

CANADIAN METALS ANNOUNCES \$ 1.5M BROKERED PRIVATE PLACEMENT OF CONVERTIBLE DEBENTURES

November 9, 2016. Montréal, Québec – Canadian Metals Inc. (The “Corporation”) (CSE : CME) announces that it intends to complete a private placement of \$1000 principal amount of unsecured convertible debentures (The "debentures") for gross proceeds to the corporation of up to \$1.5 million (The "private placement") and has retained Industrial Alliance Securities Inc. (The "Agent") as the lead agent and sole bookrunner for the private placement.

The convertible debentures

Each debenture is convertible at the option of the holder into common shares of CME (the "Common Shares") at any time after the issue date of the debenture and prior to the close of business on the last business day prior to the Maturity Date at a conversion price of CAD\$0.20 per Common Share, being at a rate of, 5,000 Common Shares per CAD\$1,000 principal amount of debentures.

The convertible debentures mature four years from the closing date and bear interest at a rate of 10% per annum, payable semi-annually in arrears on the last of December and June of each year, commencing on June 30th, 2017. Interest shall be payable in shares for the first year only. For the years hereafter, interest shall be payable in cash or shares, at the option of the holders of the Debentures (the “Holders”). If a minimum of 66,6% of the Holders (in terms of amounts of dollars) vote in favor of either a payment in cash or shares, the Corporation will have to pay all Holders the same way. 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 the period of 20 consecutive trading days ending five trading days before the payment date.

The net proceeds of the sale of Debentures will be used for development and for working capital purposes.

The Agent will receive 8.5% cash commission and Broker Warrants (the "Broker Warrants") equal to 5% of the Debentures issued pursuant to the Offering divided by \$0.20. 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.

The closing date of the offering is expected to be on or about November 30, 2016. The offering is subject to several conditions, including regulatory approvals including that of the CSE, Canadian Securities Exchange

For more information on the offering or in order to obtain a subscription form, please contact your financial adviser or Pierre-Francois Roy at Industrial Alliance Securities Inc. ("IAS") pf.roy@iagto.ca

About Canadian Metals

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 eventually become a North American silicon metal & ferrosilicon producer.

For more information, please contact:

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Cautionary Statements Regarding Forward Looking Information

Certain statements included herein may constitute “forward-looking statements”. All statements included in this press release that address future events, conditions or results, including in connection with the pre-feasibility study, its financing, the hybrid flex project, job creation, the investments to complete the project and the potential performance, production and environmental footprint of the silicon plant, are forward-looking statements. These forward-looking statements can be identified by the use of words such as “may”, “must”, “plan”, “believe”, “expect”, “estimate”, “think”, “continue”, “should”, “will”, “could”, “intend”, “anticipate” or “future” or the negative forms thereof or similar variations. These forward-looking statements are based on certain assumptions and analyses made by management in light of their experiences and their perception of historical trends, current conditions and expected future developments, as well as other factors they believe are appropriate in the circumstances. These statements are subject to risks, uncertainties and assumptions, including those mentioned in the Corporation’s continuous disclosure documents, which can be found under its profile on SEDAR (www.sedar.com). Many of such risks and uncertainties are outside the control of the Corporation and could cause actual results to differ materially from those expressed or implied by such forward-looking statements. In making such forward-looking statements, management has relied upon a number of material factors and assumptions, on the basis of currently available information, for which there is no insurance that such information will prove accurate. All forward-looking statements are expressly qualified in their entirety by the cautionary statements set forth above. The Corporation is under no obligation, and 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 expressly required by applicable law.

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