corvette Lithium Project for the period June 2024 to December 2025
- Updated mineral resource for CV5 targeted for late Q3 2024.

[Patriot Battery Metals Inc.](#) (the "Company" or "Patriot") (TSX: PMET) (ASX: PMT) (OTCQX: PMETF) (FSE: R9GA) is pleased to announce that it has received firm commitments to raise approximately C\$75 million (before costs) via a fully subscribed charity flow-through offer of approximately 5.16 million common shares of the Company ("Flow-Through Shares") at an issue price of C\$14.54 per share to institutional, professional and sophisticated investors ("Flow-Through Offering"). The issue price represents a 51% premium to the last closing price of Patriot common shares on the TSX as of May 17, 2024.

Patriot Managing Director, Ken Brinsden commented "We are delighted by the very strong support from existing and new institutional and sophisticated investors for the Flow-Through Offering. With a strengthened balance sheet, Patriot is now positioned to continue its exploration and study work at Corvette, aimed at further growing the Corvette mineral resource and testing a number of high priority targets within the Company's broader landholding, and drive the business through to production."

The Flow-Through Offering will be facilitated by PearTree Securities Inc. ("PearTree"). Euroz Hartleys Limited, Argonaut Securities Pty Limited ("Australian Joint Lead Managers"), on behalf of a syndicate that includes Bell Potter Securities Ltd. and Foster Stockbroking as Australian co-managers, and Raymond James Ltd., as Canadian sole bookrunner, on behalf of a syndicate that includes BMO Capital Markets and National Bank Financial Inc. as Canadian co-managers, acted as joint lead managers to the transaction (the "Canadian Agents", and together with the Australian Joint Lead Managers, the "Joint Lead Managers").

The Company intends to use the gross proceeds from the sale of the Flow-Through Shares to incur exploration expenses that are eligible "Canadian exploration expenses" that qualify as "flow-through critical mineral mining expenditures" as such terms are defined in the Income Tax Act (Canada) ("Act"), which will be eligible for a federal 30% investment tax credit for any eligible individual investors and, for any individual investor who is resident or subject to tax in the Province of Quebec or any investor which is a partnership of which a partner or limited partner is subject to tax in the Province of Quebec, the incurred exploration expenses will also be eligible for the two 10% additional deductions under the Taxation Act (Québec) ("Qualifying Expenses").

The closing of the Flow-Through Offering is subject to certain conditions including, but not limited to, approval of the TSX and receipt of all required regulatory and other approvals. Shareholder approval is not required to complete the Flow-Through Offering.

On completion of the Flow-Through Offering, 4.61 million of the Flow-Through Shares will be converted to approximately 46.1 million Chess Depositary Interests ("CDIs") on the basis of 10 CDIs for each share. Pursuant to a block trade agreement among PearTree and the Joint Lead Managers (the "Block Trade Agreement"), the Joint Lead Managers will facilitate the secondary sale of the CDIs to select institutional

investors by way of a block trade at A\$0.85 per CDI ("CDI Block Trade").

In addition, pursuant to the Block Trade Agreement the Canadian Agents will facilitate the secondary sale of the remaining Flow-Through Shares that are not converted to CDIs to select institutional investors by way of a block trade at C\$7.65 per Flow-Through Share ("Shares Block Trade").

The allotment of the Flow-Through Shares will fall within the Company's 15% placement capacity under ASX Listing Rule 7.1. A prospectus under section 713 of the Corporations Act 2001 (Cth) will be issued in connection with the Flow-Through Offering to facilitate secondary trading of the CDIs issued on account of the Flow-Through Shares. Settlement of the Flow-Through Offering is expected to occur on Friday, May 31, 2024 and the Flow-Through Shares issued will rank equally with the Company's existing common shares on issue.

The Flow-Through Shares will be listed on the TSX, and Flow-Through Shares that are not converted to CDIs and are sold pursuant to the Shares Block Trade will be subject to a four (4) month statutory hold period.

Participants in the CDI Block Trade are unable to convert their CDIs into common shares of the Company for the purpose of trading such shares in Canada until four (4) months have elapsed from the settlement date. The Company was able to issue the Flow-Through Shares at a premium as Canadian charity flow-through shares, which provides tax incentives to those investors for expenditures that qualify as Qualifying Expenses. The tax treatment applicable to the Flow-Through Shares does not apply to CDIs subsequently issued on account thereof.

The term "flow-through share" is a defined term in the Act and is not a distinct type of share under corporate law. In this case, the Flow-Through Shares refer to common shares that will be issued by the Company to investors under a written agreement with the investors whereby the Company agrees to incur certain Qualifying Expenses, and to renounce such expenses to the investors. If the Company and the investors comply with the rules of the Act, the investors will be entitled to deduct their proportionate share of the amount renounced in computing their income for Canadian income tax purposes and Quebec income tax purposes, as the case may be and, as a result, the Flow-Through Shares are issued at a higher price. The tax benefits associated with the Flow-Through Shares are available only to the initial subscribers thereof (who are Canadian residents) and not to any other person who acquires the Flow-Through Shares through the on-sale or transfer of those Flow-Through Shares.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States unless registered under the U.S. Securities Act and applicable state securities laws or in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act or the applicable state securities laws.

About [Patriot Battery Metals Inc.](#)

[Patriot Battery Metals Inc.](#) is a hard-rock lithium exploration company focused on advancing its district-scale 100% owned Corvette Property located in the Eeyou Istchee James Bay region of Quebec, Canada, and proximal to regional road and powerline infrastructure. The Corvette Property hosts the CV5 Spodumene Pegmatite with a maiden mineral resource estimate of 109.2 Mt at 1.42% Li₂O inferred¹ and ranks as the largest lithium pegmatite resource in the Americas based on contained lithium carbonate equivalent (LCE), and one of the top 10 largest lithium pegmatite resources in the world. Additionally, the Corvette Property hosts multiple other spodumene pegmatite clusters that remain to be drill tested, as well as more than 20 km of prospective trend that remains to be assessed.

¹ The CV5 mineral resource estimate (109.2 Mt at 1.42% Li₂O and 160 ppm Ta₂O₅ inferred) is reported at a cut-off grade of 0.40% Li₂O with an effective date of June 25, 2023 (through drill hole CV23-190). Mineral resources are not mineral reserves as they do not have demonstrated economic viability.

For further information, please contact us at info@patriotbatterymetals.com or by calling +1 (604) 279-8709, or visit www.patriotbatterymetals.com. Please also refer to the Company's continuous disclosure filings,

available under its profile at www.sedarplus.ca and www.asx.com.au, for available exploration data.

This news release has been approved by the Board of Directors.

"KEN BRINSDEN"

Kenneth Brinsden, President, CEO, & Managing Director

Disclaimer for Forward-looking Information

This news release contains "forward-looking information" or "forward-looking statements" within the meaning of applicable securities laws and other statements that are not historical facts. Forward-looking statements are included to provide information about management's current expectations and plans that allows investors and others to have a better understanding of the Company's business plans and financial performance and condition.

All statements, other than statements of historical fact included in this news release, regarding the Company's strategy, future operations, financial position, prospects, plans and objectives of management are forward-looking statements that involve risks and uncertainties. Forward-looking statements are typically identified by words such as "plan", "expect", "estimate", "intend", "anticipate", "believe", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. In particular and without limitation, this news release contains forward-looking statements pertaining to the Flow-Through Offering, including the approval by the TSX, the closing of the Flow-Through Offering, the conversion of the Flow-Through Shares into CDIs, the sales pursuant to the CDI Block Trade and the sales pursuant to the Shares Block Trade, and the use of proceeds.

Forward-looking information is based upon certain assumptions and other important factors that, if untrue, could cause the actual results, performance or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such information or statements. There can be no assurance that such information or statements will prove to be accurate.

Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used. Forward-looking statements are also subject to risks and uncertainties facing the Company's business, any of which could have a material adverse effect on the Company's business, financial condition, results of operations and growth prospects. Some of the risks the Company faces and the uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements include, among others, the ability to execute on plans relating to the Company's Corvette Project, including the timing thereof. In addition, readers are directed to carefully review the detailed risk discussion in the Company's most recent Annual Information Form filed on SEDAR+, which discussion is incorporated by reference in this news release, for a fuller understanding of the risks and uncertainties that affect the Company's business and operations.

Although the Company believes its expectations are based upon reasonable assumptions and has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. As such, these risks are not exhaustive; however, they should be considered carefully. If any of these risks or uncertainties materialize, actual results may vary materially from those anticipated in the forward-looking statements found herein. Due to the risks, uncertainties and assumptions inherent in forward-looking statements, readers should not place undue reliance on forward-looking statements.

Forward-looking statements contained herein are presented for the purpose of assisting investors in understanding the Company's business plans, financial performance and condition and may not be appropriate for other purposes.

No securities regulatory authority or stock exchange has reviewed nor accepts responsibility for the

adequacy or accuracy of the content of this news release.

The forward-looking statements contained herein are made only as of the date hereof. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent required by applicable law. The Company qualifies all of its forward-looking statements by these cautionary statements.

Competent Person Statement (ASX Listing Rule 5.22)

The mineral resource estimate in this release was reported by the Company in accordance with ASX Listing Rule 5.8 on July 31, 2023. The Company confirms it is not aware of any new information or data that materially affects the information included in the announcement and that all material assumptions and technical parameters underpinning the estimates in the announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the competent person's findings are presented have not been materially modified from the original market announcement.

SOURCE [Patriot Battery Metals Inc.](#)

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