

# CREST RESOURCES INC.

Suite 1100 - 595 Howe Street, Vancouver, BC V6C 2T5  
T (604) 681-3170, F (604) 681-3552

## NEWS RELEASE

### CREST RESOURCES TO ACQUIRE INVESTMENT IN RAIN CITY RESOURCES INC. AND OTHER TRANSACTIONS

**Vancouver, B.C. – June 23, 2020** - Crest Resources Inc. (CSE: CRES) (the "Company") is pleased to announce that it has entered into a share purchase and sale agreement (the "Agreement") to acquire 4,100,000 common shares (the "Shares") of Rain City Resources Inc. ("Rain City", a junior mineral exploration company listed on the Canadian Securities Exchange (the "CSE")) at a price of \$0.018 per Share for total consideration of \$74,000. The purchase price will be paid as to \$24,000 within 24 hours of execution of the Agreement, \$25,000 upon delivery of the non-escrow shares, and \$25,000 upon the sooner of 45 days or the effective delivery of the escrow shares. 3,000,000 of the Shares (the "Escrow Shares") are subject to an escrow agreement dated January 24, 2019 among Rain City, National Securities Administrators Ltd. and the Vendors (among other shareholders). The closing of the sale of the Escrow Shares is conditional upon the approval of securities regulators of British Columbia, Alberta and Ontario and the CSE. If the CSE objects to such transfer of the Escrow Shares, then the final \$25,000 payment will not be due and the Escrow Shares will not be delivered.

Immediately following the acquisition of the Shares, the Company will own and control a total of 4,100,000 common shares of Rain City representing approximately 20.59% of the issued and outstanding common shares of Rain City based on a total of 19,909,001 common shares outstanding as of June 23, 2020.

The Company is entitled to nominate one representative for election as a director of Rain City at each annual shareholder's meeting of Rain City, for so long as the Company holds at least 5% of the outstanding shares of Rain City.

The Shares will be acquired in a private transaction from three vendors pursuant to the private agreement exemption from the formal take-over bid requirements of National Instrument 62-104, Take-Over Bids and Issuer Bids, on the basis that the Shares were acquired from less than five vendors at a purchase price not exceeding 115% of the then market price of the Issuer's shares.

The Company has acquired the Shares for investment purposes and may acquire additional common shares and/or other equity, debt or other securities or instruments (collectively, "Securities") of Rain City in the open market or otherwise, and reserves the right, subject to applicable securities law, to dispose of any or all of its Securities in the open market or otherwise at any time and from time to time, and to engage in similar transactions with respect to the Securities, the whole depending on market conditions, the business and prospects of the Issuer and other relevant factors.

#### **Loan from Volatus Capital Corp.**

The Company has entered into a loan agreement to borrow \$100,000 from Volatus Capital Corp. ("Volatus") for the purpose of staking mineral claims in the province of Newfoundland and Labrador and other corporate purposes. The loan will bear interest at 2% per month, is payable on demand after

November 20, 2020, and as further consideration for extending the loan, Volatus will receive a 5% ownership interest in the Middle Ridge and True Grit property.

Volatus is a “related party” by reason that Crest beneficially owns and controls, directly and indirectly, 31.72% of the issued and outstanding voting securities of Volatus, and Michael Collins is the President, CEO and director of both companies.

### **Investment in Opawica Explorations Inc.**

The Company has participated in a non-brokered private placement of Opawica Explorations Inc. (“Opawica”) that closed on June 15, 2020. The Company has acquired 1,000,000 common shares of Opawica at a price of \$0.05 per share for total cost of \$50,000. The acquisition was made for investment purposes.

### **Atlin-Rufner Project**

1251797 B.C. Ltd. (“1251797”), the Company’s 76.92% owned subsidiary, has entered into an Asset Purchase Agreement with an arm’s length party to acquire 100% interest in 28 mineral claims known as the Atlin-Rufner project located in the Atlin Mining Division and Prince Rupert Land Title District in British Columbia for consideration of 3,000,000 common shares of 1251797 at a deemed price of \$0.02 per share for total consideration of \$60,000.

### **Mt. Peyton Extension**

Exploits Gold Corp. (“Exploits”), the Company’s 57.5% owned subsidiary, has entered into a Property Purchase and Sale agreement with an arm’s length party to acquire a 100% interest, subject to a 2% net smelter returns royalty of which Exploits may purchase 1% for \$1,000,000 at any time, in two mineral licences comprising 96 claims (24 km<sup>2</sup>) known as the Mt. Peyton Extension property located approximately 3.5 km west of the town of Glenwood, Newfoundland and Labrador, for consideration of \$12,175 cash and 650,000 common shares of Exploits.

### **Newfoundland Staking and Project Acquisition**

The Company has staked eight mineral licences known as the Middle Ridge and True Grit property located in the Exploits Subzone of Central Newfoundland. The Company has acquired an additional mineral licence, subject to a 2% net smelter returns royalty of which the Company may purchase 1% for \$1,000,000 at any time, comprising 18 claims from arm’s length vendors for consideration of \$20,000 payable over a six month period and 150,000 common shares of a public company into which the mineral licence may be vended in the future, although there is currently no proposed transaction to do so. The ownership interest in the Middle Ridge and True Grit property is held 85% by the Company, 10% by Nicholas Rodway, the Vice President of Business Development who was engaged to stake the claims, and 5% by Volatus Capital Corp. as consideration for extending certain loans to the Company to complete the staking.

The Company has further staked four mineral licences known as the Dog Bay property located in the Exploits Subzone of Central Newfoundland. The ownership interest in the Dog Bay property is held 70% by the Company and 30% by three individuals engaged to stake the claims including Mr. Rodway who retains a 12.5% interest in the property.

**FOR FURTHER INFORMATION CONTACT:**

Michael Collins  
President and CEO  
Crest Resources Inc.  
Telephone: 604-681-3170

The Canadian Securities Exchange has neither approved nor disapproved the contents of this news release and accepts no responsibility for the adequacy or accuracy hereof.

**Forward-Looking Statements**

*This news release contains certain forward-looking statements, which relate to future events or future performance and reflect management's current expectations and assumptions. Such forward-looking statements reflect management's current beliefs and are based on assumptions made by and information currently available to the Company. Readers are cautioned that these forward-looking statements are neither promises nor guarantees, and are subject to risks and uncertainties that may cause future results to differ materially from those expected including, but not limited to, market conditions, availability of financing, actual results of the Company's exploration and other activities, environmental risks, future metal prices, operating risks, accidents, labor issues, delays in obtaining governmental approvals and permits, and other risks in the mining industry. All the forward-looking statements made in this news release are qualified by these cautionary statements and those in our continuous disclosure filings available on SEDAR at [www.sedar.com](http://www.sedar.com). These forward-looking statements are made as of the date hereof and the Company does not assume any obligation to update or revise them to reflect new events or circumstances save as required by applicable law.*