



## PRESS RELEASE

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### **CRITICAL ELEMENTS LITHIUM CORPORATION OBTAINS CONDITIONAL \$20 MILLION IN FEDERAL FUNDING FOR CRITICAL MINERALS INFRASTRUCTURE PROJECT**

**February 6<sup>th</sup>, 2025** - MONTRÉAL, QUÉBEC – Critical Elements Lithium Corporation (TSX-V: CRE) (US OTCQX: CRECF) (FSE: F12) ("**Critical Elements**" or the "**Corporation**") is pleased to announce that it has been conditionally approved for up to \$20 million funding from the Government of Canada to relocate 4.2 kilometres of power transmission line infrastructure and build a new electrical sub-station to supply Critical Elements' Rose Lithium-Tantalum Project in Eeyou Istchee James Bay, Québec (the "**Rose Lithium-Tantalum Project**").

This funding comes from the Critical Minerals Infrastructure Fund (the "**CMIF**"), Natural Resources Canada's flagship program under the Canadian Critical Minerals Strategy to support transportation and clean energy infrastructure projects needed to increase the supply of critical minerals in Canada, as well as the development of national and global value chains in support of a green and digital economy. Subject to final due diligence, settlement of definitive documentation, and other customary conditions, Natural Resources Canada has approved a conditionally repayable funding of up to \$20 million under the CMIF for this infrastructure project that will support the development of Rose Lithium-Tantalum Project.

Jean-Sébastien Lavallée, CEO of Critical Elements, expressed his excitement about this funding during this important phase of the Rose Lithium-Tantalum Project: "On behalf of Critical Elements Lithium Corporation and its shareholders, I would like to thank Natural Resources Canada and Innovation, Science and Economic Development Canada, and Quebec's Ministry of Natural Resources and Forests for their support of the Rose Lithium-Tantalum Project. Critical Elements Lithium has been steadily advancing and derisking the Rose Lithium-Tantalum Project and the provision of these funds is an important step in this process. We would also like to note the importance of our strong relationship with our Cree neighbours, embodied by the Pihkuutaau Agreement of July 2019 and based on mutual trust and respect, resulting in a sustainable development approach. It is clear from our ongoing discussions with end-users of the high quality spodumene concentrate to be produced from the Rose Lithium-Tantalum Project, that a great value is placed on the demanding standards of sustainability and governance honed by the rigorous permitting processes at the Provincial and Federal levels, as well as our relationship with the Cree. We remain confident that our Nation's natural resource endowment, high standards of production, and proximity to two of the most important global markets, will support our drive to be an industry leader in the ongoing global energy transition."

"This project, under the Canadian Critical Minerals Strategy, will help expand Quebec's sustainable critical minerals production, notably rare earths that are used in electronics, clean energy, aerospace, automotive and defence", said the Honourable Jonathan Wilkinson, Minister of Energy and Natural Resources Canada. "Developments like this help mines get built faster, and they are a key element in seizing the generational opportunity before us. The Government of Canada is supporting projects that strengthen Canada's supply chains, enhance our ability to be a reliable supplier of the critical minerals the world is demanding and foster economic growth while creating good jobs."

This support and funding from the Government of Canada reflects the importance of Indigenous engagement and collaboration in developing key infrastructure in Northern Québec. It also recognizes the role this infrastructure project will play in supporting Critical Elements' vision to become a large-scale, sustainable and reliable supplier of lithium for the emerging electric vehicle and energy storage industries through valuable partnerships with the Corporation's stakeholders based on care, respect, accountability, integrity & collaboration to the growing EV and energy storage markets.

## About Critical Elements Lithium Corporation

Critical Elements aspires to become a large, responsible supplier of lithium to the flourishing electric vehicle and energy storage system industries. To this end, Critical Elements is advancing the wholly-owned, high-purity Rose Lithium-Tantalum project in Québec, the Corporation's first lithium project to be advanced within a land portfolio of over 1,050 km<sup>2</sup>. On August 29, 2023, the Corporation announced results of a new Feasibility Study on Rose for the production of spodumene concentrate. The after-tax internal rate of return for the Project is estimated at 65.7%, with an estimated after-tax net present value of US\$2.2B at an 8% discount rate. In the Corporation's view, Québec is strategically well-positioned for US and EU markets and boasts good infrastructure including a low-cost, low-carbon power grid featuring 94% hydroelectricity. The project has received approval from the Federal Minister of Environment and Climate Change on the recommendation of the Joint Assessment Committee, comprised of representatives from the Impact Assessment Agency of Canada and the Cree Nation Government, received the Certificate of Authorization pursuant to section 164 of Québec's *Environment Quality Act* from the Québec Minister of the Environment, the Fight against Climate Change, Wildlife and Parks, and the project mining lease from the Québec Minister of Natural Resources and Forests under the Québec *Mining Act*.

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### Cautionary statement concerning forward-looking statements

This news release contains "forward-looking information" within the meaning of Canadian Securities legislation. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "scheduled", "anticipates", "expects" or "does not expect", "is expected", "scheduled", "targeted", or "believes", 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". Forward-looking information contained herein should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether, or the times at or by which, such future events or performance will be achieved. No assurance can be given that any events anticipated by the forward-looking information will transpire or occur, including, if CMIF and Natural Resources Canada will be satisfied with their final due diligence on the Corporation's Rose Lithium-Tantalum Project and the two infrastructure projects that will be subject to the funding (the "**Infrastructure Projects**"), if the Corporation will enter into a written funding agreement with Natural Resources Canada (the "**Funding Agreement**") on terms acceptable to it, as well as the timing to enter into such Funding Agreement, if the Corporation will incur eligible expenditures in connection with the Infrastructure Projects and if the Corporation will receive any funds under the CMIF and timing to receive them, if any. Such forward-looking information and statements are based on numerous assumptions, including that general business and economic conditions will not change in a material adverse manner, that fundamentals of lithium / spodumene demand and EV market growth and capacity will continue to be strong, that project financing will be available on reasonable terms, and that governmental and other approvals required to conduct the Corporation's development activities and planned exploration will be available on reasonable terms and in a timely manner. Although the assumptions made by the Corporation in providing forward-looking information or making forward-looking statements are considered reasonable by management at the time, there can be no assurance that such assumptions will prove to be accurate.

Although Critical Elements has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. Factors that may cause actual results to differ materially from expected results described in forward-looking information include, but are not limited to: changes to the Infrastructure Projects or to the development plans of the Corporation's Rose Lithium-Tantalum Project, negative operating cash flow and dependence on third party financing, uncertainty of

additional financing, reliance on key management and other personnel, potential downturns in (i) general economic conditions, (ii) demand for lithium / spodumene and (iii) EV market growth, capacity and demand, actual results of exploration activities being different than anticipated, changes in exploration programs based upon results, risks generally associated with the mineral exploration industry, environmental risks, changes in laws and regulations, community relations and delays in obtaining governmental or other approvals, as well as those risk factors set out in the Corporation's Management Discussion and Analysis for its most recent quarter ended November 30, 2024 and other disclosure documents available under the Corporation's SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca).

Forward-looking information contained herein is made as of the date of this news release. Although the Corporation has attempted to identify important factors that could cause actual results to differ materially from those contained in the forward-looking information or implied by forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. Accordingly, readers should not place undue reliance on forward-looking statements or information. The Corporation undertakes no obligation to update or reissue forward-looking information as a result of new information or events except as required by applicable securities laws.