



## **BATTERY MINERAL RESOURCES ANNOUNCES INTENTION TO ISSUE C\$5 MILLION IN UNSECURED CONVERTIBLE DEBENTURES**

Vancouver, British Columbia – (January 14, 2022) – Battery Mineral Resources Corp. (TSXV: BMR) (OTCQB: BTRMF) ("**Battery**" or "**BMR**" or the "**Company**") is pleased to announce that it intends to complete a non-brokered private placement of unsecured convertible debentures (the "Debentures") for total gross proceeds of up to C\$5 million. The proceeds from the Debentures will be used to fund an extension of the successful 2021 exploration drilling program at the Company's recently acquired Punitaqui copper project in Chile and for general working capital purposes.

The Debentures will mature on the date (the "Maturity Date") that is three years from the date of issuance. The holder of any Debenture may, at its option, at any time from six months from the date of issuance, 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 C\$0.65 per share.

The Debentures will bear interest at 8% per annum, compounded annually, from the date of issuance, payable upon the earlier of the date of any conversion thereof and the Maturity Date, by way of issuance of common shares of the Company. If a Debenture is converted as of a date that is on or before the first anniversary date (the "First Anniversary Date") that it was issued, interest will be calculated as of the First Anniversary Date, and if a Debenture is converted as of a date that is after the First Anniversary Date but before the second anniversary date (the "Second Anniversary Date") that it was issued, interest will be calculated as of the Second Anniversary Date. Common shares issued for payment of accrued interest on the principal amount of the Debenture will be issued at the market price of the common shares at the time the accrued interest becomes payable, calculated in accordance with the policies of the TSX Venture Exchange. If not converted prior to the Maturity Date, the Debentures will automatically convert upon the Maturity Date into common shares of the Company on the same terms as described above.

At least one of the proposed purchasers of the Debentures is an insider of the Company and, the purchase of any Debenture under the private placement by an insider will be considered a "related party transaction" within the meaning of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* ("MI 61-101"). The Company intends to rely on the exemptions from the formal valuation and minority shareholder approval requirements of MI 61-101 in respect of related party participation in the private placement as neither the fair market value (as determined under MI 61-101) of the subject matter of, nor the fair market value of the consideration for the private placement is expected to exceed 25% of the Company's market capitalization. The Company will not file a material

change report 21 days prior to the closing date because the Company intends to complete the private placement as soon as commercially possible.

The Debentures will be subject to a statutory hold period of four months and one day from the date of issuance. Closing of the private placement is subject to receipt of TSX Venture Exchange approval.

Battery CEO, Martin Kostuik states: *"Attaining funds to enable the advancement of our successful 2021 drilling program is a tremendous opportunity to bring increased value to the shareholders. By continuing the drilling, engineering, and permit modification activities, we are charging ahead towards copper production in a very robust copper market. We will take the opportunity to build on the success of the 2021 program now, instead of taking a pause, and are very encouraged that our largest shareholder is standing by us to help fund our progress – it is a great show of support. This round of financing provides funding to reach our next milestone and is a compelling arrangement with minimal shareholder dilution. We are a battery metal and electrification-focused company, and we remain as excited as ever about this sector of the global economy with copper reaching new highs as the gap between demand and supply continues. We look forward to updating the market and shareholders on further advancement of the Punitaqui mine in the coming days and weeks."*

### **Appointment of New Director to the Board**

The Company is pleased to announce the appointment of Mr. Joseph Tusso to the Company's Board of Directors. Mr. Tusso is currently a partner at Reed Smith LLP, one of the world's largest law firms, which he re-joined in July 2019. His practice focuses on both the origination and resolutions of complex investments and other special situation transactions, including the diligence, structuring, risk management, and resolution process of portfolio investments. Mr. Tusso's corporate, funds and finance experience has covered numerous industries and he has closed hundreds of investment transactions worth billions of dollars. Prior to re-joining Reed Smith, Mr. Tusso spent eight years at a New York City based United States Securities and Exchange Commission registered investment adviser focusing on asset oriented and special situation credit transactions, with assets under management of approximately (USD) \$1.8 billion dollars. Mr. Tusso held numerous C-Suite roles during his tenure, including Chief Operating Officer, General Counsel, Head of Asset Management, and Chief Compliance Officer, as well serving as an officer of the funds' Cayman Islands feeder funds.

Battery Chair of the Board of Directors, Lazaros Nikeas states: "We are very pleased to welcome Joe to the BMR Board. Joe brings more than two decades of both broad, practical experience, and in-depth expertise in corporate governance and regulatory oversight, which will be invaluable as we continue to grow our business and pursue our mission to our shareholders. I look forward to working with him in meeting our corporate strategic goals."

## **Additional Information**

The Company announces it has granted an aggregate of 345,832 options to acquire common shares of the Corporation ("Options"), and an aggregate of 208,332 restricted share units (the "RSUs") to its new director and existing officers of ESI Energy Services Inc. ("ESI"), pursuant to the Stock Option and RSU plan. The Options have an exercise price of C\$0.65 per share, have an eight-year term from the date of grant, and vest over the next 1 to 3 years on the first anniversary of the date of grant. The RSU will vest over the next 1 to 3 years. The Company's RSU and stock-based option plans are aimed to compensate and reward its directors, officers, and employees for working towards the Company's long-term objectives and in alignment with the shareholders' best interest.

## **About Battery Mineral Resources Corp.**

A battery mineral company with high-quality assets providing shareholders exposure to the global mega-trend of electrification and focused on growth through cash-flow, exploration and acquisitions in the world's top mining jurisdictions. BMR is currently developing the Punitaqui Mining Complex and pursuing the potential near term resumption of operations for second half of 2022 at the prior producing Punitaqui copper-gold mine. The Punitaqui mine, operating as recently as April 2020, has typically produced 20 to 25 million lb. of copper in concentrate during its 9 plus year operating history and is located in the Coquimbo region of Chile.

BMR is engaged in the discovery, acquisition, and development of battery metals (cobalt, lithium, graphite, nickel and copper), in North and South America and South Korea with the intention of becoming a premier and sustainable supplier of battery minerals to the electrification marketplace. BMR is the largest mineral claim holder in the historic Gowganda Cobalt-Silver Camp, Canada and continues to pursue a focused program to build on the recently announced, +1-million-pound high grade cobalt resource at McAra by testing over 50 high-grade primary cobalt silver-nickel-copper targets. In addition, the Company owns 100% of ESI Energy Services, Inc., also known as Ozzie's, a mainline pipeline and renewable energy equipment rental and sales company with operations in Leduc, Alberta and Phoenix, Arizona. ESI, established in 1979, typically generates positive EBITDA in the range of C\$4-\$5 million and is poised for growth in 2022. For more information on the business of Ozzie's Pipeline Padder, see <http://ozzies.com>

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## **Forward Looking Statements**

This news release includes certain “forward-looking statements” under applicable Canadian securities legislation. 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 to complete exploration and development activities, risks related to share price and market conditions, the inherent risks involved in the mining, exploration and development of mineral properties, 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.