

QUEBEC CONFIRMS AN INVESTMENT IN CANADIAN METALS

July 12, 2017. Montréal, Québec – Canadian Metals Inc. (The “Company”) (CSE : CME) is planning to complete a total of \$8 million in funding over the next few months. This investment will complete the \$9.2 million global financing plan which was developed in order to undertake all phases of project implementation. As a result, the Corporation is pleased to announce that Ressources Québec Inc., a wholly owned subsidiary of Investissement Québec, acting as agent for the Government of Quebec, has obtained authorization from its principal to invest \$2.125 million in Canadian Metals in the form of share capital at a price to be determined by and to the satisfaction of Ressources Québec, particularly in order to support the implementation phases of the project including the feasibility study and the environmental impact study, as well as the application for a certificate of authorization for the silicon alloy plant project.

The Corporation plans to complete the financing of this project in several tranches. In this context, Ressources Québec will disburse the amount of \$2.125 million in several tranches, so that each part of their investment represents 28.77% of each of the financing tranches up to an amount of \$2.125 million.

The confirmation from Ressources Québec of this investment of \$2.125 million is part of the development of a silicon alloy plant project in Baie-Comeau. This amount from Ressources Québec is in addition to all private placements totaling \$1.2 million which were completed and announced between December 2016 and February 2017. This investment is an important milestone in the development of the overall financing plan of \$9.2 million which was developed to undertake all phases of project implementation.

Canadian Metals confirms that it has additional commitments of \$1 million subject to terms and conditions that will be confirmed shortly. The Corporation has accumulated commitments of more than \$4 million since its plant was announced in the industrial port area of Baie-Comeau. The Corporation intends to finalize its financing plan in order to be able to undertake all implementation phases of the project over the coming months.

Phases of project implementation and use of funds

- Phase 1- Pre-feasibility
- Phase 2- Decision
- Phase 3- Feasibility
- Phase 4- Decree
- Development, Research & Innovation
- Overhead costs

"This investment demonstrates the commitment of the Government of Quebec and the City of Baie-Comeau to our project," explains Stéphane Leblanc, Chief Investment Officer of Canadian Metals. "ID manic is already a shareholder and it invested in the Corporation in February 2017. We are pleased that they continue to show their support and remain strong advocates for the successful development of a silicon alloy project in Quebec. Similarly, the Government of Québec is very supportive of our strategy to accelerate the project implementation phases."

For further information, the Corporation suggests that readers visit our website www.canadianmetalsinc.com (The Project) to obtain details on each phase of the project.

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:

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.

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