



News Release

Meryllion Enters into Option and Earn-In Agreement with Tasmanian Strategic Green Metals

FOR IMMEDIATE RELEASE

July 20, 2023

July 20, 2023 – Vancouver, British Columbia, Canada – Meryllion Resources Corporation (“**Meryllion**” or the “**Company**”) (CSE: MYR)) is pleased to announce that it has entered into an arm’s-length Option and Earn-In Agreement dated as of July 17, 2023 (the “**Agreement**”) with Tasmanian Strategic Green Metals Pty Ltd. (“**TSGM**”), a private Australian company, to acquire an interest on four rare earth exploration leases located in northeast Tasmania totaling approximately 809 square kilometres (the “**Projects**”).

Under the terms of the Agreement, Meryllion will have a 90-day option period in order to carry out due diligence on the Projects and for which it will pay TSGM a fee of AUD\$25,000 (CAD\$22,290). In the event where the Company wishes to pursue with its right to acquire an interest in and to the Projects under the terms of the Agreement, it will pay TSGM an additional fee of AUD\$75,000 (CAD\$66,870).

Thereafter, Meryllion will have the right, but not the obligation, to earn a 50% interest in and to the Project by (i) spending a minimum of AUD\$300,000 (CAD\$267,480) in project expenditures forming part of an agreed initial exploration program within 120 of the date on which Meryllion exercises the option; (ii) committing to spending an additional AUD\$200,000 (CAD\$178,320) in project expenditures within the subsequent 90 days (the “**Earn-In Date**”); (iii) paying to TSGM the sum of AUD\$100,000 (CAD\$89,160) which amount shall be refunded by TSGM to certain seed investors of TSGM; and (iv) subject to usual regulatory approvals, allotting to said seed investors an aggregate of AUD\$100,000 (CAD\$89,160) worth of common shares in the capital stock of the Company.

Upon having earned its 50% interest in the Projects, Meryllion will have the right, but not the obligation, to acquire additional interests in the Projects, by way of 10% increments over time up to a maximum 80%, through the funding of additional expenditures at a rate of AUD\$600,000 (CAD\$534,960) in project expenditures and payments to TSGM of AUD\$200,000 (CAD\$178,320) in cash and AUD\$130,000 (CAD\$115,906) in common shares of Meryllion. The Company will have a 30-month period as of the Earn-In Date, during which it may earn up to its maximum interest.

All common shares issuable pursuant to this Agreement shall be (a) issued at a deemed issue price equal to the 10-day volume weighted average price of the shares on the date of each respective share issuance or such other period as may be required by the Canadian Securities Exchange (the “**CSE**”) and (b) subject to a restricted hold period equal to four months and one day from the date of issuance.

Upon having earned its 80% interest in the Projects and a production decision being made in respect thereto, Meryllion will have the option to buy the remaining 20% of the Projects at a price based upon an independent evaluation which would be made at that time.

The transaction has the potential to result in the creation of a new Control Person or a Change of Control (as such terms are defined in the policies of the CSE) of the Company. In such case, the transaction would be subject to the approval of the Company's shareholders. The Company intends to satisfy any shareholder approval requirement by written resolution signed by shareholders of more than 50% of the Company's voting shares, as provided by Section 4.6(1)(b) of CSE Policy 4. The transaction also remains subject to the final acceptance of the CSE.

About the Tasmanian Rare Earths Projects

The Projects are hosted in highly sought rare earth-rich ionic adsorption clay hosted deposits comprising Jurassic Dolerites and Basalts and provide significant upside potential for economic rare earth magnet metals.

Globally, most rare-earths are sourced from hard-rock mines. These typically require large, costly processing plants and a significant lead time to reach production. A less common source of rare earths is ionic adsorption clay (IAC) deposits. Historically, these have only been mined in southern China. A major advantage of IAC deposits is that the rare earths can be extracted from the clay via a simple leaching process. Secondly, they often exist at shallow depth. These advantages enable a project to be developed rapidly and at lower cost. Furthermore, IAC deposits are relatively richer in the rare earths needed for permanent magnets, and they typically contain low concentrations of radioactive elements such as uranium and thorium.

Meryllion CEO Richard Revelins commented: "Prices of the super-magnet rare-earth elements are rising strongly due to a significant shortage of supply and buying by the major consumers and governments. China currently controls 86% of global REE supply but is not expanding production at the same rate that demand for the critical REEs has risen. Accordingly, this is a highly prospective acquisition opportunity in an area where prices are responding favorably to international demand."

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Forward-Looking Statements

Information set forth in this news release may involve forward-looking statements under applicable securities laws. The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. The forward-looking statements included in this document are made as of the date of this document and the Corporation 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 securities legislation. Although Management believes that the expectations represented in such forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. This news release does

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