



Canadian Metals Inc.

CSE: CME

CANADIAN METALS SIGNS A LETTER OF INTENT FOR THE SALE OF 35% OF ITS BY-PRODUCT (SILICA FUME)

August 15, 2017. Montréal, Québec – Canadian Metals Inc. (The “Company”) (CSE : CME) is pleased to announce the signing of a letter of intent with a Canadian leader in the production of cement ("CDF"), for the sale of a minimum quantity of 5,000 tons of silica fume (microsilica), representing at least 35% of the expected annual production in the initial phase, which will be produced in Canadian Metals' future silicon alloy plant in Baie-Comeau, Quebec ("the plant").

This letter of intent is intended to serve as a guideline for the negotiation of a final distribution and operation agreement between the parties. Canadian Metals will provide further details regarding the identity of the counterparty to the agreement, as well as details concerning the final agreements at the conclusion of the negotiations.

"CDF is pleased with the prospect of reaching a definitive agreement with Canadian Metals and developing this strategic business partnership over the next few years.

We are thrilled to be working with CDF, a recognized leader in the market, as we develop our business", said Hubert Vallée, President and CEO of Canadian Metals.

"The conclusion of a final distribution and operation agreement of this size means that a large quantity of our by-product (silica fume) from our initial phase will be reserved long before actual production and for at least 10 years", said Stéphane Leblanc, Investment Director at Canadian Metals.

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.

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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.

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