

Champion Electric Announces Closing of Debt Settlement

Toronto, ON – May 22, 2026 – [Champion Electric Metals Inc. \(CSE: LTHM; OTC: CHELF; FSE: 1QB0\)](#) (“**Champion Electric**” or the “**Company**”) announces that, further to its press release dated May 14, 2026, it has settled an aggregate of \$182,826 in outstanding indebtedness owed to certain creditors of the Company, through the issuance of an aggregate of 17,587,584 common shares (each, a “**Share**”) in the capital of the Company at a deemed issuance of \$0.01 per Share (the “**Debt Settlement**”).

The Shares are subject to the following contractual vesting and resale restrictions:

- 25% of the total Shares vest and are released from restriction on September 22, 2026;
- 25% vest and are released from restriction on January 22, 2027;
- 25% vest and are released from restriction on May 22, 2027; and
- 25% vest and are released from restriction on November 22, 2027.

Any sale, transfer, or other disposition of the Shares prior to the applicable vesting date is prohibited.

The Debt Settlement constitutes a “related party transaction” pursuant to Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”) as an insider received an aggregate of 16,440,000 Shares. The Company is relying on the exemptions from the formal valuation and minority shareholder approval requirements of MI 61-101 contained in Section 5.5(b) and Section 5.7(1)(b) of MI 61-101, respectively, on the basis that (i) no securities of the Company are listed or quoted on any of the markets specified in Section 5.5(b) of MI 61-101 and (ii) the fair market value of the securities issued to related parties pursuant to the financing does not exceed \$2,500,000, along with the other applicable circumstances contained in section 5.7(1)(b) of MI 61-101.

This press release does not constitute an offer to sell or a solicitation of an offer to buy the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”) or any state securities laws and may not be offered or sold within the United States or to U.S. Persons as defined under applicable United States securities laws unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

About Champion Electric Metals Inc.

Champion Electric is a discovery-focused exploration company with copper, gold, and cobalt properties in Idaho, United States. The assets include the 100%-owned Champagne polymetallic project in Butte County near Arco, Idaho and the Baner gold project in Idaho County (optioned to Legacy Gold Mines Ltd, TSXV: LEGY). The Company also retains significant claims in the Idaho Cobalt Belt. The Company’s shares trade on the CSE under the trading symbol “LTHM”,

on the OTC Markets under the trading symbol “CHELF”, and on the Frankfurt Stock Exchange under the symbol “1QB0”.

Champion Electric strives to be a responsible environmental steward, stakeholder, and contributing citizen to the local communities where it operates, taking its social license seriously, employing local community members and service providers at its operations whenever possible.

ON BEHALF OF THE BOARD OF CHAMPION ELECTRIC

“Nicholas Konkin”
Nicholas Konkin, Interim President and CEO

To learn more, please visit the Company’s SEDAR profile at www.sedarplus.ca or the Company’s corporate website at www.champem.com.

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Cautionary Statements

Neither the Canadian Securities Exchange nor its regulation services provider has reviewed or accepted responsibility for the adequacy or accuracy of this press release. This press release may include forward-looking information within the meaning of Canadian securities legislation, concerning the business of the Company. Forward-looking information is based on certain key expectations and assumptions made by management of the Company, including closing of the Transactions and the prospectivity of the Projects for lithium. Although the Company believes that the expectations and assumptions on which such forward-looking information is based on are reasonable, undue reliance should not be placed on the forward-looking information because the Company can give no assurance that they will prove to be correct. Forward-looking statements contained in this press release are made as of the date of this press release. The Company disclaims any intent or obligation to update publicly any forward-looking information, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

The Projects are at an early stage of exploration, and the Company cautions that the qualified persons who have reviewed and approved this news release have not verified scientific or technical information produced by third parties.