Defense Metals Announces Closing of Private Placement for Gross Proceeds of $16.2 Million

written by Raj Shah | October 31, 2025

October 31, 2025 (Source) – Defense Metals Corp. ("**Defense Metals**" or the "**Company**") (TSXV: DEFN) is pleased to announce that the Company has closed its previously announced brokered "best efforts" private placement (the "**Brokered Offering**") and non-brokered private placement (the "**Non-Brokered Offering**", and together with the Brokered Offering, the "**Offering**") for aggregate gross proceeds of C$16,153,334.

Under the Brokered Offering, the Company raised gross proceeds of C$11,500,200, issuing 38,334,000 units of the Company (each a "**Unit**") at a price of C$0.30 per Unit, which includes the full exercise of the option granted to the Agents (as defined herein) to increase the size of the Brokered Offering by up to approximately 15%.

Under the Non-Brokered Offering, the Company raised gross proceeds of C$4,653,134 through the issuance of 15,510,446 Units. The Company expects to close a second tranche of the Non-Brokered Offering in the coming days for additional gross proceeds of up to C$570,000.

The Units sold under the Offering were issued on a prospectus-exempt basis pursuant to the "listed issuer financing exemption" under Part 5A of National Instrument 45-106 – *Prospectus Exemptions* and Coordinated Blanket Order 45-935 – *Exemptions from Certain Conditions of the Listed Issuer Financing*

Exemption (together, the "**LIFE Exemption**").

Each Unit consists of one Class A common share in the capital of the Company (a "**Common Share**") and one-half of one Common Share purchase warrant (each whole warrant, a "**Warrant**"). Each Warrant entitles the holder thereof to acquire one additional Common Share at a price of C$0.45 per Common Share, at any time on or before October 31, 2028. The Warrants will be subject to an accelerated expiry upon thirty (30) days' notice from the Company in the event that the common shares of the Company trade at a closing price equal to or greater than $0.90 for ten (10) consecutive trading days.

"I am extremely pleased with the level of support in relation to the Offering and would like to thank our financial partners and all of the investors, both existing and new, for their enthusiasm and support," said Mark Tory, CEO of Defense Metals. "We are now in a solid financial position to move forward with starting the Bankable Feasibility Study in the first quarter next year."

Paradigm Capital Inc., as lead agent and sole bookrunner, and EAS Advisors LLC, acting through Odeon Capital Group LLC (collectively, the "**Agents**") acted as agents under the Brokered Offering. In consideration for their services under the Brokered Offering, the Agents received aggregate cash commissions of C$805,014 as well as 2,683,380 non-transferable compensation options (the "**Compensation Options**"). Each Compensation Option is exercisable for one Common Share at $0.30 per share at any time on or before October 31, 2028. In addition, the Company paid finders fees of $41,582 and issued 63,708 Compensation Options to arm's length finders in connection with the Non-Brokered Offering. The Compensation Options are subject to a statutory four month hold period expiring on March 1, 2026.

The Units issued to Canadian resident subscribers under the LIFE Exemption are not subject to a hold period pursuant to applicable Canadian securities legislation, other than a four-month TSX Venture Exchange ("**TSXV**") hold period applicable to certain purchasers under the policies of the TSXV expiring March 1, 2026. The Offering is subject to the final approval of the TSXV.

The Company intends to use the net proceeds raised from the Offering, together with its current working capital, to continue optimization test work on the flow sheet developed for and published within the 2025 pre-feasibility study, complete pilot plant test work supporting the optimized flow sheet, conduct energy and transmission studies, commence a feasibility study on the Wicheeda project in early 2026, and continue baseline studies in support of future permitting. Net proceeds will also be used for operating expenses and general corporate purposes.

Insiders of the Company participated in the Non-Brokered Offering for approximately C$670,300. The issuance of Units to insiders is considered a "related party transaction" within the meaning of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). The Company is relying on exemptions from the formal valuation requirements of MI 61-101 pursuant to section 5.5(a) and the minority shareholder approval requirements of MI 61-101 pursuant to section 5.7(1)(a) in respect of such insider participation as the fair market value of the transaction, insofar as it involves interested parties, does not exceed 25% of the Company's market capitalization.

The securities referred to in this news release 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, or for the account or benefit of, U.S. persons absent registration under the U.S. Securities Act and applicable state securities laws, unless an exemption from such registration is available. This news release does not constitute an offer for sale of securities for sale, nor a solicitation for offers to buy any securities. Any public offering of securities in the United States must be made by means of a prospectus containing detailed information about the Company and management, as well as financial statements. “United States” and “U.S. person” have the respective meanings assigned in Regulation S under the U.S Securities Act.

For further information, please visit www.defensemetals.com or contact:

Mark Tory
President and CEO
Tel: +1 604-445-8179
Email: mark@defensemetals.com

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

Cautionary Statement Regarding “Forward-Looking” Information

This news release contains “forward-looking information or statements” within the meaning of applicable securities laws, which may include, without limitation, any statements (expressed or implied) relating to: advancing the Wicheeda Project, the use of the net proceeds from the Offering, final TSXV approval of the Offering, completing a second tranche of the Non-Brokered Offering, the technical, financial and business prospects of the Company, and other matters. Forward-looking statements are typically identified by words such as “plan,” “believe,”

“expect,” “anticipate,” “intend,” “outlook,” “estimate,” “forecast,” “project,” “continue,” “could,” “may,” “might,” “possible,” “potential,” “predict,” “should,” “would” and other similar words and expressions, but the absence of these words does not mean that a statement is not forward-looking. All statements in this news release, other than statements of historical facts, that address events, contribution or developments that the Company expects to occur, are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results may differ materially from those in the forward-looking statements. Such statements and information are based on numerous assumptions regarding present and future business strategies and the environment in which the Company will operate in the future, including the price of rare earth elements, the anticipated costs and expenditures, the ability to achieve its goals, that general business and economic conditions will not change in a material adverse manner, that financing will be available if and when needed and on reasonable terms. Such forward-looking information reflects the Company’s views with respect to future events and is subject to risks, uncertainties and assumptions, including the risks and uncertainties relating to the interpretation of exploration and metallurgical results, risks related to the inherent uncertainty of exploration and development and cost estimates, the potential for unexpected costs and expenses and those other risks filed under the Company’s profile on SEDAR+ (www.sedarplus.ca). While such estimates and assumptions are considered reasonable by the management of the Company, they are inherently subject to significant business, economic, competitive and regulatory uncertainties and risks. Factors that could cause actual results to differ materially from those in forward looking statements

include, but are not limited to, continued availability of capital and financing and general economic, market or business conditions, adverse weather and climate conditions, failure to maintain or obtain all necessary government permits, approvals and authorizations, failure to maintain or obtain community acceptance (including First Nations), risks relating to unanticipated operational difficulties (including failure of equipment or processes to operate in accordance with specifications or expectations, cost escalation, unavailability of personnel, materials and equipment, government action or delays in the receipt of government approvals, industrial disturbances or other job action, and unanticipated events related to health, safety and environmental matters), risks relating to inaccurate geological, metallurgical, engineering and pricing assumptions, decrease in the price of rare earth elements, the impact of viruses and diseases on the Company's ability to operate, restriction on labour and international travel and supply chains, loss of key employees, consultants, officers or directors, increase in costs, delayed results, litigation, and failure of counterparties to perform their contractual obligations. The Company does not undertake to update forward–looking statements or forward–looking information, except as required by law.