



Canadian Metals Inc.

CSE: CME

Canadian Metals announces Closing of First Tranche of Private Placement of Convertible Debentures for Proceeds of \$700,000.

July 27, 2015- Montreal, Quebec – Canadian Metals Inc. (the “Corporation”) (CSE : CME) is pleased to announce a first tranche closing of a private placement in the form of convertible debentures for aggregate gross proceeds of \$700,000 as previously announced on June 29, 2015 (the “Private Placement”). The convertible debentures mature three years from the closing date and bear interest at a rate of 10% per annum, payable in equal semi-annual installments on June 30th and December 31st, commencing December 31st, 2015. At the option of the Corporation, interest shall be payable in cash or in shares for the first year. For year 2 and 3, interest shall be payable in cash only. If the payment is made in shares, it will be based on a price equal to 85% of the average closing price of the Common Shares of CME for a period of 20 consecutive trading days ending five trading days before the payment date.

The net proceeds from the Private Placement will be used for a Preliminary Economic Assessment (PEA) on the Langis project and for working capital purposes.

Industrial Alliance Securities acted as lead agent in the Private Placement and received an 8.5% cash commission and Broker Warrants (the "Broker Warrants") equal to 5% of the Debentures issued pursuant to the Offering. Each Broker Warrant shall entitle the holder thereof to acquire a Common Share at a price of \$0.20 for a period of 24 months from the closing date.

Certain insiders, namely, Mr. Stephane Leblanc and Mr. Michel Gagnon, Mr. Hubert Vallée and Mr. Marc Duchesne have participated in the private placement for an aggregate amount of \$90,000. Pursuant to Regulation 61-101 Respecting protection of minority security holders in special transactions ("Rule 61-101"), each of these transactions constitutes a "related party transaction" and as such, minority shareholder approval and a formal valuation may be required. However, the Board of Directors of the Corporation has determined that such transactions meet the exemptions set out in Rule 61-101 (sections 5.5(a) and 5.7(a)) as the value of the transaction does not exceed 25% of the market capitalization of the Corporation.

About Canadian Metals Inc.:

Canadian Metals Inc. is focused exclusively on the development of its Langis Project, a high-purity silica deposit located in the province of Quebec. The Company is rapidly positioning itself to become a future producer of ferrosilicon in North America

For almost a decade, the quartz in Langis quarry was exported in Europe to produce Ferrosilicon. Canadian Metals has rapidly built an international management team with local talent to establish and transform in Quebec the resource from Langis quarry in St-Vianey in high grade Ferrosilicon. With this project; Canadian metals wants to establish new standards in connection of Quebec government economic policy and development of Quebec Plan Nord. With the goal to create around a hundred highly qualified direct jobs and approximately 300 indirect jobs, Canadian Metals strongly believes that the Province of Quebec has all the infrastructure including skilled labor, rail, port and affordable green electricity to realize this industrial mineral project.

Neither the CSE nor its Regulation Services Provider accepts responsibility for the adequacy or accuracy of this release.

For more information, please contact:

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