

DNI METALS INC. (CSE:DNI)(DMNKF:OTC)
FOR RELEASE – October 24, 2018

DNI Update – New Madagascar Team

Toronto, Ontario - (Accesswire – October 24, 2018) DNI Metals Inc. (DNI: CSE; DMNKF: OTC) ("DNI" or the "Company"),

New Madagascar Team

DNI has terminated its relationships with Steven Goertz, previously DNI's country manager, and his team. Dan Weir, the CEO of DNI, is taking charge of all of DNI's Madagascar operations which includes, but is not limited to, obtaining the environmental licenses for its Vohitsara and Marofody properties. Mr. Weir is putting together a new team, which will include inhouse legal counsel, government relations personal, an office manager and an accountant.

As DNI constructs its pilot plant and ultimately larger scale production, additional team members will be required.

Upgraded OTC Listing

DNI has been approved to upgrade to a QB quotation on the OTC markets in the USA.

DNI applied to have its shares trade on the OTCQB because some DNI investors found it difficult to trade our stock, particularly through discount brokers.

The OTCQB Venture Market offers early stage and developing international companies the benefits of being publicly traded in the U.S. with lower cost and complexity than a U.S. exchange listing.

According to the OTC, the key benefits a quotation on the OTCQB are:

Efficient Market Standards: Companies may leverage their local market disclosure (SEC Exchange Act Rule 12g3-2(b)). There are no Sarbanes-Oxley and SEC Reporting requirements to trade on OTCQB, bypassing burdensome, costly and duplicative NYSE and NASDAQ listing requirements

Transparency: OTCQB is recognized by the SEC as an established public market. OTCQB companies provide current company information and meet financial standards that enable brokers to more easily quote and trade a security

Visibility: Companies engage a far greater network of U.S. investors, data distributors and media partners, ensuring U.S. investors have access to the same high-quality information that is available to investors in their local market, but through U.S. platforms and portals used to conduct research

New Mauritian Companies

DNI has completed the process of forming two Mauritian companies, DNI Mauritius Vohitsara and DNI Mauritius Marofody in which the ownership of DNI's Malagasy subsidiaries, will be transferred to the Mauritian entities.

The benefits are twofold:

1. Mauritius and Madagascar have an Investment Promotion and Protection Agreement ("IPPA") in place since late 2010. See details below.
2. A double-taxation treaty is in force between Madagascar and Mauritius.

Mauritius Investment Promotion and Protection Agreements

While much of Mauritian success as a well-established international financial center can be attributed to its continually expanding network of double taxation avoidance agreements ("DTAAs"), there is another significant advantage to investing through Mauritius. Mauritius has entered into Investment Promotion and Protection Agreements ("IPPAs") with various African countries that, while less well-known than DTAAs, are potentially of great importance to investors seeking to invest in the developing markets of Asia and Africa.

IPPAs are bilateral agreements between countries designed to promote and protect the interests of investors from one country in the territory of the country where the investment is being made. Among other things, IPPAs increase investor confidence by ensuring a fair and equitable protection of investments. Mauritius has concluded 34 IPPAs, of which 18 are in force. Each agreement provides the following guarantees to investors:

1. Fair and equitable protection of investments
2. Fair and equitable treatment of investments and returns of investors
3. Free transfer of monies relating to investments and returns
4. Non-expropriation guarantee – investments shall not be nationalized, expropriated or subjected to measures (having effects equivalent to nationalization or expropriation) except for public purposes, under due process of law, on a non-discriminatory basis and against prompt, adequate and effective compensation (which shall be made without delay, and be effectively realizable)
5. Most favoured nation rule with respect to treatment of investments and compensation for losses (in case of war or armed conflict, revolution, a state of national emergency, revolt, insurrection or riot) – investors who, suffer losses in the territory of the other contracting party resulting from the following shall be accorded restitution or adequate compensation:

- a. Requisitioning of their property by the forces or authorities of the latter contracting party
 - b. Destruction of their property by the forces or authorities of the latter contracting party, which was not caused in combat action or was not required by the necessity of the situation of the observance of any legal requirement.
6. Provisions for settlement of disputes between investors and the contracting states.
 7. Provisions for settlement of disputes between contracting states.

Mauritius' network of IPPAs with various African countries makes it an ideal investment platform. In these countries, there is often pressure to redistribute wealth to local indigenous populations, which have historically been both politically and economically disenfranchised. This has resulted in a perceived threat of nationalization of assets (such as mines and natural resources) in certain of these countries. In these circumstances, it is useful to invest via a country that has an IPPA with the relevant African country, in order to take advantage of the guarantees offered by the IPPA. Source: Conyers Dill & Pearman

Madagascar and Mauritius entered into an IPAA titled: « Accord De Promotion et de Protection Réciproque des Investissements entre le Gouvernement de la République de Maurice et le Gouvernement de la République de Madagascar » on 06th April 2004. The IPAA was fully ratified by both countries at the end of 2010. This instrument utilises the International Centre for Settlement of Investment Disputes (ICSID) for dispute resolution. It has been proven to be an effective recourse for investors in Madagascar.

Environmental Licenses

DNI had been promised the environmental licenses would be completed early in 2018. DNI had been given receipts and documents to show that the licenses were progressing and that the fees had been paid. Through an ongoing investigation, the Office National pour l'Environnement Madagascar, ONE, has determined and informed DNI that the many of the receipts and documents were falsified, and that the fee payments had not been paid. In fact the cahier d'charge and the environmental impact study for Marofody had not been filed with the ONE.

DNI is now aware of what needs to be completed in order to obtain the licenses and is rectifying the situation.

DNI – CSE
DMNKF - OTC
Issued: 120,698,403

For further information, contact:
DNI Metals Inc. – Dan Weir, CEO 416-595-1195
DanWeir@dnimetals.com
Also visit www.dnimetals.com

Forward-looking Statements

This press release contains forward-looking statements, including statements that relate to, among other things, the following: (i) the geological characteristics of the projects; (ii) the potential to discover additional mineralization and to extend the area of mineralization; (iii) the potential to raise additional financing; and (iv) the potential to expand and upgrade the resource estimate of the projects. Forward-looking information is subject to the risks, uncertainties and other important factors that could cause the Company's actual performance to differ materially from that expressed in or implied by such statements. Such factors include, but are not limited to volatility and sensitivity to market metal prices, impact of change in foreign exchange rates, interest rates, imprecision in resource estimates, imprecision in opinions on geology, environmental risks including increased regulatory burdens, unexpected geological conditions, adverse mining conditions, changes in government regulations and policies, including laws and policies; and failure to obtain necessary permits and approvals from government authorities, and other development and operating risks, and can generally be identified by the use of words such as "may", "will", "could", "should", "would", "likely", "possible", "expect", "intend", "estimate", "anticipate", "believe", "plan", "objective", "hope" and "continue" (or the negative thereof) and words and expressions of similar import. Although DNI believes that the expectations reflected in such forward-looking statements are reasonable, such statements involve risks and uncertainties, and undue reliance should not be placed on such statements. Certain material factors or assumptions are applied in making forward-looking statements, and actual results may differ materially from those expressed or implied in such statements. Additional information about material factors that could cause actual results to differ materially from expectations and about material factors or assumptions applied in making forward-looking statements may be found in the Company's most recent annual and interim Management's Discussion and Analysis under "Risk and Uncertainties" as well as in other public disclosure documents filed with Canadian securities regulatory authorities. Forward-looking statements are provided for the purpose of providing information about management's current expectations and plans relating to the future. Readers are cautioned that such information may not be appropriate for other purposes. The Company does not undertake any obligation to update publicly or to revise any of the forward-looking statements contained in this document, whether as a result of new information, future events or otherwise, except as required by law.