

MEDIA RELEASE

Metalo Manufacturing Inc. - Advancing its Near Zero-Emissions Strategy

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Halifax, Nova Scotia -- (Newsfile Corp. – May 3, 2021) - Metalo Manufacturing Inc. (the “**Issuer**”) (CSE:MMI), advises the information in Form 7A filed for April 2021 (<https://thecse.com/en/listings/diversified-industries/metalo-manufacturing-inc>), that the Issuer projects are advancing to the permitting phase when COVID restrictions allow. The Issuer reinforces the strategy of integrating Canadian minerals with manufacturing solutions with near zero emissions.

The planned metal making plant will establish its final product to be produced after the Québec carbon emissions trading scheme is announced in May 2021. Considering the proposed Canadian CO₂ tax of \$170/t of CO₂ by 2030, the value of tradeable carbon credits will have an impact on the final plant design.

Additionally, the fluvial sands in Labrador meet the specifications for glassmaking, fiberglass, and ceramic products. Management is in dialogue with technology providers to produce a glass product (vials, containers, fiberglass, etc.) with an all-electric solution, reducing emissions to near zero. Discussions are also underway to establish a ceramic tile manufacturing facility, to become the only one in Canada, using the confirmed grade of the feldspars. Both glass making and ceramic tile making are energy intensive globally, and replacing carbon fuels with clean and low-cost hydroelectricity will have a significant impact in meeting global demands for CO₂ reductions and the related benefits.

The Issuer also announces that it will issue 145,154 common shares to Forest Lane Holdings Limited (“**FLH**”), a company controlled by an insider of the Issuer who jointly entered into a convertible debenture on May 1, 2015, as amended May 1, 2020, and February 1, 2021 (collectively, the “**Debenture**”) in the amount of \$2,000,000 with interest of 5% payable quarterly in cash or in common shares at the option of the Issuer. This issuance is made at a deemed price of \$0.17 per share which is the volume-weighted trading price for the 20 trading days ending April 5, 2021 and represents interest due as of May 1, 2021, for an aggregate amount of \$25,000. The securities will be subject to a four month hold period following the date of issuance.

The Issuer previously announced a loan agreement with an arms-length lender (the “**Lender**”) pursuant to which the Issuer borrowed \$1,000,000 bearing an interest rate of 10% per annum (the “**Loan**”). The Loan matured on April 16, 2021 (the “**Maturity Date**”). In consideration of extending the Maturity Date of the Loan to April 16, 2022, the Issuer issued 50,000 share purchase warrants to the Lender (the “**Loan Warrants**”) entitling the holder to purchase one common share, per Loan Warrant, of the Issuer at an exercise price of \$0.15 for a period of two years.

ABOUT METALO MANUFACTURING INC.

Metalo's strategy is its investment in two projects dedicated on integrating Canadian minerals with proven technologies to deliver products with near zero emissions. MMI is a 44% shareholder of Grand River Ironsands Incorporated (GRI) with a 100% interest in Pure Fonte Ltée (metal plant) and North Atlantic Iron Corporation (90% owned by GRI) with mining rights for a resource near Happy Valley-Goose Bay, NL.

The Corporation has 19,524,026 issued and outstanding common shares.

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

The Corporation seeks Safe Harbour.

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