

Rain City Resources Inc. Options Bro Property and Amends Financing

Vancouver, British Columbia--(Newsfile Corp. - April 21, 2021) - **Rain City Resources Inc. (CSE: RAIN)** ("RAIN" or "Rain City" or the "Company") is pleased to announce that it has entered into an option agreement with an arm's-length party to acquire an undivided 100% interest in the Bro Property, Yukon.

The Bro Property (the "Bro") is four (4) claims totalling 73 ha located approximately 150 kilometers northeast of Whitehorse and 50 kilometers southwest of Ross River, Yukon and is completely surrounded by Archer Cathro. The Bro lies in the St. Cyr range of the Polly Mountains, southwest of the Tintina Fault. Situated within the Pelly-Cassiar Platform which is comprised mostly of moderately faulted and folded Paleozoic miogeoclinal elastic and carbonate sedimentary rocks and volcanic rocks that were deformed during Mesozoic arc-continent collision, and by mid-Cretaceous intrusions of intermediate compositions. The Ketzia-Seagull District is bounded on the northeast by the Tintina fault which has postulated right lateral strike slip displacement in excess of 450 km. The Bro property is located just north of the Seagull uplift between the Seagull Thrust to the north and the Pass Peak Thrust to the south. Structures within the window are characterized by steeply dipping normal faults.

The H-zone is a brecciated gossan zone containing pyrite, galena, chalcopyrite and sphalerite mineralization. The mineralization identified on the H zone consists of a wide stockwork breccia zone probably related to steep-dipping fault structures. Massive sulphides of pyrite, galena, chalcopyrite and minor sphalerite and arsenopyrite and oxidized equivalents occur in open space boxwork textures. The main trench has exposed a gossan zone 40m wide. Surface grades of mineralization are hard to predict because of the oxidized nature of mineralization.

With a VMS target in mind, the stockwork breccia mineralization could be interpreted to represent post-depositional remobilization of exhalative base and precious metals into a structural zone. Historically, Noranda's drilling only tested the up-hill portion of this breccia zone and assumed a shallow west-dip of the surface zone which they interpreted to be a thrust fault. Noranda interpreted the sulphide mineralized breccia intersected is a flat lying extension of the mineralization in the Trench gossan. However, structural measurements in the trench suggests the zone is steeply dipping and hence has not been adequately drill tested.

The Company finds the Bro Property compelling as it's an excellent VMS target in VMS country. The H-zone is a classic example of a change of geological interpretation which could lead to new discovery.

Terms

The Bro Property can be acquired for aggregate consideration of CAD\$3,000,000 over 3 years, with a 3% NSR reserved to the Vendor. The royalty can be bought out at a rate of CAD\$2,000,000 per 1% at any time.

Payments in cash or stock to comprise a total CAD \$2,500,000 as to the following:

- CAD\$500,000 payable within 30 days of signing
- CAD\$500,000 on first anniversary
- CAD\$500,000 on second anniversary
- CAD\$1,000,000 on third anniversary

Payments in cash to comprise a total CAD \$500,000 as to the following:

- CAD\$100,000 payable within 30 days of signing
- CAD\$100,000 on first anniversary

- CAD\$100,000 on second anniversary
- CAD\$200,000 on third anniversary

The Company will be increasing and amending our non-brokered private placement (see News Release dated April 14, 2021) from 10,000,000 units up to 15,000,000 units of securities of the Company ("**Units**") and amending our purchase price to \$0.05 per unit. Each Unit will be comprised of one common share in the capital of the Company (a "**Common Share**") and one-full Common Share purchase Warrant. Each whole warrant will entitle the holder to purchase one additional Common Share (a "**Warrant Share**") at an exercise price of \$0.075 at any time up to 60-months following issuance.

Technical disclosure in this news release has been reviewed and approved by Derrick Strickland P. Geo., a Qualified Person as defined by National Instrument 43-101.

FOR FURTHER INFORMATION CONTACT:

"Christopher Reynolds"

Christopher Reynolds
President and Chief Executive Officer
Rain City Resources Inc.
Telephone: 604 681 3170

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. 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.

To view the source version of this press release, please visit
<https://www.newsfilecorp.com/release/81271>