

CANADIAN METALS CLOSES FIRST TRANCHE OF PRIVATE PLACEMENT

February 3, 2017. Montréal, Québec – Canadian Metals Inc. (the “Corporation” or “Canadian Metals”) (CSE : CME) has closed the first tranche of a non-brokered private placement with accredited investors, as well as with directors of Canadian Metals, by issuing 2,369,998 units at a price of \$0.15 per unit, for total gross proceeds to Canadian Metals of \$355,500. Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one additional common share of the corporation at a price of \$0.20 for a period of 12 months from the closing date of the private placement.

The Company confirms that INNOVATION ET DÉVELOPPEMENT MANICOUAGAN (IDM) has participated in this private placement for \$340,000 through its development fund. The Company is pleased to welcome IDM as an important shareholder. IDM has demonstrated a clear support to the project from the local community and the Company and IDM will work together to develop and build the next silicon alloys producer, locate in Baie Comeau, to serve the world market.

Securities issued under the private placement will be subject to a four-month hold period ending March 4, 2017.

The proceeds of the placements shall be used for developpement work and for working capital, subject to regulatory and Canadian Securities Exchange final approval

The insiders' participation is exempt from the formal valuation and minority shareholder approval requirements provided under Regulation 61-101 respecting protection of minority securityholders in special transactions, in accordance with sections 5.5(a) and 5.7(1)(a) of Regulation 61-101. The exemption is based on the fact that neither the fair market value of the private placement nor the consideration paid by such insiders exceeds 25 per cent of the market capitalization of the corporation. The corporation did not file a material change report at least 21 days prior to the completion of the private placement since the insiders' participation was not determined at that moment.

Following the first closing of the private placement, there are currently 44, 810, 080 common shares of Canadian Metals issued and outstanding.

About Canadian Metals

Canadian Metals is focused on the development of its Langis project, a high-purity silica deposit located in the province of Quebec. The Company is rapidly positioning itself as a supplier of high purity silica and silicon alloy in North America. Silicon based materials can be formulated to provide a broad range of products from more durable, faster building materials with smarter electronic devices, solar panels and more efficient wind turbines. We expect to become a global supplier for a number of industries and applications but without limitation: glass, ceramics, lighting, oil and gas, paint, plastic and rubber. We also want to become an integrated supplier to metallurgical industries including

foundries, and participate in a wide range of civil, industrial, environmental and related applications. These target markets are an integral part of the lives of millions of people every day.

For more information, please contact:

Hubert Vallée

President and CEO

Email: hvallee@canadianmetalsinc.com

Website: www.canadianmetalsinc.com

Stéphane Leblanc

Chief Investment Officer

Email: sleblanc@canadianmetalsinc.com

Website: www.canadianmetalsinc.com

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.