

# E3 Metals announces closing of its Non-Brokered Private Placement Financing, Option Grants and Option Re-Pricing

## Highlights

- E3 Metals announces closing of financing for gross proceeds of \$1,293,000
- The transaction includes a purchase of 1,000,000 Units by Comstock Metals Ltd.

CALGARY, Aug. 21, 2018 /CNW/ - E3 METALS CORP. (TSXV: ETMC) (FSE: OU7A) (OTC: EEMMF) (the "**Company**" or "**E3 Metals**") is pleased to announce the successful closing of its non-brokered private placement financing (the "**Offering**") announced on June 12, 2018. Under the Offering, the Company has issued 3,232,500 units of the Company (the "**Units**") at a price of \$0.40 per Unit (the "**Unit Price**") for gross proceeds of \$1,293,000. Each Unit comprises one common share (a "**Share**") and one common share purchase warrant (a "**Warrant**"). Each Warrant entitles the holder to acquire one Share with an exercise price of \$0.40 for a period of 4 months following the date of issuance, and an exercise price of \$0.60 thereafter. All Warrants expire on August 20, 2019.

In accordance with applicable securities laws and the policies of the TSX Venture Exchange ("**TSXV**"), the Company paid an aggregate \$20,325 in cash commission, and issued an aggregate 67,750 broker warrants on the same terms as the Warrants to certain brokers in connection with the Offering.

All securities issued are subject to a hold period under applicable securities laws in Canada expiring on December 21, 2018.

E3 Metals plans on deploying the raised capital towards progression of its proprietary lithium extraction technology and corporate overhead.

The financing included a purchase of 1,000,000 Units for the sum of \$400,000 by Comstock Metals Ltd. ("**Comstock**"). Through the exercise of warrants, the investment includes the opportunity for Comstock to purchase an additional 1,000,000 Shares over the next 12 months. As announced on August 8<sup>th</sup> 2018, E3 Metals entered in a joint venture agreement with Comstock to acquire and develop prospective new mineral assets in the battery metal space. The agreement is expected to create additional opportunities for the Company to deploy its lithium extraction technology. As part of the agreement, Comstock's President and CEO Steven H. Goldman will join E3 Metals as an advisor.

In addition, the Company will grant stock options on August 21, 2018, to an officer of the Company for the purchase of up to 20,000 Shares of the Company at an exercise price of \$0.40 per Share for a period of 3 years. The options will vest in 25% tranches quarterly, beginning 3 months from grant, in accordance with the policies of the TSXV. The stock option issuance remains subject to TSXV approval.

The Company also announces that it intends to reprice certain stock options, which at the time of grant authorized the purchase of:

- 400,000 common shares at a price of \$0.60 per share until June 27, 2019; and
- 595,000 common shares at a price of \$0.68 per share until November 7, 2019.

All of the foregoing stock options will be repriced to \$0.40 per share, subject to the acceptance of the TSXV. All other terms of the stock options will remain the same.

#### About Steven H. Goldman

In addition to his role as the CEO, President and member of the board of directors of Comstock, Steven H. Goldman is a member of the board of directors and audit committee of Select Sands Corp. (TSX.V: SNS.V) which owns and operates silica sand operations in Arkansas, U.S.A. Select Sands is currently the largest shareholder in Comstock Metals Ltd. Steven has had extensive experience as a board member in various public and private companies. He graduated from Carleton University in 1976 (B.A., President's Medal) and from Queen's University in 1980 (J.D.). He was called to the Bar in Ontario in 1982 and is the founding partner in the Toronto law firm of Goldman Hine LLP. He has been listed in The Best Lawyers in Canada. Steven is currently listed in Lexpert® as a leading legal practitioner in Toronto in the area of franchise litigation. In 2008 and 2009, Steven acted as the President and CEO of both the Speedy Auto Service and Minute Muffler franchise systems, having successfully restructured both companies after they had been purchased from court appointed receivers in Ontario and Alberta.

#### About Comstock Metals.

Comstock Metals Ltd. is a publicly listed exploration company (TSX.V: symbol: CSL.V) with several resource projects located in North America. Presently evaluating opportunities in the battery metal space Comstock recently secured and is currently exploring the Rawhide Cobalt-Silver Project in Ontario. The Rawhide project is in addition to its 2 advanced gold projects: Preview Project in Saskatchewan and QV Project in the Yukon. More information about Comstock Metals Ltd. can be found by visiting the company's website: [www.comstock-metals.com](http://www.comstock-metals.com)

#### About E3 Metals Corp.

E3 Metals is a Petro-Lithium company rapidly advancing the development of direct recovery lithium brine projects in Alberta. E3 Metals holds lithium resources at 6.7 Mt LCE (inferred)<sup>1</sup>. The Company has a compelling competitive advantage by virtue of having access to extensive infrastructure built by the Oil and Gas industry in Alberta. This has provided E3 Metals with low finding costs, as the Company has been able to sample existing wells to define its resource. This infrastructure may also provide wells and pipelines for a future lithium production operation, potentially reducing the Company's future capital requirements. The Company's immediate goal is to scale-up its proprietary chemical concentration process, which it views as a key driver to enable commercial production of its Alberta lithium brine resources. More information about E3 Metals can be found on our website by visiting: [www.e3metalscorp.com](http://www.e3metalscorp.com).

ON BEHALF OF THE BOARD OF DIRECTORS,

Chris Doornbos, President & CEO

E3 METALS CORP.

Chris Doornbos (P.Geo), CEO and Director of E3 Metals Corp., is a Qualified Person as defined by NI 43-101 and has read and approved the technical information contained in this announcement.

<sup>1</sup> E3 Metals has released information on three 43-101 Technical Reports totalling resource of 6.7 Mt LCE. The Central Clearwater Resource Area (CCRA) Technical Report, identifying 1.9Mt LCE (inferred), is dated effective October 27, 2017, and the North Rocky Resource Area (NRRA) Technical Report was dated effective October 27, 2017, identifies 0.9Mt LCE (inferred). Both reports are available on SEDAR ([www.sedar.com](http://www.sedar.com)). A third report for the Exshaw West Resource Area (EWRA), identifies 3.9Mt LCE (inferred) and will be released within the next week.

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

this release.

This news release includes certain forward-looking statements concerning the potential of the Company's projects to produce saleable lithium byproducts, including LCE, the future performance of our business, its operations and its financial performance and condition, as well as management's objectives, strategies, beliefs and intentions. Forward-looking statements are frequently identified by such words as "may", "will", "plan", "expect", "anticipate", "estimate", "intend" and similar words referring to future events and results. Forward-looking statements are based on the current opinions and expectations of management. All forward-looking information is inherently uncertain and subject to a variety of assumptions, risks and uncertainties, including the speculative nature of mineral exploration and development, fluctuating commodity prices, the effectiveness and feasibility of emerging lithium extraction technologies which have not yet been tested or proven on a commercial scale or on the Company's brine, competitive risks and the availability of financing, as described in more detail in our recent securities filings available at [www.sedar.com](http://www.sedar.com). Actual events or results may differ materially from those projected in the forward-looking statements and we caution against placing undue reliance thereon. We assume no obligation to revise or update these forward-looking statements except as required by applicable law.

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