Battery X Metals Advances Development of Next-Generation Patent-Pending Lithium-Ion Battery Rebalancing Machine with Compatibility Targeting the #1 Selling Electric Vehicle Brand in the United States

News Release Highlights:

1. ***Battery X Metals has advanced the development of its next-generation, patent-pending lithium-ion battery rebalancing platform by completing a high-resolution 3D scan of a Tesla Model 3 battery pack, representing an initial step toward expanding compatibility with the #1 selling electric vehicle brand in the United States.***

2. ***The completed high-resolution 3D scan provides the foundational digital reference required to design custom adaptor and connector solutions for the Company's next-generation rebalancing machine, supporting a compatibility strategy across high-volume electric vehicle platforms as millions of EVs approach out-of-warranty status over the coming decade.***

3. ***The advancement supports Battery X Metals' long-term commercialization strategy focused on extending EV battery remaining lifespan, reducing total cost of ownership, and addressing the global market for battery diagnostics, rebalancing, and lifecycle-extension technologies as electric vehicle adoption continues to accelerate.***

VANCOUVER, British Columbia – January 2, 2026 – **Battery X Metals Inc.** (**CSE:BATX**)(**OTCQB:BATXF**)(**FSE:5YW0, WKN:A41RJF**) ("**Battery X Metals**" or the "**Company**") an energy transition resource exploration and technology company, announces a meaningful advancement in the development of its next-generation, patent-pending lithium-ion battery rebalancing technology. Through its wholly-owned subsidiary, Battery X Rebalancing Technologies Inc. ("**Battery X Rebalancing Technologies"**), the Company has completed an important preliminary step toward expanding platform compatibility with one of the most widely adopted electric vehicle platforms in the world.

As part of its ongoing research and development program, the Company has completed a high-resolution three-dimensional (3D) scan of a Tesla Model 3 battery pack (the "**Tesla Battery Pack**"), a vehicle platform associated with the top-selling electric vehicle brand in the United States. Tesla accounted for approximately 45% of U.S. EV sales in 2024.[1] The Tesla Battery Pack was obtained at no cost from an arm's-length automotive service-center collaboration partner and scanned using a portable 3D scanning system to support battery-interface analysis and adaptor development. The resulting scan captures precise geometric and structural data required to digitally model the battery interface and informs the design of custom connector and adaptor solutions for the Company's rebalancing platform.

This technical advancement underscores the Company's methodical adaptor compatibility development strategy, supported by an expanding library of real-world battery-pack data used to enable physical interfacing, diagnostics, and rebalancing workflows. The completed scan of the Tesla Model 3 battery pack provides the foundational digital reference required to begin adaptor and connector engineering work intended to allow the Rebalancing Machine to physically interface with this specific battery architecture.

Following completion of the scan, the Company plans to provide the digital dataset to its development partner, Beijing Pengneng Science & Technology Ltd., for further engineering work focused on adaptor and connector design. This step is expected to support continued development of the Company's second-generation rebalancing system and inform broader compatibility strategies across additional high-volume electric vehicle platforms over time. While no assurance can be given that compatibility will ultimately be achieved or commercialized, the Company believes this advancement represents a necessary and deliberate step in its long-term product development roadmap.

Significance of Tesla to the Electric Vehicle Revolution

The strategic relevance of this work is underscored by the scale and influence of Tesla within the global electric vehicle ecosystem. Tesla has played a central role in reshaping the automotive industry and accelerating EV adoption worldwide, and remains the largest electric vehicle brand in the United States.[1]

The Tesla Model 3, in particular, represents one of the largest single EV populations globally, with cumulative sales estimated at approximately 2.63 million vehicles by the end of the third quarter of 2024.[2] As these vehicles continue to age, a growing proportion is expected to exit original battery warranty coverage over the coming years. By approximately 2032, a significant portion of the Tesla Model 3 fleet currently on the road is expected to be outside warranty, increasing exposure to battery degradation, reduced driving range, and costly replacement requirements.[2,3]

This emerging lifecycle challenge highlights a growing market need for technologies capable of extending remaining useful battery life, restoring lost performance, and reducing total cost of ownership for EV owners. With millions of vehicles approaching or entering out-of-warranty status, demand for advanced battery diagnostics, rebalancing, and second-life solutions is expected to increase materially.[4] The Company is developing its patent-pending rebalancing platform with the objective of addressing this need by correcting cell-level imbalances that degrade battery performance over time, potentially extending the remaining useful life of existing battery packs.

The Company believes that advancing compatibility work with high-volume EV platforms such as the Tesla Model 3 represents a meaningful step toward positioning its patent-pending rebalancing technology within a growing addressable market. As the Company continues to refine its hardware, software, and interfacing capabilities, management remains focused on building a scalable platform designed to support the evolving needs of the global electric vehicle ecosystem.

The Problem: Rising EV Adoption Presents New Battery Lifecycle Challenges

In 2024, global EV sales reached approximately 17.1 million units, representing a 25% increase from 2023.[5] With cumulative global EV sales from 2015 to 2023 totaling an estimated over 40 million units,[6] a significant share of the global EV fleet is expected to exit warranty coverage over the coming years. [7,8]

By 2031, nearly 40 million electric, plug-in hybrid, and hybrid vehicles worldwide are anticipated to fall outside of their original warranty coverage.[7,8] This projection is based on current EV adoption figures and standard industry warranty terms, and underscores a growing risk for EV owners facing battery degradation, reduced capacity, and costly replacement requirements.[9] As the global EV fleet continues to expand, the demand for technologies that extend battery life, reduce long-term ownership costs, and support a sustainable transition to electric mobility is increasing.

The Solution: Pioneering Next-Generation Technologies to Support Lithium-Ion Battery Longevity

Battery X Rebalancing Technologies' proprietary software and hardware technology aims to address this challenge by extending the lifespan of EV batteries. This innovation is being developed with the aim to enhance the sustainability of electric transportation and the goal to provide EV owners with a more cost-effective, environmentally friendly ownership experience by reducing the need for costly battery replacements.

Battery X Rebalancing Technologies' rebalancing technology, validated by the National Research Council of Canada ("**NRC**"), focuses on battery cell rebalancing. The NRC validation demonstrated the technology's ability to effectively correct cell imbalances in lithium-ion battery packs, recovering nearly all lost capacity due to cell imbalance. The validation was conducted on battery modules composed of fifteen 72Ah $LiFePO_4$ cells connected in series. The cells were initially balanced to a uniform state of charge (SOC), with a measured discharge capacity of 71.10Ah. In the validation test, three of the fifteen cells were then artificially imbalanced—one cell was charged to a 20% higher SOC, and two cells were discharged to a 20% lower SOC—resulting in a reduced discharge capacity of 46.24Ah, representing a decrease of approximately 35%. Following rebalancing using Battery X Rebalancing Technologies' rebalancing technology, the battery module's discharge capacity was restored to 70.94Ah, representing the recovery of approximately 99% of the capacity lost due to cell imbalance.

These advancements establish Battery X Rebalancing Technologies as a participant in lithium-ion and EV battery solutions, aiming to tackle the critical challenges of capacity degradation of battery packs and expensive replacements. By extending the lifecycle of battery materials within the supply chain, Battery X Rebalancing Technologies aims to support the energy transition and promote a more sustainable future.

The Results disclosed herein are based on preliminary trial conditions and may not be representative of all vehicle models or usage scenarios. Results may vary depending on vehicle type, battery type and condition, driving behavior, usage, and operating environment.

1 Edmunds, 2 CleanTechnica, 3 RecurrentAuto, 4 Tesla Inc. 5 Rho Motion – Global EV Sales 2024, 6 IEA Global EV Outlook 2024, 7 IEA, 8 U.S. News, 9 Recurrent Auto

About Battery X Metals Inc.

Battery X Metals (CSE:BATX) (OTCQB:BATXF) (FSE:5YW0, WKN: A41RJF) is an energy transition resource exploration and technology company committed to advancing domestic battery and critical metal resource exploration and developing next-generation proprietary technologies. Taking a diversified, 360° approach to the battery metals industry, the Company focuses on exploration, lifespan extension, and recycling of lithium-ion batteries and battery materials. For more information, visit batteryxmetals.com.

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Disclaimer for Forward-Looking Information

This news release contains forward-looking statements within the meaning of applicable securities laws. Forward-looking statements in this release relate to, among other things: the Company's objectives and plans with respect to the development, refinement, and expansion of compatibility for its patent-pending lithium-ion battery rebalancing hardware and software platform; the anticipated benefits and strategic significance of completing a high-resolution 3D scan of a Tesla Model 3 battery pack; the intended use of scan data to support adaptor and connector design development; the ability of the Company's rebalancing machine to interface with specific electric vehicle battery architectures; the advancement of the Company's second-generation rebalancing system; the scalability of the Company's compatibility development strategy across additional high-volume electric vehicle platforms; the future size and age profile of the Tesla Model 3 vehicle population; the potential market opportunity associated with the growing population of out-of-warranty electric vehicles; the expected demand for battery diagnostics, rebalancing, and lifecycle-extension technologies; the ability of the Company's technology to extend battery lifespan, restore performance, reduce total cost of ownership, or mitigate the need for full battery replacement; and the Company's broader strategic objectives to support battery lifecycle extension and sustainable electric mobility solutions. Forward-looking statements are based on management's current expectations, estimates, assumptions, and projections that are believed to be reasonable as of the date of this news release. However, such statements are inherently subject to known and unknown risks, uncertainties, and other factors that may cause actual results, performance, or achievements to differ materially from those expressed or implied by such statements. These risks and uncertainties include, but are not limited to: the ability to successfully design, engineer, and implement adaptor and connector solutions compatible with specific EV battery platforms; technical, engineering, or operational challenges encountered during further development, testing, or validation; variability in results obtained from future testing or real-world applications; limitations associated with early-stage research and development activities; the feasibility of achieving reliable, repeatable, and scalable compatibility across multiple EV platforms; the ability to advance compatibility work from preliminary development to commercial deployment; market acceptance of the Company's rebalancing technology; competitive developments; changes in vehicle manufacturer product strategies or warranty practices; changes in EV technology, battery architectures, or manufacturer specifications; regulatory developments; availability of funding; and general economic, market, and geopolitical conditions. Forward-looking statements reflect management's beliefs, assumptions, and expectations only as of the date hereof and are not guarantees of future performance. There can be no assurance that compatibility with any specific electric vehicle platform will be achieved or commercialized, that adaptor or connector designs will perform as intended in real-world applications, or that the Company's rebalancing technology will achieve widespread commercial adoption. Except as required by applicable securities laws, the Company undertakes no obligation to update or revise any forward-looking information to reflect new information, future events, or otherwise. Readers are cautioned not to place undue reliance on forward-looking statements and are encouraged to consult the Company's continuous disclosure filings available under its profile at www.sedarplus.ca for additional risk factors and further information.