South Star Battery Metals Announces Land Purchase, Construction Update, and the Approval of the Definitive Mining Licenses For Phases 1, 2 & 3 for its Santa Cruz Graphite Mine in Brazil

Santa Cruz Graphite Mine Highlights:

- **Final payment of land purchase for Phase 1 Plant and Operations.**
- **Approval of the Definitive Mining Licenses For Phases 1, 2 & 3. All mining and environmental licenses/permits are approved and in-hand for the future phased, modular expansion of Santa Cruz graphite production up to 50,000 tonnes/year.**
- **Phase 1 construction is on schedule for substantial completion by the end of June 2024 followed by a 6-week plant commissioning and ramp-up period. Commercial sales are planned to start in September 2024. Name plate production capacity is expected to be reached in Q4 2024.**

Vancouver, Canada, June 19, 2024—South Star Battery Metals Corp. ("**South Star**" or the "**Company**") (TSXV: STS) (OTCQB: STSBF) is pleased to announce the final payment of the previously announced (Aug. 02, 2022) land purchase required for construction of the Phase 1 mine and plant facilities. The farm totals approximately 325 hectares and is where all the plant facilities, mine and infrastructure installations are required for the first three years of operations at its Santa Cruz Graphite Project in Bahia, Brazil.

Santa Cruz Graphite Definitive Mining License For Phases 1, 2 and 3 and Mine Construction Update

The definitive mining license for 5 areas totaling 4,431 hectares for South Star's flagship Santa Cruz Graphite Mine ("**Santa Cruz**") in northeastern Brazil's Bahia state has been approved by the Brazilian Ministry of Mines and Energy ("**MME**"). These licenses are for life-of-mine and include all the main areas required for Phases 1, 2 and 3 mining operations. Three additional claims are in final evaluation at MME, and the Company expects approval by Q3 2024.

South Star's flagship Santa Cruz Graphite Mine ("**Santa Cruz**") in northeastern Brazil's Bahia state is scheduled to complete construction of the Phase 1 plant in June of 2024, followed by an estimated six weeks of commissioning and production ramp-up. The current Phase 1 plant can produce approximately 1,000 tonnes per month, once steady-state operations are reached.

Richard Pearce, CEO of South Star, remarked, "*The Company now owns the land where our Phase 1 installations and operations are located, and the purchase further strengthens our balance sheet. With the approval of the definitive mining licenses, Phases 2 and 3 of Santa Cruz are now derisked from a permitting and licensing standpoint, and we have a clear path to scaling production as the markets and our clients ask for additional high-quality Brazilian graphite concentrates. Our agreement with Sprott already secures approximately 50% of our Phase 2 CAPEX, and our team is pushing to complete an updated Feasibility Study on Santa Cruz incorporating Phase 3 production. As promised, our team is executing on our strategy to deliver responsible production with phased, modular plants, scalable assets in Tier-1 jurisdictions, and a go-to-market strategy to take advantage of being one of the first movers in the Americas. Santa Cruz is the first new graphite production in the Americas since 1996.*"

# # #

ABOUT SOUTH STAR BATTERY METALS CORP.

South Star Battery Metals Corp. is a Canadian battery metals project developer focused on the selective acquisition and development of near-term production projects in the Americas. South Star's Santa Cruz Graphite Project, located in Southern Bahia, Brazil is the first of a series of industrial and battery metals projects that will be put into production. Brazil is the second-largest graphite-producing region in the world with more than 80 years of continuous mining. Santa Cruz has at-surface mineralization in friable materials, and successful large-scale pilot-plant testing (> 30t) has been completed. The results of the testing show that approximately 65% of graphite concentrate is +80 mesh with good recoveries and 95%-99% graphitic carbon (Cg). With excellent infrastructure and logistics, South Star is fully funded for Phase 1, and the construction and commissioning are underway. Santa Cruz will be the first new graphite production in the Americas since 1996, with Phase 1 commercial production projected in Q3 2024. Phase 2 production (25,000 tpa) is partially funded and planned for 2026, while Phase 3 (50,000 tpa) is scheduled for 2028.

South Star's second project in the development pipeline is strategically located in Alabama in the center of a developing electric vehicle, aerospace, and defense hub in the southeastern United States. The BamaStar Project includes a historic mine active during the First and Second World Wars. A NI43-101 technical report with the maiden resource estimate has been filed on SEDAR. Trenching, Phase 1 drilling, sampling, analysis, and preliminary metallurgical testing have been completed. The testing indicates a traditional crush/grind/flotation concentration circuit that achieved grades of approximately 94-97% Cg with approximately 86% recoveries. South Star is executing on its plan to create a multi-asset, diversified battery metals company with near-term operations in strategic jurisdictions. South Star trades on the TSX Venture Exchange under the symbol STS, and on the OTCQB under the symbol STSBF.

South Star is committed to a corporate culture, project execution plan and safe operations that embrace the highest standards of ESG principles, based on transparency, stakeholder engagement, ongoing education, and stewardship. To learn more, please visit the Company website at http://www.southstarbatterymetals.com.

This news release has been reviewed and approved by Richard Pearce, P.E., a "Qualified Person" under National Instrument 43-101 and President and CEO of South Star Battery Metals Corp.

On behalf of the Board,

MR. RICHARD PEARCE
Chief Executive Officer

For additional information, please contact:

South Star Investor Relations
Email: invest@southstarbatterymetals.com
Phone: +1 (604) 706-0212
Website: www.southstarbatterymetals.com

Twitter: https://twitter.com/southstarbm
Facebook: https://www.facebook.com/southstarbatterymetals
LinkedIn: https://www.linkedin.com/company/southstarbatterymetals/

YouTube: South Star Battery Metals – YouTube

CAUTIONARY STATEMENT

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

FORWARD-LOOKING INFORMATION

This press release contains "forward-looking statements" within the meaning of applicable securities legislation. Forward-looking statements relate to information that is based on assumptions of management, forecasts of future results, and estimates of amounts not yet determinable. Any statements that express predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance are not statements of historical fact and may be "forward-looking statements". Forward-looking statements in this press release include, but are not limited to statements regarding moving Santa Cruz into production and scaling operations as well as advancing the Alabama project; and the Company's plans and expectations.

Forward-looking statements are subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking statements, including, without limitation: risks related to failure to obtain adequate financing on a timely basis and on acceptable terms; risks related to the outcome of legal proceedings; political and regulatory risks associated with mining and exploration; risks related to the maintenance of stock exchange listings; risks related to environmental regulation and liability; the potential for delays in exploration or development activities or the completion of feasibility studies; the uncertainty of profitability; risks and uncertainties relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits; risks related to the inherent uncertainty of production and cost estimates and the potential for unexpected costs and expenses; results of prefeasibility and feasibility studies, and the possibility that future exploration, development or mining results will not be consistent with the Company's expectations; risks related to commodity price fluctuations; and other risks and uncertainties related to the Company's prospects, properties and business detailed elsewhere in the Company's disclosure record. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements. Investors are cautioned against attributing undue certainty to forward-looking statements. These forward-looking statements are made as of the date hereof and the Company does not assume any obligation to update or revise them to reflect new events or circumstances. Actual events or results could differ materially from the Company's expectations or projections.