

PRESS RELEASE

CRITICAL ELEMENTS RECEIVES AMENDED CERTIFICATE OF AUTHORIZATION FOR THE ROSE LITHIUM-TANTALUM PROJECT IN QUEBEC

AUGUST 14TH, 2024 – MONTREAL, QUEBEC – **CRITICAL ELEMENTS LITHIUM CORPORATION** (the “**Corporation**” or “**Critical Elements**”) (TSX.V: CRE) (US OTCQX: CRECF) (FSE: F12) is pleased to announce that it has received the amended certificate of authorization (“CA”) for the Rose Lithium-Tantalum project (“**Rose**” or the “**Project**”) from the Ministère de l'Environnement, de la Lutte contre les changements climatiques, de la Faune et des Parcs du Québec. The amendments to the original CA issued on October 31, 2022, include the addition of the following points:

- The construction and development of the permanent workers' camp with a capacity of 250 people;
- The temporary provision of an additional 250 people at the camp during the construction phase;
- The use of two (2) borrow Pit.

This will allow for the Project to submit its Construction permit applications for the Early Earth Works and the Workers' Camp.

The Corporation is also pleased to provide a Project and activities update. While global Electric Vehicle and Energy Storage System sales have continued to grow to record levels, the overall lithium market sentiment and media coverage remains negative as seen through the material share price and valuation challenges experienced by producers through to developers and explorers since April 2022. Critical Elements has not been immune to this correction phase.

Critical Elements management and board of directors continue work in preparation for the completion of a financing package for the Project that allows for a final investment decision while maintaining an attractive capital structure and mitigating risk. Critical Elements is working to arrange a comprehensive financing package to fully fund the development of Rose. Shareholders will be updated as the financing package progress and timelines will be updated as the project financing package is assembled.

The Corporation recognizes the intricacy of these negotiations and due diligence required. At this time, there can be no guarantees as to the timing and outcome of this process. Management is committed to securing an optimal outcome for Rose's development and appreciates the continued support and patience of its investors as the Corporation works to secure the required capital in its stated objective to become a significant and responsible supplier of high-quality lithium to the global supply chain.

Further, it is crucial to note this process is progressing in tandem with the overall development of Rose, as management continues to be proactive with other risk reduction measures. The Corporation's balance sheet has sufficient resources to continue working towards a final investment decision. In the face of Québec's extremely competitive mining human resources market, Critical Elements has assembled a highly-skilled engineering and construction team under Yves Perron, Vice President Engineering, Construction and Operations.

To be ready, Critical Elements is well-advanced in detailed engineering for the key elements required early in construction. These elements include mining pit, the co-disposal, ore and overburden stockpile, infrastructure (pads & road) and water management (including ditches, accumulation storage pond & three (3) water treatment plants for potable, domestic and mine site water) and camp are 100% complete for permitting. These interim engineering efforts have had significant positive impacts, not only on anticipated performance and costs, but also on environmental aspects. For example, relocating the workers' camp to within three (3) kilometres of the mine and replacing a natural gas fired concentrate dryer with filter presses has resulted in a reduction in annual greenhouse gas emissions to an estimated 37,314 tonnes CO₂EQ, a 56% reduction.

IT systems and worker policies, like Health and Safety, Environment, Supplier and others have also been established in preparation for a "go" decision.

Yves Perron, Vice-President Engineering, Construction and Operations and Nancy Duquet-Harvey, Senior Director of Sustainable Development and Environment, supported by the Project owner's team have been instrumental in advancing environmental monitoring, permitting and in meeting required commitments and conditions in advance of Project construction. The Project's major permits and agreements are in place, making it one of the most advanced lithium projects in North America. These include:

- The Pikhuutaau Agreement, an impact and benefits agreement for the development and operation of Rose, signed with the Cree Nation of Eastmain, the Grand Council of the Crees (Eeyou Istchee) and the Cree Nation Government (July 2019);
- Federal Approval of Environmental Impact Assessment and favorable decision from the Minister of Environment and Climate Change (August 2021);
- Approval by the Québec Minister of Natural Resources and Forests of the rehabilitation and restoration plan (May 2022);
- Provincial Certificate of Authorization pursuant to section 164 of Quebec's Environment Quality Act from the Quebec Minister of the Environment, the Fight against Climate Change, Wildlife and Parcs (November 2022);
- Mining Lease from the Québec Minister of Natural Resources and Forests, granted under the Québec Mining Act (September 2023);
- Obtained an order from the Minister of Transport of Canada exempting the Corporation from the prohibition to dewater navigable waters under the Canadian Navigable Waters Act (October 2023); and
- Three industrial occupancy leases (storage and mining infrastructure) and tailings management facility leases granted by the Ministère des Ressources naturelles et des Forêts under the Act respecting lands in the domain of the State (Québec) (February 2024).

The major milestones outlined are essential for the Project's progress, as are the remaining permits and commitments to be addressed.

The Corporation has also substantially completed its pre-construction commitments as defined under the COMEX Authorization and Federal Decision Statement. One of the commitments required is the establishment of a Fisheries Compensation Plan, which is being finalized in conjunction with the Cree Nation Government and Oceans and Fisheries Canada. Scores of community engagement and committee meetings have and are taking place along with meetings with Ministries of the Québec Government, the Cree Nation Government, Société du Plan Nord, Société d'énergie de la Baie James and Hydro-Québec, as well as with the Eastmain, Nemaska, Waskaganish and Waswanipi communities and Tallymen. Constant communication is essential in maintaining the Corporation's strong relationship with stakeholders.

Mr. Perron said: "I'm proud and grateful for the work done by the Project owner's team. We are very well positioned with our team, which is highly experienced in mine project development, construction and commissioning. This experience will be very important for risk management during construction and commissioning of the Rose Lithium-Tantalum project."

Exploration remains an important value driver in terms of resource expansion and mine life extension. As outlined in the news release of April 22, 2024, Critical Elements has made an important new discovery of lithium mineralization at Rose West, situated within the Rose Lithium-Tantalum and Rose South property blocks, which constitute 395 km², or only 38% of the total 1,050 km² in the Corporation's highly prospective exploration portfolio in Québec. Rose West is located only eight (8) kilometres west of the proposed Rose mine and could enhance the Project's mine life and economics. The next step will be a second-round drill program followed by an initial mineral resource estimate if warranted.

We are also cognizant of the exploration success of Power Nickel Inc. ("Power Nickel") on the Nisk property. Power Nickel has earned an 80% interest in the Nisk property and Critical Elements retains a 20% carried interest until such time as a definitive Feasibility Study regarding extraction and production activities on the Property is delivered to the Joint Venture. Critical Elements also holds approximately 13 million shares in Power Nickel. The Corporation is compiling historical data to explore the potential extensions to the geological horizon hosting Power Nickel's Nisk deposit and the new high-grade nickel-copper PGM, gold and silver, Lion discovery, which is located within approximately one (1) kilometre of the boundary with Critical Element's 100% owned Lemare property.

Qualified persons

Yves Perron, Eng. MBA, Vice-President Engineering, Construction and Operations is the qualified persons that have reviewed and approved the technical contents of this news release on behalf of the Corporation.

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 km². 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 include, without limitation, statements relating to expectations regarding Rose project-level activities including (i) completion of the permitting process, (ii) securing a strategic partnership and project financing leading to a Final Investment Decision and (iii) respecting the Rose project ramp up and commissioning timeline, expectations regarding potential value creation from ongoing and future exploration activities on the Corporation’s projects, and the Corporation’s ongoing business plan. 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 Company’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: 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 May 31, 2024 and other disclosure documents available under the Corporation’s SEDAR+ profile (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 Company 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.