

TEARLACH

TEARLACH ACQUIRES FLAGSHIP QUEBEC LITHIUM PROPERTIES ADJACENT TO PATRIOT BATTERY METALS CORVETTE DEPOSIT AND WINSOME RESOURCES

Vancouver, British Columbia – January 12, 2023 – Tearlach Resources Limited (TSXV: TEA) (OTC: TELHF) (FRANKFURT: V44) (“**Tearlach**” or the “**Company**”) is pleased to announce that it has signed an option agreement (the “**Option Agreement**”) to acquire a 100% interest in the claims groups within the CV lithium trend in Quebec (the “**Shelby Properties**”)

- The Shelby Properties are adjacent to Patriot Battery Metals Inc.’s (TSXV: PMET) (“**PMET**”) Corvette Lithium Property located in the James Bay Region of Quebec (the “**Corvette Property**”) and Winsome Resources Ltd.’s (ASX: WR1) (“**Winsome**”) Cancet discovery drill hole (the “**Cancet Property**”).
- The Shelby Properties also cover approximately 11,226 hectares. The region has gravel highway access and an airport at the power generating station at La Grande Quatre. (Figure 1).

“These strategic acquisitions in Quebec add to our growing portfolio of high potential lithium properties in one of most prolific lithium jurisdictions in Canada. The “Shelby Project” properties, located adjacent to PMET’s Corvette deposit and Winsome’s Cancet discovery, are just another example of our ability to acquire potential company builder properties through a highly experienced team and access to our unique pipeline. We look forward to boots-on-the-ground execution in the very near future.” commented CEO Morgan Lekstrom.

CEO Morgan Lekstrom further commented, “The Corvette Lithium Trend is an emerging spodumene pegmatite district discovered by PMET in 2017. PMET’s best drill intercept to date of 1.65% Li₂O over 159.7 metres including 4.12% Li₂O over 9.0 metres as reported in their press release dated August 31, 2022, supports Tearlach’s acquisition strategy and overall thesis in building a leading lithium company.”

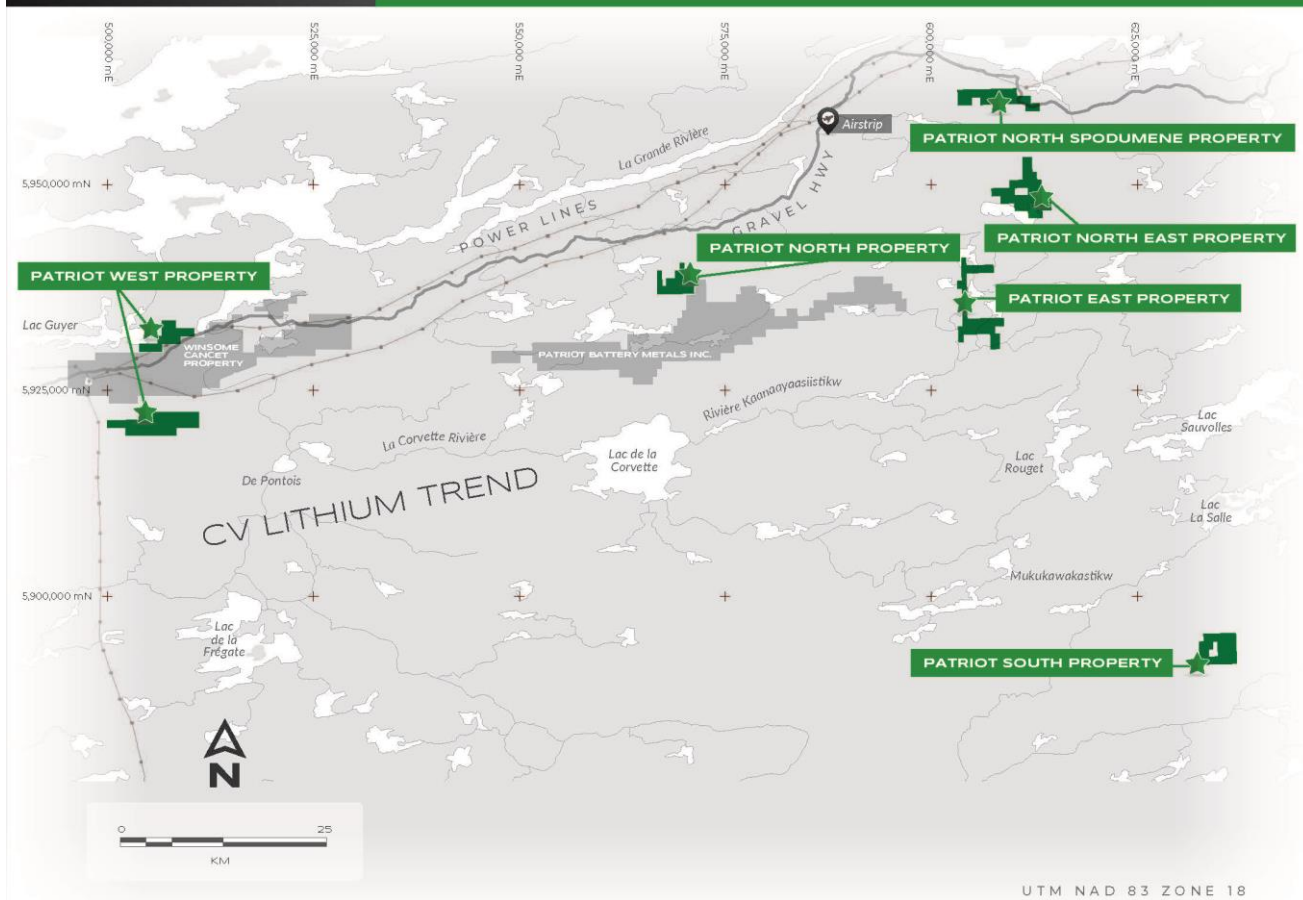


Figure 1: Tearlach's Quebec properties overview map "The Shelby Project"

The "Shelby Project" consists of six properties: Patriot West (2 claim blocks), Patriot North, Patriot North Spodumene, Patriot North East, Patriot East and Patriot South. The Shelby Properties are within the La Grande Greenstone Belt along the La Grande and Opinaca Subprovince boundaries.

All properties are underexplored and have been acquired on very favourable terms by our highly experienced team with access to a unique pipeline of projects through fostered business relationships.

#1) The Patriot South Property (the "PSL")

The PSL comprises 28 claims totalling 1,446 hectares of lithium potential claims in close proximity to several other significant lithium showings. The Property is located: south east of the Corvette Property and south west of Winsome's Adina Lithium Project

According to Ministère de l'Énergie et des Ressources Naturelles (the "MERN"), the property may contain spodumene pegmatites in the Suite granitique du Vieux Comptoir rock unit.

#2) The Patriot North Property (the “PNL”)

The PNL comprising 20 claims totalling 1,023 Hectares of lithium potential claims, directly adjacent to the Corvette Property, which hosts significant mineral potential over multiple deposit types. The Corvette Lithium Trend is an emerging spodumene pegmatite district discovered by PMET in 2017. PMET’s best drill intercept to date of 1.65% Li₂O over 159.7 metres including 4.12% Li₂O over 9.0 metres as reported in their press release dated August 31, 2022.

#3) The Patriot East Property (the “PEL”)

The PEL comprising 36 claims totalling 1,887 hectares, is located east of the Corvette Property.

Patriot East Property has two pegmatite outcrops of which one is hosted in biotite magnetite tonalite and the other is hosted by hornblende diorite according to Quebec’s Sigeom website.

#4) Patriot North East Property (the “PNEl”)

The PNEl comprising 44 claims totalling 2,224 hectares, is located northeast of the Corvette Property and is adjacent to Midland Exploration Inc. (TSXV: MD) and Redevances Noranda Inc.

The Patriot North East Property consists of foliated medium-grained biotite magnetite with white to pink pegmatite dykes identified in 12 outcrops according to Quebec’s Sigeom website.

#5) The Patriot North Spodumene Property (the “PNSL”)

The PNSL comprising 30 claims totalling 1,530 hectares, is located northeast of the Corvette Property. The PNSL is located directly adjacent to SOQUEM Inc.

The Patriot North Spodumene property consists of foliated fine-grained biotite magnetite tonalite with white to pink pegmatite dykes identified in seven outcrops according to Quebec’s Sigeom website. No spodumene or lithium mineralization has been identified on the property yet.

According to Ministère de l’Énergie et des Ressources Naturelles (the “MERN”), the property may contain spodumene pegmatites in the Suite granitique du Vieux Comptoir rock unit.

#6) The Patriot West Property (the “PWL”)

The PWL comprising two claim blocks with 60 claims totalling 3124 hectares, is located adjacent and near adjacent to Winsome’s Cancet Property.

The Patriot West claim block south of Cancet consists of foliated biotite-magnetite tonalite with four outcrops of pink to white pegmatite veins according to Quebec’s Sigeom website.

The Region

The James Bay Region of Quebec hosts existing lithium deposits, as well as new discoveries such as the Corvette Property and Winsome’s Adina Lithium Project.

- James Bay Lithium Deposit – Proven & Probable Reserve 37.2Mt at 1.3% Li₂O (Alkem Limited press release dated Dec. 21, 2021)
- Rose Deposit – Probable Reserve – 26.3 Mt at 0.87% Li₂O & 138 ppm Ta₂O₅ (Critical Elements Lithium Corporation press release dated June 13, 2022)
- Whabouchi Deposit – Proven & Probable Reserve – 27.9Mt at 1.33% Li₂O (Nemaska Lithium Inc, NI 43-101 Technical Report dated May 31, 2019)
- Moblan Deposit– Proven & Probable Reserve – 10.7Mt at 1.40% Li₂O (Sayona Mining Limited, dated Aug. 24, 2019)

The Qualified Person has not verified the regional reserve estimates listed in this press release. The QP

has mentioned the regional lithium reserves as an indication of the potential of lithium mineralization in the region. Regional reserves does not necessarily indicate lithium mineralization on Tearlach's Shelby Properties. Key assumptions, parameters and methods used to prepare the reserves are given by the companies in the sources. The regional reserves are the most current reserves publicly disclosed on the properties to the best of the QP's knowledge.

Recent drilling by Winsome has highlighted more than 160 metres of pegmatite collectively intercepted in drilling below the recently discovered Jamar outcrop at Adina ([see Winsome press release dated October 28, 2022](#)). In addition, most recent assays from the Jamar outcrop have yielded exceptional grades of up to 4.89% Li₂O ([see Winsome press release dated October 28, 2022](#)). Winsome has made a very important discovery in their recent drilling program at Adina, highlighting the potential for another significant lithium deposit in Quebec. The James Bay region of Quebec is an exciting emerging lithium district.

The Transaction

Pursuant to the Option Agreement, Tearlach may acquire a 100% interest in each of the 6 properties from arm's length vendors by making cash payments, issuing common shares in the capital of Tearlach ("Common Shares") with milestone bonuses. An initial 300,000 shares will be paid to the vendor as a one-time payment in addition to the payments listed below per property:

	Cash Payments	Value of shares to be Issued	Milestone
	\$	\$	\$
Upon signing the Option Agreement	545,454,54	545,454,54	-
1 st Year Anniversary	545,454,54	545,454,54	-
2 nd Year Anniversary	545,454,54	545,454,54	-
3 rd Year Anniversary	545,454,54	545,454,54	-
Upon successful drilling result of 10 meters of 1% or greater Li ₂ O over a 6 year period	-	-	2,000,000

The vendors will retain a 3% net smelter return ("NSR") royalty on the Properties with a one-half of a percentage point buyback for \$1 million.

The transactions contemplated by the Option Agreement, including the issuance of Common Shares thereunder, are subject to the approval of the TSX Venture Exchange. Any Common Shares issued under the Option Agreement will be subject to a hold period of four months and one day from the date of issuance in accordance with applicable Canadian securities laws.

Qualified Person

Julie Selway, Ph.D., P.Geo. reviewed and approved the technical disclosure in this news release. Dr. Selway is the VP of Exploration for Tearlach Resources and the Qualified Person ("QP") as defined by National Instrument 43-101. Dr. Selway completed a Ph.D. on granitic pegmatites in 1999 and worked for 3 years as a pegmatite geoscientist for the Ontario Geological Survey. Dr. Selway has worked on numerous pegmatites over the years including: Case Lake, Gullwing-Tot Lakes, Separation Rapids, Georgia Lake and Seymour Lake pegmatites. Dr. Selway also has twenty-three scientific journal articles on pegmatites.

About Tearlach

Tearlach is a Canadian exploration company engaged in the acquisition, exploration and development of lithium projects. Tearlach holds an interest in the Final Frontier Project, which includes the Pakwan / Margot

Lake Claim block, which is directly contiguous to Frontier Lithium's Flagship Spark and Pag deposits, as well as interests in the Wesley, Harth and Ferland properties, all located in the lithium hub of northwestern Ontario, Canada. The Wesley Property borders Green Energy Metals' Root Lake Project, where a 24,000 m drill program is currently underway. Pegmatite dykes have also been encountered on the Harth Lithium Project, which is 8 kms west of the Wesley Lithium Project. Prospecting and mapping have also confirmed pegmatite dykes on the Ferland Lithium Property, 10 km east of Green Technology Metals' Seymour Lake Project. Tearlach intends to explore these assets and develop a portfolio of projects in North America through acquisition. Tearlach's primary objective is to position itself as the leading lithium exploration and development company in North America. Additional information on the Company is available at the website at www.tearlach.ca.

Omnibus Option Plan Adoption

The Company has adopted a hybrid omnibus incentive plan (the "**Plan**") which consists of a 10% rolling component for stock options and a fixed number component for equity awards other than stock options, including restricted share units, performance share units and deferred share units. The fixed number component reserves an aggregate maximum amount of 8,144,350 shares in the capital of the Company for future issuance. The Plan has been approved by the board of directors of the Company and remains subject to approval by the TSX Venture Exchange (the "**TSX-V**") and the Company's shareholders.

If the Company elects to grant equity awards under the Plan prior to TSX-V and shareholder approval, the vesting of such awards will, in addition to any other vesting criteria required by the Company, be subject to disinterested shareholder approval at the Company's next annual general and special meeting.

Following initial shareholder approval of the Plan, shareholder approval must be obtained annually at the Company's future annual general and special meetings as long as the Plan is effective. In addition, the Plan must be submitted for TSX-V review and acceptance on an annual basis.

ON BEHALF OF THE BOARD OF DIRECTORS,
TEARLACH RESOURCES LTD.

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The Company has engaged the OGIB Corporate Bulletin ("OGIB") to publish a series of articles on the Company over the next six months to increase awareness of the Company, the Company will pay a fee of \$200,000. OGIB is an arm's-length party to the Company.

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Neither the TSX Venture Exchange nor its Regulation Service provided (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Cautionary Note Regarding Forward-Looking Statements

This news release contains forward-looking statements and forward-looking information (collectively, “forward-looking statements”) within the meaning of applicable Canadian securities legislation. All statements, other than statements of historical fact, included herein, including, without limitation, the closing of the Agreement and the exercise of the Option, and the anticipated business plans and timing of future activities of the Company, are forward-looking statements. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Forward-looking statements are typically identified by words such as: “believes”, “expects”, “anticipates”, “intends”, “estimates”, “plans”, “may”, “should”, “would”, “will”, “potential”, “scheduled” or variations of such words and phrases and similar expressions, which, by their nature, refer to future events or results that may, could, would, might or will occur or be taken or achieved. In making the forward-looking statements in this news release, the Company has applied several material assumptions, including without limitation, that the Company will receive all necessary approvals in connection with the Agreement, market fundamentals will result in sustained Lithium demand and prices, the receipt of any necessary permits, licenses and regulatory approvals in connection with the future development of the Properties in a timely manner, the availability of financing on suitable terms for the development and continued operation of the Company’s projects and its ability to comply with environmental, health and safety laws.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance, or achievements of the Company to differ materially from any future results, performance or achievements expressed or implied by the forward-looking information. Such risks and other factors include, among others, requirements for additional capital, operating and technical difficulties in connection with mineral exploration and development activities, actual results of exploration activities, including on the Properties, the estimation or realization of mineral reserves and mineral resources, the fact that the Company’s interests in the Properties are an option only and there is no guarantee that such interests, if earned, will be certain, the timing and amount of estimated future production, the costs of production, capital expenditures, the costs and timing of the development of new deposits, requirements for additional capital, future prices of lithium, changes in general economic conditions, changes in the financial markets and in the demand and market price for commodities, lack of investor interest in future financings, accidents, labour disputes and other risks of the mining industry, delays in obtaining governmental approvals (including of the TSX Venture Exchange), permits or financing or in the completion of development activities, changes in laws, regulations and policies affecting mining operations, title disputes, the inability of the Company to obtain any necessary permits, consents, approvals or authorizations, environmental issues and liabilities, and risks related to joint venture operations, and other risks and uncertainties disclosed in the company’s continuous disclosure documents. All of the Company’s Canadian public disclosure filings may be accessed via www.sedar.com, and readers are urged to review these materials.

Readers are cautioned not to place undue reliance on forward-looking statements. The Company does not undertake any obligation to update any of the forward-looking statements in this news release or incorporated by reference herein, except as otherwise required by law.