



**Not for distribution to U.S. Newswire Services or for dissemination in the United States.**

**BRS RESOURCES ANNOUNCES CLOSING OF FIRST TRANCHE OF UNSECURED CONVERTIBLE DEBENTURE FINANCING**

**VANCOUVER, BC - June 1, 2022 - BRS RESOURCES LTD. (the "Company") (TSX.V: BRS.H)** is pleased to announce that, further to its News Releases of April 12, 2022 and May 24, 2022, it has closed the first tranche (the "**First Tranche**") of its private placement offering (the "**Offering**") of unsecured convertible debentures (each, a "**Debenture**"), pursuant to which it has issued Debentures in the aggregate principal amount of \$170,000. At the option of the holder, the Debentures will be convertible into units of the Company (each, a "**Unit**") at price of \$0.01 per Unit. Each Unit will consist of one common share (each, a "**Share**") and one share purchase warrant (each, a "**Warrant**"). Each Warrant entitles the holder to purchase one additional Share (each, a "**Warrant Share**") at an exercise price of \$0.01 per Warrant Share for a period of one year from closing of the First Tranche (the "**Closing**"). The Company may issue Debentures up to an aggregate principal amount of \$200,000 under the Offering in subsequent tranches. Insiders may participate in subsequent tranches of the Offering.

The Debentures bear interest at 8% per annum from the Closing, payable upon the earlier of the Maturity Date (as defined below) or the date of any conversion thereof. The Debentures mature on May 30, 2023 (the "**Maturity Date**").

The British Columbia Securities Commission (the "**BCSC**") issued a variation order (the "**Variation Order**") which varies the partial revocation order (the "**Partial Revocation Order**") issued by the BCSC on April 22, 2022 solely to permit the Company to offer Debentures that are convertible into Units instead of Shares. The Partial Revocation Order issued by the BCSC partially revoked a cease trade order (the "**Cease Trade Order**") that was issued by the Executive Director of the BCSC against the Company on March 6, 2019 as a result of the Company's failure to file: (i) annual audited financial statements for the year ended October 31, 2018; (ii) annual management's discussion and analysis for the year ended October 31, 2018; and (iii) accompanying certifications for the year ended 31, 2018.

The proceeds of the First Tranche and subsequent tranches of the Offering will be used to pay: (i) past due audit fees; (ii) audit fees for work to be done; (iii) accounting fees; (iv) accounting fees for work to be done; (v) fees for 51-101 reports; (vi) outstanding TSX Venture Exchange fees; (vii) legal fees; (viii) outstanding commission filing fees; (ix) transfer agent and AGM fees; and (x) SEDAR filing agent fees. Completion of the Offering will allow the Company to prepare and file all outstanding continuous disclosure documents with the applicable regulatory authorities. Once those filings have been completed, the Company expects to apply for a full revocation of the Cease Trade Order.

Each investor in the First Tranche received a copy of the Cease Trade Order, the Partial Revocation Order and Variation Order, and provided an acknowledgement to the Company that all of the Company's securities, including the Debentures issued in connection with the First Tranche, will remain subject to the Cease Trade Order until the Cease Trade Order is fully

revoked, and that the granting of the Partial Revocation Order and Variation Order does not guarantee the issuance of a full revocation order in the future.

There were no finder's fees paid in connection with the First Tranche. All securities issued in connection with the First Tranche are subject to a statutory hold period expiring four months and one day after Closing. Any participation by insiders in subsequent tranches of the Offering will constitute a related party transaction under Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("MI 61-101") but is expected to be exempt from the formal valuation and minority shareholder approval requirements of MI 61-101.

None of the securities sold in connection with the Offering will be registered under the United States *Securities Act of 1933*, as amended, and no such securities may be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This news release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

## **ON BEHALF OF THE BOARD OF DIRECTORS**

Byron Coulthard  
President and CEO  
Phone: 604.657.7004

For further information, please contact Byron Coulthard at 604.657.7004 or by email at [byron@shawcable.com](mailto:byron@shawcable.com).

*Neither the 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 news release.*

### **Forward-Looking Statements**

*This news release contains forward-looking statements. All statements, other than statements of historical fact that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future are forward-looking statements. Forward-looking statements in this news release include statements regarding: the Offering and the completion thereof, at all or on the terms announced; and the intended use of proceeds of the Offering. The forward-looking statements reflect management's current expectations based on information currently available and are subject to a number of risks and uncertainties that may cause outcomes to differ materially from those discussed in the forward-looking statements.*

*Although the Company believes that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and, accordingly, undue reliance should not be put on such statements due to their inherent uncertainty. Factors that could cause actual results or events to differ materially from current expectations include, among other things: the inability of the Company to complete subsequent tranches of the Offering at all or on the terms announced; that the proceeds of the Offering may be used for uses other than as set out in this news release; general market conditions; risks associated with the COVID-19 pandemic; and other factors beyond the control of the parties. The Company 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 required by applicable law, and the Company does not assume any liability for disclosure relating to any other company mentioned herein.*