

Metal Energy and Mistango River Announce Closing of Exploration Option regarding the Manibridge Project

TORONTO, December 30th, 2022 /CNW/ — Metal Energy Corp. (TSXV: MERG) (the “**Company**” or “**Metal Energy**”) and Mistango River Resources Inc. (CSE:MIS) (“**Mistango**”) are pleased to jointly announce that they have closed the previously announced exploration option transaction pursuant to an option agreement (the “**Option Agreement**”) dated October 28, 2022. Pursuant to the Option Agreement, Mistango has acquired from Metal Energy a 15% interest (except the NSR as defined below) (the “**Interest**”) in Metal Energy’s Manibridge project (the “**Manibridge Project**”), consisting of 19 mineral claims encompassing approximately 4,368 hectares, located in the province of Manitoba, approximately 20 kilometers southwest of Wabowden, Manitoba.

Pursuant to the Option Agreement, Mistango has carried out an aggregate of \$1,500,000 in work obligations to enable the carrying out of exploration work on the Manibridge Project (the “**Work Obligations**”). The Work Obligations were incurred primarily through third-party contractors and for drilling, drill-related work, geophysics, reports and sampling and all services in support thereof, and also included necessary maintenance and carrying costs including taxes or fees levied by the Province of Manitoba and its agencies and the local municipality (but not sales taxes or taxes on income or profits) relating to the Manibridge Project. The completion of the Work Obligations on December 21, 2022 has resulted in the granting of the Interest to Mistango.

The Mining Claims are subject to the following net smelter royalties (“NSRs”): (a) a two percent NSR on the Project of which the Metal Energy has the right to buy back half (50% of the aforementioned two percent thereof), at a price of \$1,000,000 prior to the expiry of one year after the start of commercial production; and (b) a one percent NSR on claims P1271F and P1262F and a two percent NSR on the other 17 claims of the Project.

Pursuant to the previously announced call option agreement between Metal Energy and Mistango dated the same date as the Option Agreement, Metal Energy shall, subject to prior approval of the TSX Venture Exchange (the “**Exchange**”), have the right to re-acquire the Interest from Mistango at any time after February 28, 2023 but before April 30, 2024 (the “**Call Option**”). The purchase price payable by Metal Energy to Mistango for the Interest on the Closing Date is \$2,250,000, which may be paid, at the sole option of Metal Energy, in cash or in common shares of Metal Energy (“**Metal Energy Shares**”).

The exercise of the Call Option and the completion of the transfer of Interest from Mistango to Metal Energy shall be subject to the prior approval of the Exchange. There is no assurance that Exchange approval of the Call Option will be obtained.

Additional Information on the Transaction

The Option Agreement involves “Non-Arm’s Length Parties” as such term is defined Policy 1.1 of the Exchange, as Stephen Stewart, Alex Stewart, and Charles Beaudry, directors of Metal Energy, are also directors of Mistango. In accordance with Policy 5.3 of the Exchange, the Option Agreement constitutes a “Reviewable Disposition” for Metal Energy.

No finders fees were paid in connection with the Option Agreement.

About the Manibridge Project

The Manibridge Project encompasses 4,368 hectares and is within the world-class Thompson Nickel Belt. The Manibridge Project is 20 kilometers southwest of Wabowden, Manitoba with significant infrastructure and capacity supporting previous exploration programs, including year-round highway access via Highway 6.

About Metal Energy Corp.

Metal Energy is a well-funded nickel and battery metal exploration company with two projects, Manibridge and Strange, in the politically stable jurisdictions of Manitoba and Ontario, Canada, respectively. Both projects are subject to earn-in agreements where the Company can acquire 100% exploration rights to approximately 16,200 hectares.

About Mistango River Resources Inc.

Mistango is a Canadian-based exploration and development company focused on its Kirkland Lake West and Omega projects in the Kirkland Lake District of Ontario's Abitibi Greenstone Belt. The Company is listed on the Canadian Securities Exchange ("**CSE**") under the symbol MIS.

Agnico Eagle Mines Limited (TSX: AEM) holds an option to acquire up to a 75% interest in Mistango's Kirkland West and Omega projects (the "**Projects**") in exchange for spending \$60 million on the Projects.

Reader Advisory

*Certain information set forth in this news release contains forward-looking statements or information ("**forward-looking statements**"), including details about the business of Metal Energy and Mistango. All statements in this news release, other than statements of historical facts, that address events or developments that Metal Energy or Mistango expect to occur, are forward-looking statements, including, but not limited to, the receipt of Exchange approval for the Option Agreement and the Call Option, or the exercise of the Call Option by Metal Energy. By their nature, forward-looking statements are subject to numerous risks and uncertainties, some of which are beyond the Metal Energy's and Mistango's control, including the impact of general economic conditions, industry conditions, volatility of commodity prices, currency fluctuations, environmental risks, operational risks, competition from other industry participants, stock market volatility. Although the Company believes that the expectations in its forward-looking statements are reasonable, its forward-looking statements have been based on factors and assumptions concerning future events which may prove to be inaccurate. Those factors and assumptions are based upon currently available information. Such statements are subject to known and unknown risks, uncertainties and other factors that could influence actual results or events and cause actual results or events to differ materially from those stated, anticipated or implied in the forward-looking statements. Accordingly, readers are cautioned not to place undue reliance on the forward-looking statements, as no assurance can be provided as to future results, levels of activity or achievements. Risks, uncertainties, material assumptions and other factors that could affect actual results are discussed in Metal Energy's and Mistango's public disclosure documents available at www.sedar.com. Furthermore, the forward-looking statements contained in this document are made as of the date of this document and, except as required by applicable law, neither Metal Energy nor Mistango undertake any obligation to publicly update or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise. The forward-looking statements contained in this document are expressly qualified by this cautionary statement.*

Neither the TSX Venture Exchange Inc. 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.

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For further information:

Metal Energy Corp. — MERG on the TSXV, James Sykes, CEO, jsykes@oregroup.ca, 306-221-717

Mistango River Resources Inc. — MIS on the CSE, Stephen Stewart, CEO, sstewart@mistango.com, 416.644.1567