EUROPEAN ELECTRIC METALS ENTERS INTO BINDING LETTER OF INTENT TO ACQUIRE EXPLORATION LICENSES IN EUROPE

Vancouver, British Columbia – March 15, 2023. European Electric Metals Inc. (TSXV: EVX) (the "**Company**") is pleased to announce that it has entered into a binding letter of intent dated February 28, 2023 (the "**LOI**") with 1340371 B.C. Ltd. (the "**Target**") whereby the Company has agreed to acquire all of the issued and outstanding common shares of the Target (the "**Transaction**"). The Target has the right, through a local company, to acquire up to five (5) exploration licenses located in Europe.

Terms of Agreement:

Under the terms of the LOI, the Company has agreed to negotiate and settle the terms of a definitive agreement (the "**Definitive Agreement**") whereby the Company will acquire all of the issued and outstanding common shares of the Target. In consideration of the Target, the Company has agreed to issue a total of 5,250,000 common shares (the "**Consideration Shares**") to the shareholders of the Target.

The Consideration Shares will be subject to the following voluntary resale restrictions: (i) 25% of the Consideration Shares will be subject to restrictions on resale until four months after the closing date, (ii) an additional 25% of the Consideration Shares will be subject to restrictions on resale until six months after the closing date; (iii) an additional 25% of the Consideration Shares will be subject to restrictions on resale until nine months after the closing date; and (iv) an additional 25% of the Consideration Shares will be subject to restrictions on resale until twelve months after the closing date.

Neither the Company nor the Target will pay a finder's fee in connection with the Transaction. The Company and its insiders do not have any relationship with the Target, its assets and the non-arm's length parties of the Target. The Transaction is not a non-arm's length transaction.

The Agreement and the transactions contemplated therein are subject to entry into the Definitive Agreement, completion of due diligence of the exploration licenses by the Company, approval of the TSX Venture Exchange and such other customary conditions set forth in the Definitive Agreement.

Private Placement Financing

In connection with the Transaction, the Target plans to carry out a private placement financing of subscription receipts. The amount, pricing and terms will be announced on entry into the Definitive Agreement.

About the Target

The Target is a British Columbia company that has the right to acquire, through a local company, up to five (5) exploration licenses located in Europe. The local company is in the process of applying for the exploration licenses. The Company will provide details on the exploration licenses, including the consideration payable, upon the entry into the Definitive Agreement.

Additional Information

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Forward-Looking Statements

Information set forth in this news release contains forward-looking statements that are based on assumptions as of the date of this news release. These statements reflect management's current estimates, beliefs, intentions and expectations. They are not guarantees of future performance. The Company cautions that all forward-looking statements are inherently uncertain and that actual performance may be affected by many material factors, many of which are beyond their respective control. Such factors include, among other things: risks and uncertainties relating to the Company's limited operating history. Accordingly, actual and future events, conditions and results may differ materially from the estimates, beliefs, intentions and expectations expressed or implied in the forward-looking information. Except as required under applicable securities legislation, the Company does not undertake to publicly update or revise forward looking information.

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