

Pima Zinc Corp.

PIMA ZINC CORP. ANNOUNCES DEBT SETTLEMENT

TORONTO, ONTARIO, April 21, 2022 – Pima Zinc Corp. (the “**Company**”) announces that it has settled an aggregate of \$285,000 of indebtedness to certain creditors of the Company through the issuance of 14,250,000 units in the capital of the Company (the “**Units**”) at a price of \$0.02 per Unit (the “**Debt Settlement**”). Each Unit is comprised of one common share (each, a “**Common Share**”) in the capital of the Company and one-half of one whole Common Share purchase warrant (each whole warrant, a “**Warrant**”) (the “**Debt Securities**”) in satisfaction of the Debt. Each Warrant will entitle the holder to acquire an additional Common Share at an exercise price of no less than \$0.50 for a period of two years from the date of issuance. The Common Shares and Warrants issued pursuant to the Debt Settlement are subject to a four-month hold period.

Pursuant to the Debt Settlement, Mr. Chris Irwin acquired 5,000,000 Common Shares of the Company. Prior to the completion of the Debt Settlement, Mr. Irwin held, directly or indirectly, 16,666 Common Shares and 8,333 Warrants. Upon completion of the Debt Settlement, Mr. Irwin will beneficially own or control 5,016,666 Common Shares of the Company and 2,508,333 Warrants, representing approximately 32.32% of the Company’s issued and outstanding Common Shares on a non-diluted basis and approximately 41.65% of the Company’s issued and outstanding Common Shares on a partially basis. Depending on market and other conditions, or as future circumstances may dictate, Mr. Irwin may from time to time increase or decrease its holdings of Common Shares or other securities of the Company. A copy of the early warning report will be available on the Company’s issuer profile on SEDAR at www.sedar.com.

Pursuant to the Debt Settlement, Mr. Brian Murray acquired 5,143,000 Common Shares of the Company. Prior to the completion of the Debt Settlement, Mr. Murray did not hold any securities of the Company. Upon completion of the Debt Settlement, Mr. Murray will beneficially own or control 5,143,000 Common Shares of the Company, representing approximately 33.14% of the Company’s issued and outstanding Common Shares on a non-diluted basis and partially basis. Depending on market and other conditions, or as future circumstances may dictate, Mr. Murray may from time to time increase or decrease its holdings of Common Shares or other securities of the Company. A copy of the early warning report will be available on the Company’s issuer profile on SEDAR at www.sedar.com.

The Debt Settlement constituted a “related party transaction” as defined in Multilateral Instrument 61-101 – *Protection of Minority Securityholders in Special Transactions* (“**MI 61-101**”), as a director and certain officers of the Company were involved in the Debt Settlement. The Company is relying on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(g) and 5.7(1)(e) of MI 61-101 as the Company is in financial difficulty. The board of directors (the “**Board**”), acting in good faith, and the independent members of the Board, acting in good faith, determined that Company is in serious financial difficulty, that the Debt Settlement is designed to improve the Company’s financial position and that the terms of the Debt Settlement are reasonable in the Company’s circumstances. The Company did not file a material change report in respect of the related party transaction at least 21 days before the closing of the Debt Settlement, which the Company deems reasonable.

For further information, please contact:

Albert Contardi
President and Chief Executive Officer
Tel: (416) 361-2832

This news release contains certain “forward-looking information” within the meaning of applicable securities law. Forward looking information is frequently characterized by words such as “plan”, “expect”, “project”, “intend”, “believe”, “anticipate”, “estimate”, “may”, “will”, “would”, “potential”, “proposed” and other similar words, or statements that certain events or conditions “may” or “will” occur. These statements are only predictions. Forward-looking information is based on the opinions and estimates of management at the date the information is provided, and is subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information. For a description of the risks and uncertainties facing the Company and its business and affairs, readers should refer to the Company’s Management’s Discussion and Analysis. The Company undertakes no obligation to update forward-looking information if circumstances or management’s estimates or opinions should change, unless required by law. The reader is cautioned not to place undue reliance on forward-looking information.