



Canadian Metals Inc.

CSE: CME

## Canadian Metals Announces Closing of Spin-Out Transaction

September 10, 2021, Montréal, Québec - Canadian Metals Inc. ("**CME**" or the "**Corporation**") (**CSE: CME**), is pleased to announce that it has closed its previously announced arrangement (the "**Arrangement**") pursuant to an arrangement agreement dated June 17, 2021 between the Corporation and QNB Metals Inc. ("**Spinco**").

Pursuant to the Arrangement, the Corporation spun out its Lac Chesnaye property located in Québec to Spinco in exchange for the issuance of 4,299,961 Class A common shares of Spinco ("**Spinco Shares**") to the Corporation. In accordance with the terms of the Arrangement Agreement, the Corporation has effected a reorganization of its share capital and distributed such Spinco Shares to the shareholders of the Corporation ("**Shareholder**") on a pro rata basis. As a result, each Shareholder has received such number of Spinco Shares equal to the number of CME shares held by such Shareholder on September 8, 2021 multiplied by 0.05866. DRS registration statements representing an appropriate number of Spinco Shares have been sent to all registered Shareholders.

Following the completion of the Arrangement, Spinco has 9,299,961 Spinco Shares issued and outstanding with a CUSIP/ISIN number of 74739L106/CA74739L1067. Michel Gagnon, a director of Spinco, directly and indirectly, holds 72,627 Spinco Shares. Maxime Lemieux, a director of Spinco, holds 114,624 Spinco Shares and securities that entitle him to acquire 50,000 Spinco Shares.

For further details of the Arrangement, please see the Corporation's management information circular dated June 22, 2021 and press releases dated May 20, 2021, June 21, 2021 and July 28, 2021, which have been filed on CME's SEDAR profile at [www.sedar.com](http://www.sedar.com).

As previously announced, Spinco has received approval to list the Spinco Shares on the Canadian Securities Exchange ("**CSE**") under the symbol "**TIM**". Spinco expects that the Spinco Shares will commence trading on the CSE on or about September 14, 2021.

### **Early Warning Reporting**

Prior to the aforementioned Arrangement, Mr. Stéphane Leblanc, President, CEO and shareholder of Spinco, directly and indirectly, held 1,490,000 Spinco Shares and securities that entitle him to acquire 745,000 Spinco Shares. Following the completion of the Arrangement, he has control and direction over an aggregate of 2,096,415 Shares and 745,000 convertible securities, representing 22.5% of the issued and outstanding Spinco Shares and 28.3% on a partially-diluted basis.

All securities of Spinco controlled by Mr. Leblanc are held for investment purposes. In the future, he (directly or indirectly), may acquire and/or dispose of securities of Spinco through the market, privately or otherwise, as circumstances or market conditions may warrant.

This portion of this news release is issued pursuant to *National Instrument 62-103 - The Early Warning System and Related Take-Over Bid and Insider Reporting Issues* of the Canadian Securities Administrators, which also requires an early warning report to be filed with the applicable securities

regulators containing additional information with respect to the foregoing matters. A copy of the early warning report filed by Mr. Leblanc is available under Spinco's profile on SEDAR ([www.sedar.com](http://www.sedar.com)).

### **About Canadian Metals Inc.**

Canadian Metals is a diversified resource company focused on creating shareholder value through the development of large-scale mineral deposits in specific commodities and safe jurisdictions.

### **For more information, please contact:**

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President and CEO

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

### **Forward-Looking Information**

*This press release includes certain "forward-looking information" and "forward-looking statements" (collectively, "forward-looking statements") within the meaning of applicable Canadian securities laws. All statements other than statements of historical fact included herein including, without limitation, statements relating to the future operating or financial performance of the Corporation, are forward-looking statements.*

*Forward-looking statements are generally, but not always, identified by words such as "expects", "anticipates", "believes", "intends", "estimates", "potential", "possible", "plans" and similar expressions, or statements that events, conditions, or results "will", "may", "could", or "should" occur or be achieved. Forward-looking statements in this press release relate to, among other things: receipt of any required regulatory approvals for the Arrangement and listing of the Spinco Shares on the CSE. Although CME believes that the expectations reflected in the forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct or accurate, and actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements reflect the beliefs, opinions and projections on the date the statements are made and are based upon a number of assumptions and estimates that, while considered reasonable by the respective parties, are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies. Many factors, both known and unknown, could cause actual results, performance or achievements to be materially different from the results, performance or achievements that are or may be expressed or implied by such forward-looking statements and the parties have made assumptions and estimates based on or related to many of these factors. Readers should not place undue reliance on the forward-looking statements and information contained in this press release. The statements in this press release are made as of the date of this release. Except as required by law, the Corporation expressly disclaims any obligation and does not intend to update any forward-looking statements or forward-looking information in this press release.*