



Canadian Metals Inc.

CSE: CME

Canadian Metals Inc. Announces \$3M Private Placement and Amendment of Debentures

September 6, 2018 - Montréal, Québec – Canadian Metals Inc. (the “**Corporation**”) (CSE : CME) announces a non-brokered private placement (the “**Offering**”) of up to 30,000,000 units at a price of \$0.10 per unit (each a “**Unit**”) for aggregate gross proceeds of up to \$3,000,000. Each Unit will consist of one common share (each a “**Share**”) and one-half of one Share purchase warrant (the “**Warrant**”). Each Warrant will be exercisable by the holder to acquire one additional Share at a price of \$0.15 for a period of 18 months from the closing of the Offering.

The Corporation intends to use the net proceeds from the Offering to advance the general development of its Si Baie-Comeau project and for general working capital and corporate purposes.

The securities issuable in connection with the Offering will be subject to a statutory four month and one day hold period. Closing of the Offering is anticipated to occur in October 2018, and is subject to receipt of acceptance by the Canadian Securities Exchange (the “**CSE**”). Finder's fees may be payable in appropriate circumstances in connection with the Offering, in accordance with the policies of the CSE.

Amendment of Debentures

The Corporation is also pleased to announce that it has entered into amending agreement with holders (collectively, the “**Holder**”) of an aggregate principal amount of \$665,000 of the 10% interest bearing unsecured debentures, convertible into Shares, which were issued on July 27, 2015 by way of private placements (collectively, the “**Debentures**”).

The amendments to the terms of the Debentures are as follows:

- (i) an extension of the maturity date of the Debentures from July 27, 2018 to December 31, 2022 (the “**Extended Exercise Term**”);
- (ii) to amend the conversion price of the Debentures by amending the stipulated conversion price of \$0.20 per Share to be a conversion price of \$0.15 per Share;
- (iii) to add a forced conversion provision, entitling the Corporation to force the conversion of the Debenture, if prior to the revised maturity date, 10% of the Shares are traded over 21 consecutive trading days, with a minimum of 0.47% on each trading day, on a Canadian stock exchange on which the Shares are listed for trading, the Corporation may force conversion of all but not less than all of the principal amount of the Debenture at the Conversion Price, upon giving the Holder 30 days advance written notice, in accordance with the conversion terms; and

Error! Unknown document property name.

(iv) to amend the provisions related to the payment of the interest, such that the interest shall be payable in cash or in shares for the complete duration to the term, based on a price equal to 85% of the average closing price of the Common Shares (as defined hereafter) for the period of twenty (20) consecutive trading days ending five (5) trading days before the interest payment date.

The aggregate amount of principal of the outstanding amended Debentures is \$665,000. All of such principal will continue to remain outstanding under the terms of the amended Debentures. All Holders' outstanding interest payments will be satisfied pursuant to the terms of the amended Debentures.

About Canadian Metals

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 in silicon, precious and base metal assets.

Our main activities are directed towards the development of 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.

For more information, please contact:

Sean Tufford Vice President
Corporate Development
Email: sean@canadianmetalsinc.com
Phone: (902) 818 -8807

René Boisvert
President
Email: rboisvert@canadianmetalsinc.com

Stéphane Leblanc
Chief executive officer
Email: sleblanc@canadianmetalsinc.com

Website: www.canadianmetalsinc.com

Error! Unknown document property name.

Cautionary Statements Regarding Forward-Looking Information

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). 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.

Neither the CSE nor its Regulation Services Provider accepts responsibility for the adequacy or accuracy of this release.