

Ace Capital Grou Gestora de Recursos LTDA.
Historical Holdings in South Star Battery Metals Corp.

Press Release

August 11, 2023 (São Paulo, Brazil) – This release is being made by Ace Capital Grou Gestora de Recursos LTDA. (“**Ace Capital**”) in its capacity as investment manager of Grou Provence FIA IE, Grou SPO FIA IE, and Grou Aboluto 30 Master (together, the “**Funds**”) to report historical information concerning holdings in South Star Battery Metals Corp. (the “**Issuer**”).

On November 3, 2022 and November 15, 2022, the Funds subscribed for an aggregate of 6,500,000 units (each, a “**Unit**”) of the Issuer (the “**Reportable Event**”) at a price of \$0.53 per Unit, for aggregate subscription proceeds of \$3,445,000. Each Unit was comprised of one common share of the Issuer (each, a “**Common Share**”) and one common share purchase warrant of the Issuer (each, a “**Warrant**”) exercisable for one additional Common Share at an exercise price of \$1.25 per Common Share for a period of five years. Prior to the Reportable Event, Ace Capital had control and direction over no Common Shares or other securities of the Issuer.

As a result of this acquisition of Shares, as at November 15, 2022, Ace Capital may be considered, under Canadian securities laws, to have had control and direction over 6,500,000 Common Shares and 6,500,000 Warrants of the Issuer on behalf of the Funds, which constituted approximately 19.8% of the issued and outstanding Common Shares of the Issuer, calculated as at such date in accordance with applicable Canadian securities laws.

For the period that Ace Capital may be considered, under Canadian securities laws, to have had control and direction over 10% or more of the Common Shares of the Issuer as described herein (the “**Relevant Period**”), the securities that are subject of this release were purchased for, and were held for, investment purposes only and not for the purpose of exercising control or direction over the Issuer. The purchases were made in the ordinary course of Ace Capital’s investment activities on behalf of the Funds. During the Relevant Period, Ace Capital did not have any plan or proposal which related to, or would have resulted in acquiring additional ownership or control over the securities of the Issuer, other than in the ordinary course of business of Ace Capital. During the Relevant Period, Ace Capital’s decisions as to whether to purchase or sell securities of the Issuer were dependent on market conditions and other factors material to the investment decision.

For more information, or for a copy of the report filed under applicable securities laws by Ace Capital in connection with the transactions referred to in this press release, please contact: Jose Mazzoni, Chief Operating Officer at contato@acecapital.com.br.

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