

Grid Metals Corp. Provides Update on CAD \$6.3 Million Funding Agreement with Lithium Royalty Corp

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TORONTO, January 4, 2022 - [Grid Metals Corp.](#) (TSXV:GRDM)(OTCQB:MSMGF) ("Grid " or the "Company") today announced it has received conditional approval from the TSX Venture Exchange ("TSXV") for the private placement financing, royalty sales and asset sales (the "Transaction") entered into with Lithium Royalty Corp. ("LRC") (a leading pure play battery royalty and streaming company). The Transaction was announced on November 17, 2021. Total funding to Grid in connection to the proposed Transaction is approximately CAD\$6.3 million.

Under the terms of the TSXV conditional approval, the private placement, royalty sales and asset sales which together comprise the Transaction, will be required to be closed concurrently after satisfactory review of all documentation by the TSXV. The targeted closing date for the Transaction of January 12, 2022 will require an extension of the normal period for closing a private placement and this extension has been granted by the TSXV. The final closing of the proposed Transaction remains subject to final documentation and due diligence by LRC.

The Transaction

1. Terms of the proposed private placement portion of the Transaction remain unchanged from those announced on November 17, 2021. The Company will issue 13,962,404 shares in the private placement at an issue price of \$0.1182 per share for proceeds of \$1,650.356. There are no warrants or finders fees issuable as part of the private placement.
2. The Company will also receive aggregate proceeds of US\$1.5 million from the sale of a 25% interest its two lithium projects to LRC. The Company will receive US\$1,250,000 for the 25% interest in the Mayville Property and US\$250,000 for the 25% interest in the Campus Creek Property.. A joint venture for each project will be formed thereafter with each party funding their respective interest
3. The Company will receive on closing US\$ 2.25 million from the sale of a 2% gross overriding royalties on the two lithium projects.

Grid will form a dedicated lithium subsidiary with the intent to list or sell the subsidiary in the future depending on market conditions and exploration results.

ABOUT LITHIUM ROYALTY CORP

LRC is a dedicated battery material investor partnering with battery material companies whose assets exhibit high grade, low cost, and key technical attributes that will help drive this once in a hundred year thematic. LRC is predominantly focused on investing in lithium due to extremely low obsolescence risk. LRC brings a wealth of experience and expertise with industry executives, portfolio managers, geologists, chemical engineers, and others as part of its team. LRC is able to originate and execute niche transactions with the aid of its extensive network with the electric vehicle ecosystem.

For more information about LRC please visit <https://lithiumroyaltycorp.com/>

ABOUT GRID METALS CORP.

[Grid Metals Corp.](#) has a portfolio of exploration and development stage properties focused on battery metals which are located in the Provinces of Manitoba and Ontario, Canada. Grid's lithium assets are the Mayville Lithium property which covers Donner Lake lithium pegmatites located on the north arm of the Bird River

Greenstone Belt and in Ontario the Company has an option on the Campus Creek Lithium Property near Ignace Ontario.

Grid also has several other properties including the Makwa-Mayville Ni-Cu-PGM-Cobalt project in Manitoba which has a NI 43-101 compliant nickel copper PGM cobalt resource included in a 2014 PEA; the East Bull Lake Palladium Project near Sudbury Ontario and the Bannockburn Nickel Project south of Timmins Ontario.

Dave Peck P. Geo is the qualified person for Grid Metals for purposes of National Instrument 43-101 and has reviewed the contents of this press release.

To find out more about Grid Metals Corp., please visit www.gridmetalscorp.com.

On Behalf of the Board of [Grid Metals Corp.](http://www.gridmetalscorp.com)

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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.

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.

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