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Canadian Metals Inc.

CSE: CME

**Canadian Metals Inc. announces an Option Agreement with Osisko Metals Incorporated to Acquire Four Strategically Located Properties in New Brunswick and Quebec**

August 7, 2018. Montreal, Quebec - Canadian Metals Inc. (The “Company”) (CSE: CME) is pleased to announce that it has acquired three additional base metal properties in Bathurst, New Brunswick, as well as a silica property located adjacent to their high-purity silica deposit known as the Langis property in Quebec, through an Option Agreement, and a Purchase Agreement with Osisko Metals Incorporated.

The three additional base metal exploration properties are located in an area known as the Bathurst Mining Camp (“BMC”). This region of north central New Brunswick was home to the Brunswick #12 orebody, one of the largest underground zinc mines in the world. The district is globally recognized for discoveries of numerous mineable base metal deposits including iron, copper, lead and zinc, all found in this volcanogenic hosted mineral rich area.

**The Transaction for the three base metal properties (the “Project”) in Bathurst, New Brunswick**

Pursuant to the Option Agreement, the Company may earn a 50% interest in the Project by funding an aggregate of \$250,000 in exploration expenditures over one (1) year as outlined below:

- (i) \$250,000, in Diamond drilling on established targets on or before the 1st year anniversary of the Effective Date (the "Initial Option Expenditure Payment");
- (ii) After the earn in period the Company and Osisko Metals shall have a respective 50% ownership of the Project and will enter into a Joint Venture Agreement;
- (iii) Osisko Metals will be the project operator during the earn-in period.

## **Information about the Property**

The Project contains 3 Claim blocks in total, the Six Mile Brook, the Middle River and the Tetagouche, consisting of 35 units for a total of 762.45 hectares.

The Six Mile Brook and the Middle River are situated 7 to 11 km north of and along strike from the world class Brunswick 12 zinc, lead, silver deposit and past producer.

Geological mapping indicates the claims are underlain by the older Miramichi Group sediments which are basement to the productive Tetagouche Group. The claims are situated adjacent to the Brunswick Horizon which hosts many of the VMS deposits in the Bathurst Mining Camp. However, sparse outcrop in the area combined with intense isoclinal folding opens the possibility that favorable host rocks could underlie parts of the claim blocks.

The Tetagouche property is located at the north edge of the BMC on the Rocky Brook – Millstream Break, a major structural feature which separates basalt and shale of the California Lake Group to the south from Silurian volcanic and sedimentary rocks to the north. Recent prospecting in the general area has located copper, lead and zinc high grade boulders.

Positive gravity anomalies have been defined within all the claim blocks coincident with electromagnetic anomalies.

Stéphane Leblanc, Founder and CEO, states: “We are exceptionally pleased to be entering this partnership with Osisko Metals for base metals exploration in New Brunswick. This agreement creates an important milestone in the development of our company and for our shareholders. Their exploration and technical teams are world-class, and we are fortunate to have them as lead operators of this drill-ready project. We expect the drill program to commence Q3 2018 and with an established list of high-priority targets, we expect the project to advance quickly. Partnering with Osisko Metals will be an effective way for Canadian Metals Inc to maintain exploration upside in exciting areas, while remaining true to its focus of advancing its Langis Silicon Project in Baie-Comeau.”

## **The Transaction for the silica property in St-Vianney, Quebec**

Pursuant to the terms and conditions of the Purchase Agreement, Canadian Metals will issue 1 million common shares of the Company to the Vendor in order to acquire 100-per-cent undivided interest, right, and title in and to the property,

## **Project highlights**

The Colline Tortue property consists of ten designated claims (CDCs) covering a total area of 569.08 hectares located in the Matapedia Region of the Gaspé Peninsula of Quebec. The property is located 2.5km west of the Langis property owned by Canadian Metals Inc.

Historical work done on the Colline Tortue property consists of mapping sampling and diamond drilling. The historical diamond drilling was conducted by Uniquartz Inc in 1983. The quartzite of the Val Brillant Formation was intercepted with thickness of over 80 meters and remains open at

depth and along strike. According to historical documents from Uniquartz Inc. and MERN data (Ministry of Energy and Natural Resource of Quebec), the Val Brillant Formation is sub-horizontal dipping up to 13 degrees. It appears as a large band approximately 450 meters wide and a minimum strike length of 1700 meters; with potential length of 3300 meters within the property's boundaries.

### **About Osisko Metals**

Osisko Metals is a Canadian exploration and development company creating value in the base metal space with a focus on zinc mineral assets. The Company controls Canada's two premier zinc mining camps in Canada, namely the Pine Point Camp ("PPMC") located in the Northwest Territories (22,000 ha) and the Bathurst Mining Camp ("BMC"), located in northern New Brunswick (63,000 ha). The Company is currently drilling in both mining camps for a combined 100,000 metre program. The focus of these programs is to upgrade historical resources to comply with NI43-101 regulations and on exploration around historical deposits. Brownfield exploration includes new innovative 3D compilation techniques, updated geological interpretation, and modern geophysics. In Quebec, the Company owns 42,000 hectares that cover 12 grass-root zinc targets that will be selectively advanced through exploration. In parallel, Osisko Metals is monitoring several base metal-oriented peers for opportunities.

### **About Canadian Metals Inc.**

Canadian Metals is a diversified resource company focused on creating shareholder value through the development of large-scale industrial mineral portfolios in specific commodities and jurisdictions that will fuel the new energy economy. The Company is uniquely positioned to pursue this strategy and controls significant interest in Silicon and base metal assets throughout North America.

Our main activities are directed towards the development of its Langis Project, a high-purity silica deposit located in the province of Quebec with fully permitted with the BEX and the certificate of authorization from the MDDELCC. The Company is rapidly positioning itself as a supplier of high purity silica and silicon alloy in North America. Silicon based materials can be formulated to provide a broad range of products from more durable, faster building materials with smarter electronic devices, solar panels and more efficient wind turbines. We expect to become a global supplier for a number of industries and applications but without limitation: glass, ceramics, lighting, oil and gas, paint, plastic and rubber. We also want to become an integrated supplier to metallurgical industries including foundries, and participate in a wide range of civil, industrial, environmental and related applications. These target markets are an integral part of the lives of millions of people every day.

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Certain statements included herein may constitute “forward-looking statements”. All statements included in this press release that address future events, conditions, or results, including in connection with the prefeasibility study, its financing, job creation, the investments to complete the project and the potential performance, production, and environmental footprint of the ferrosilicon plant, are forward-looking statements. These forward-looking statements can be identified by the use of words such as “may”, “must”, “plan”, “believe”, “expect”, “estimate”, “think”, “continue”, “should”, “will”, “could”, “intend”, “anticipate”, or “future”, or the negative forms thereof or similar variations. These forward-looking statements are based on certain assumptions and analyses made by management in light of their experiences and their perception of historical trends, current conditions, and expected future developments, as well as other factors they believe are appropriate in the circumstances. These statements are subject to risks, uncertainties, and assumptions, including those mentioned in the Corporation’s continuous disclosure documents, which can be found under its profile on SEDAR ([www.sedar.com](http://www.sedar.com)). Many of such risks and uncertainties are outside the control of the Corporation and could cause actual results to differ materially from those expressed or implied by such forward-looking statements. In making such forward-looking statements, management has relied upon a number of material factors and assumptions, on the basis of currently available information, for which there is no insurance that such information will prove accurate. All forward-looking statements are expressly qualified in their entirety by the cautionary statements set forth above. The Corporation is under no obligation, and expressly disclaims any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by applicable law.

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