

July 30, 2020

## **BOREAL UPSIZES PRIVATE PLACEMENT AND ANNOUNCES SHARES FOR DEBT TRANSACTIONS**

**Vancouver, B.C., July 30, 2020.** Boreal Metals Corp. ("**Boreal**" or the "**Company**") (TSXV:BMX) is pleased to announce that it is increasing its previously announced non-brokered private placement to approximately \$3,000,000 (the "**Private Placement**"). The Company also announces proposed shares for debt transactions (the "**Shares for Debt Transactions**").

### **Private Placement Update**

Under the increased Private Placement, up to 54,545,454 units of the Company ("**Units**") will be issued at \$0.055 per Unit for total gross proceeds of up to approximately \$3,000,000. Each Unit will consist of one common share (a "**Common Share**") and one common share purchase warrant (a "**Warrant**"), with each Warrant being exercisable for one additional Common Share at a price of \$0.11 for a period of 24 months from the date of issue.

In connection with the Private Placement, the Company will pay finders' fees to certain arm's length finders ("**Finders**") consisting of: (a) cash of up to 8% of proceeds raised under the Private Placement from subscribers introduced to the Company by such Finders; and (b) warrants in an amount equal to 8% of the number of Units acquired by subscribers introduced to the Company by such Finders. All securities issued under the Private Placement will be subject to a statutory hold period expiring four months and one day from the issue date.

The proceeds of the Private Placement will primarily be used to continue exploration and drilling at the Company's 100% owned Gumsberg property, and for general working capital purposes. The Private Placement is subject to TSX Venture Exchange ("**TSXV**") approval.

Closing of the Private Placement is expected to occur on or about August 7, 2020.

### **Shares for Debt Transactions**

Pursuant to the Shares for Debt Transactions, subject to TSXV approval, the Company has also agreed to issue (i) an aggregate 2,305,273 Units to certain parties, as consideration for certain past services rendered, and (ii) an aggregate 7,326,473 Units to EMX Royalty Corporation ("**EMX**"), in order to satisfy certain indebtedness owing to EMX.

Pursuant to the Shares for Debt Transactions, subject to TSXV approval, Patricio Varas, Executive Chairman and CEO of the Company, will receive 1,650,000 Units, Johannes Holzäpfel, of EMX, will receive 178,000 Units, and Richard Mills, of Northern Venture Group Ltd., will receive 477,273 Units; in all cases, as consideration for certain past services rendered to Boreal. EMX will receive,

July 30, 2020

subject to TSXV approval, 7,326,473 Units, which will facilitate: (i) an immediate reduction in the principal amount of debt owed by the Company to EMX from \$800,000 to \$397,043.98, (ii) a 6-month extension of the maturity date applicable to the remaining balance of such debt, and (iii) EMX maintaining its current 12.89% ownership interest in the Company on a non-diluted basis, following completion of the Private Placement and Shares for Debt Transactions.

Subject to TSXV approval, the Units to be issued pursuant to the Shares for Debt Transactions will be issued at a deemed price of \$0.055 per Unit, with each Unit consisting of one Common Share and one Warrant bearing the same terms as the Warrants issued on the Private Placement. All securities issued under the Shares for Debt Transactions will be subject to a four month hold period from the date of issuance.

The proposed issuance of securities to EMX as part of the Shares for Debt Transactions will be a "related party transaction" within the meaning of Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). A material change report will be filed under MI 61-101 less than 21 days before the closing date of the Shares for Debt Transactions. The Company believes this shorter period is reasonable and necessary in the circumstances as the Company wishes to improve its financial position by reducing its accrued liabilities as soon as possible.

Closing of the Shares for Debt Transactions is expected to occur on or shortly after the closing date of the Private Placement.

### **About Boreal Metals Corp.**

Boreal is a mineral exploration company focused on the discovery of silver, zinc, copper, and gold deposits in exceptional, historical mining project areas spanning Sweden and Norway. The Company aims to discover new economic mineral deposits in known mining districts that have seen little or no modern exploration techniques. The Company is led by an experienced management team and technical team, with successful track records in mineral discovery, mining development and financing.

### **On behalf of Boreal Metals Corp.**

Patricio Varas, Executive Chairman and CEO

For more information on Boreal please visit the Company website at [www.borealmetals.com](http://www.borealmetals.com) or contact us at +1.604.922.8810 or [info@borealmetals.com](mailto:info@borealmetals.com).

July 30, 2020

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

#### **Cautionary Note Regarding Forward-Looking Statements**

This news release contains certain statements that may be deemed "forward-looking statements". Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur. Forward-looking statements may include, without limitation, statements relating to future outlook and anticipated events, such as the successful completion of the Private Placement and the Shares for Debt Transactions, or the anticipated use of proceeds of the Private Placement by the Company. Although Boreal believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance, are subject to risks and uncertainties, and actual results or realities may differ materially from those in the forward-looking statements. Such material risks and uncertainties include, but are not limited to, Boreal's ability to raise sufficient capital to maintain its mineral tenures and concessions in good standing, to explore and develop its projects, to repay its debt and for general working capital purposes; changes in economic conditions or financial markets; the ability of Boreal to obtain the necessary permits and consents required to explore, drill and develop the projects and if obtained, to obtain such permits and consents in a timely fashion relative to Boreal plans and business objectives for the projects; the general ability of Boreal to drill test its projects and find mineral resources; if any mineral resources are discovered or acquired, the Company's ability to monetize any such mineral resources; and changes in environmental and other laws or regulations that could have an impact on the Company's operations. Forward-looking statements are based on the reasonable beliefs, estimates and opinions of Boreal management on the date the statements are made. Except as required by law, Boreal undertakes no obligation to update these forward-looking statements in the event that management's beliefs, estimates or opinions, or other factors, should change.