



Battery Mineral Resources Corp. Announces First Closing of Previously Announced Offering of up to US\$6M in Unsecured Convertible Debentures and Closing of Previously Announced Debt Consolidation

Vancouver, British Columbia – (October 19, 2023) – Battery Mineral Resources Corp. (TSXV: BMR) (OTCQB: BTRMF) (“**Battery**” or “**BMR**” or the “**Company**”) is pleased to announce a first closing of the private placement (the “**Private Placement**”) of senior unsecured convertible debentures (the “**Debentures**”), which was previously press released on October 17, 2023, for gross proceeds of US\$1,370,000 (C\$1,871,557). The proceeds from the Debentures will be applied towards working capital and the restart of copper concentrate production at its Punitaqui copper project in Chile (the “**Restart**”).

The Company anticipates announcing an additional closing with respect to the Private Placement in the near-term. The Company paid a cash finder’s fee equal to 6.0% on US\$500,000 (C\$683,050) of the gross proceeds arising from the first closing of the Private Placement for an aggregate finder’s fees of US\$30,000 (C\$40,983).

The Company continues to progress towards securing the balance of the capital required for the Restart and anticipates sharing further updates in that respect in the fourth quarter of 2023. The Company estimates the total capital required for the Restart to be approximately US\$13 million (approximately C\$17.8 million) (prior to corporate costs and other asset holding costs and inclusive of amounts to be raised in the Private Placement).

Offering Terms (as previously announced in the press release dated October 17th, 2023)

The Debentures will mature on September 30, 2026 (the “**Maturity Date**”) and will bear interest at 10% per annum, compounding annually on September 30 of each year, not in advance. Interest accrued from the date of issuance up to and including March 30, 2025 will be paid by way of issuance of common shares of the Company. Interest accrued following March 30, 2025 will be, at the option of the holder, paid either in cash or by way of issuance of common shares of the Company. The issuance of common shares as payment of interest will be at the then current market price of the Company’s common shares at the date the interest becomes payable and will be

subject to the prior acceptance of the TSX Venture Exchange and applicable securities laws.

The holder of a Debenture may, at their option, at any time from March 31, 2024 and prior to the close of business on the business day immediately preceding the Maturity Date, convert all, but not less than all, of the principal amount of such Debenture into common shares of the Company at the conversion price of US\$0.22 per share (approximately C\$0.30 per share).

Debt Consolidation (as previously announced in the press release dated October 17th, 2023)

The Company has issued US\$15,408,039 (C\$21,048,922) in Debentures to holders of existing indebtedness as part of a comprehensive debt consolidation that will simplify the Company's capital structure and extend its near-term debt maturities.

Weston Energy LLC and Weston Energy II LLC, who are existing shareholders of the Company, have exchanged all their outstanding debt in the Company into Debentures. This includes US\$7,411,960 (C\$10,125,478) of convertible debentures (the "**Prior Debentures**") previously held by Weston Energy LLC, a secured bridge loan of US\$5,548,408 (C\$7,579,680) (originally announced on October 21, 2022) previously held by Weston Energy LLC, and an unsecured promissory note of US\$1,889,856 (C\$2,581,732) (originally announced on July 5, 2023) previously held by Weston Energy II LLC, for a total of US\$14,850,224 (C\$20,286,891), in each case inclusive of principal and accrued and unpaid interest, that Weston Energy LLC and Weston Energy II LLC have exchanged into the Debentures.

In addition, all additional holders of the Company's Prior Debentures exchanged their Prior Debentures into the Debentures, which total US\$557,815 (C\$762,031) in principal and accrued and unpaid interest outstanding.

The debt consolidation and the completion of the Private Placement are expected to benefit BMR's balance sheet through an enlarged capital base, an extended term to maturity of the Company's debt, the accrual of interest during the anticipated period of ramp up of copper-silver production at Punitaqui, and through a conversion option that, if exercised by the Debenture-holders, would significantly reduce the Company's financial leverage.

All Debentures issued in the Private Placement and in connection with the debt consolidation are subject to a four month hold period under applicable Canadian securities laws and under the policies of the TSX Venture Exchange. The Debenture issuances are subject to final approval by the TSX Venture Exchange.

CEO Commentary

Martin Kostuik, Battery's CEO stated, *"The advancement of the Punitaqui Project towards a resumption of mine operations and copper concentrate production is absolutely the right choice for our shareholders in terms of setting the stage for increasing shareholder value. The first closing of the Debentures offering and the consolidation of our existing debt is an important step towards enabling the Restart."*

Exchange Rates

All USD amounts for which CAD equivalent amounts are given in this news release were calculated at CAD/USD exchange rate of 1.3661, the exchange rate published by the Bank of Canada on October 13, 2023, which was the date of the Company's initial news release announcing the Private Placement.

MI 61-101 Matters

Weston Energy LLC and Weston Energy II LLC are "related parties" to BMR pursuant to pursuant to Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions ("**MI 61-101**"). Prior to giving effect to the transactions disclosed in this news release, Weston Energy LLC and Weston Energy II LLC and its affiliates owned or controlled (directly or indirectly) 107,578,740 BMR Common Shares on an undiluted basis and 122,491,305 BMR Common Shares assuming the conversion of all Prior Debentures (representing approximately 60.60% and 63.31%, respectively, of the outstanding BMR Common Shares).

The refinancing of the Weston Energy LLC and Weston Energy II LLC debts through the issuance of Debentures will constitute a "related party transaction" for the purposes of MI 61-101. The refinancing is exempt from the formal valuation requirements of MI 61-101 as BMR is not listed on a specified market that would require compliance with such formal valuation requirements (as set forth in Section 5.5(b) of MI 61-101) and is further exempt from the minority shareholder approval requirements of MI 61-101 by virtue of Section 5.7(e) of MI 61-101 which provides that a related party transaction is exempt from the minority shareholder approval requirements if the issuer is in serious financial difficulty, the transaction is designed to improve the financial position of the company (among other criteria) and there is no other requirement to hold a meeting of shareholders to approve the transaction.

As part of their deliberations in respect of the proposed refinancing, the board of directors of BMR, including a special committee composed of independent directors, considered the financial position of BMR and the objectives of the proposed refinancing transactions, and the criteria and conditions with respect to the financial hardship exemptions described above, including the fact that there is no requirement, corporate or otherwise, to hold a meeting to obtain any approval of the holders of BMR Common Shares for such transactions.

Disclaimers

The Debentures (including any issued in future closings) will be sold in a transaction exempt from registration under the Securities Act of 1933, as amended (the "**Securities Act**") and will be sold only to persons reasonably believed to be accredited investors in the United States under Rule 506 under the Securities Act and outside the United States only to non-U.S. persons in accordance with Regulation S under the Securities Act.

The Debentures and the shares of common stock issuable upon conversion of the Debentures, if any, have not been and will not be registered under the Securities Act, or any state securities laws, and unless so registered, may not be offered or sold in the United States except pursuant to an applicable exemption from such registration requirements of the Securities Act and applicable state securities laws.

This press release does not constitute an offer to sell or a solicitation of an offer to buy any of the Debentures or any shares of common stock potentially issuable upon conversion of the Debentures nor shall there be any sale of Debentures (or shares issuable upon conversion thereof) in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such state.

There can be no assurance that any future offerings of Debentures will be completed.

About Battery Mineral Resources Corp.

Battery Mineral Resources is a battery minerals company providing shareholders exposure to the global mega-trend of electrification while being focused on growth through cash-flow, exploration, and acquisitions in favourable mining jurisdictions. Battery Mineral's mission is the discovery, acquisition, and development of battery metals (namely cobalt, lithium, graphite, and copper), in North America, South America and South Korea and to become a premier and responsible supplier of battery minerals to the electrification marketplace. BMR is currently pursuing a near-term resumption of operations of the Punitaqui Mining Complex, a past copper-gold-silver producer, in the Coquimbo region of Chile. BMR is the largest mineral claim holder in the historic Gowganda Cobalt-Silver Camp in Ontario, Canada, and continues to pursue a focused program to build on the recently announced, +1-million-pound high-grade cobalt resource at McAra. In addition, Battery Mineral owns 100% of ESI Energy Services, Inc. (including ESI's wholly owned USA operating subsidiary, Ozzie's, Inc.), a profitable mainline pipeline and renewable energy equipment rental and sales company with operations in Alberta, Canada and Arizona, USA. Battery Mineral Resources is based in Canada and its shares are listed on the Toronto Venture Exchange under the symbol "BMR" and on the OTCQB under the symbol "BTRMF". Further information about BMR and its projects can be found on www.bmrcorp.com.

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Forward Looking Statements

This news release includes certain “forward-looking statements” under applicable securities laws. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements reflect the beliefs, opinions and projections of the Company on the date the statements are made and are based upon a number of assumptions and estimates that, while considered reasonable by the Company, are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies. Many factors, both known and unknown, could cause actual results, performance, or achievements to be materially different from the results, performance or achievements that are or may be expressed or implied by such forward-looking statements and the parties have made assumptions and estimates based on or related to many of these factors. Such factors include, without limitation, the ability of the Company to obtain sufficient financing (including through the Private Placement) to complete exploration and development activities, the ability of the Company to close further tranches of the Private Placement, the completion, timing and size of the proposed Private Placement, the intended use of the proceeds of the Private Placement, risks related to share price and market conditions, the inherent risks involved in the mining, exploration and development of mineral properties, the ability of the Company to meet its anticipated development schedule, government regulation and fluctuating metal prices. Accordingly, readers should not place undue reliance on forward-looking statements. Battery undertakes no obligation to update publicly or otherwise revise any forward-looking statements contained herein, whether as a result of new information or future events or otherwise, except as may be required by law. For further information regarding the risks please refer to the risk factors discussed in Battery’s most recent Management Discussion and Analysis filed on SEDAR+.