

Graycliff Exploration Closes Second and Final Tranche of its Previously Announced Private Placement

Not for dissemination in the United States of America

TORONTO, ON - December 16, 2021 - [Graycliff Exploration Limited](#) (the “Company” or “Graycliff”) ([CSE: GRAY](#)) ([OTCQB: GRYCF](#)) ([FSE: GEO](#)) is pleased to announce the completion of the second and final tranche of a non-brokered private placement offering (the “Financing”). The second tranche of the Financing consisted of 1,124,99 Units (each, a “Unit”) of the Company, issued at a price of \$0.30 per Unit for gross proceeds of \$349,498.80. Each Unit consists of one common share and one (1) common share purchase warrant (a “Warrant”), with each Warrant entitling the holder to purchase one (1) common share at a price of \$0.45 for a period of two (2) years from the closing date.

On December 8, 2021, the Company completed the first tranche of the Financing through the issuance of 3,589,963 flow-through units (“FT Units”) at a price of \$0.30 per FT Unit, for gross proceeds of \$1,076,989.85. Each FT Unit consisted of one (1) common share issued as a “flow-through share” and one half (1/2) common share purchase warrant (each whole common share purchase warrant, a “FT Warrant”), with each FT Warrant entitling the holder to purchase one (1) common share at a price of \$0.45 for a period of two (2) years from the closing date.

Graycliff intends to use the net proceeds from the Financing for general working capital purposes.

In connection with the first tranche, the Company issued 248,497 finder’s warrants (the “Finder’s Warrants”) to certain eligible finders’. Each Finder’s Warrant is exercisable for one (1) common share at a price of \$0.30 and will expire two (2) years from the closing date. No compensation was paid in connection with the second tranche.

The participation by all four of the directors of the Company in the Financing constitutes a “related party transaction” pursuant to Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* (“MI 61-101”). The Company intends to rely on the exemptions from the formal valuation and minority shareholder approval requirements of MI 61-101 contained in Section 5.5(b) and Section 5.7(1)(b) of MI 61-101, respectively, on the basis that (i) no securities of the Company are listed or quoted on any of the markets specified in Section 5.5(b) of MI 61-101 and (ii) the fair market value of the securities issued to related parties pursuant to the Financing does not exceed \$2,500,000, along with the other applicable circumstances contained in section 5.7(1)(b) of MI 61-101.

All securities issued pursuant to the Financing will be legended with a hold period of four months and one day from the date of issuance.

About Graycliff Exploration Limited

Graycliff Exploration is a mineral exploration company focused on its 1,025 hectares of prospective ground, located roughly 80 kilometres west of Sudbury, on the prolific Canadian Shield. The Company’s Shakespeare Project consists of one crown patented lease, two crown leases and 40 claims on a property associated with the historic Shakespeare Gold Mine, which operated from 1903 to 1907. Graycliff’s Baldwin Project is adjacent to the east and is comprised of 68 claims covering 1,500 hectares. The two projects together could be the beginning of a new Ontario Gold Camp.

On Behalf of the Board of Directors,

James Macintosh
President and CEO

For more information, please visit our website at www.graycliffexploration.com and contact investor relations at investors@graycliffexploration.com.

Neither the Canadian Securities Exchange nor its regulation services provider has reviewed or accepted responsibility for the adequacy or accuracy of this press release

This release contains “forward-looking statements” within the meaning of applicable Canadian securities legislation. Forward-looking statements include, but are not limited to, statements regarding the impact and implications of drill results of the Company; the timing and amount of estimated future exploration and the success of such exploration activities. Generally, forward-looking statements can be identified by the use of forward-looking terminology such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “schedule”, “estimates”, “forecasts”, “intends”, “continue”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “will”, “might” or “will be taken”, “occur” or “be achieved”. Forward-looking statements are made based upon certain assumptions and other important facts that, if untrue, could cause the actual results, performance or achievements of the Company to be materially different from future results, performances or achievements expressed or implied by such statements. Such statements and information are based on numerous assumptions regarding present and future business strategies and the environment in which the Company will operate in the future. Certain important factors that could cause actual results, performances or achievements to differ materially from those in the forward-looking statements include, amongst others, currency fluctuations, the global economic climate, dilution, share price volatility and competition. Forward-looking statements are subject to known and unknown risks, uncertainties and other important factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements, including but not limited to: the impact the COVID 19 pandemic may have on the Company’s activities and the economy in general; the impact of the recovery post COVID 19 pandemic and its impact on precious metals; there being no assurance that the exploration program will result in expanded mineral resources; risks and uncertainties inherent to any mineral resource estimates; receipt of necessary approvals; general business, economic, competitive, political and social uncertainties; future gold and other metal prices; accidents, labour disputes and shortages; environmental and other risks of the mining industry. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not undertake to update any forward-looking statements, except in accordance with applicable securities laws.