

IM Exploration Announces Definitive Agreement with Momentum Minerals

NOT FOR DISSEMINATION, DISTRIBUTION, RELEASE, OR PUBLICATION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES OR FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES

Vancouver, British Columbia, June 17, 2021 – IM Exploration Inc. (CSE: IM) (“**IM**” or the “**Company**”) is pleased to announce that, further to its news release dated May 17, 2021 (the “**LOI News Release**”), it has entered into an amalgamation agreement (the “**Amalgamation Agreement**”) with Momentum Minerals Ltd. (“**Momentum**”), a private company headquartered in Vancouver, British Columbia, and IM’s wholly-owned subsidiary, 1307605 B.C. Ltd. (“**IM Subco**”), to acquire all of the issued and outstanding shares of Momentum (the “**Momentum Shares**”) by way of a three-cornered amalgamation (the “**Transaction**”).

Momentum is currently earning in to a 100% ownership position in the Turquoise Canyon Property, which lies to the immediate east of IM’s Toiyabe Gold Project. See the LOI News Release for further details of Momentum’s option agreement.

Raymond Harari, President and CEO of IM, commented: "We're thrilled that we've been able to complete this important step in the Company's growth plans, and we thank everyone involved on both sides for working so expeditiously towards our common goal of combining these two properties. We look forward to hitting the ground running and continuing to build out an exciting exploration platform in this world-class gold district."

Summary of Proposed Transaction

The Transaction will be completed by way of a three-cornered amalgamation under the *Business Corporation Act* (British Columbia) (the “**BCBCA**”) among IM, Momentum and IM Subco. Pursuant to the Transaction, Momentum will amalgamate with IM Subco and the holders of Momentum Shares will receive 0.6 of a common share of IM (each whole common share of IM, an “**IM Share**”) for every one Momentum Share. It is expected that approximately 19,817,400 IM Shares will be issued to the current shareholders of Momentum as consideration for all of the outstanding Momentum Shares pursuant to the amalgamation. The amalgamated company will become a wholly-owned subsidiary of IM. IM will also issue 240,000 replacement options to current Momentum option holders, allowing such holders to purchase IM Shares at a price of \$0.167 until April 14, 2026. There are currently 33,029,001 Momentum Shares and 400,000 options of Momentum outstanding. No finder’s fee will be paid in connection with the Transaction.

See the LOI News Release for further details of Transaction, which is available under the Company’s SEDAR profile at www.sedar.com.

The Company expects to close the Transaction on or around July 5, 2021.

About Momentum Minerals

Momentum is a private mining exploration company incorporated in British Columbia and headquartered in Vancouver. Momentum currently has the right to earn in to a 100% ownership position in Turquoise Canyon, through its option agreement with First Mining Gold Corp.

About Turquoise Canyon

The Turquoise Canyon Property is comprised of 188 unpatented lode claims in Lander County, Nevada and lies within the Battle Mountain – Eureka Trend, a 280 by 40-kilometer corridor known for hosting multiple large Carlin-type gold deposits. The property is located approximately 20 kilometers south of Barrick’s North Pipeline Mine and 14 kilometers south-west of the Cortez Mine. Turquoise Canyon lies to the immediate east of, and contiguous to, IM’s Toiyabe Gold Project.

About IM Exploration

The Company is a mineral exploration company, currently exploring for graphite, gold, and other minerals at its early-stage Mulloy Project in Northern Ontario and the Toiyabe Gold Project in Lander County, Nevada. From time to time, the Company may also evaluate the acquisition of other mineral exploration assets and opportunities.

For further information contact:

Raymond D. Harari
President and Chief Executive Officer
IM Exploration Inc.
rdh@canaliscapital.com
Tel: +507-6675-2221

The securities to be issued pursuant to the Transaction have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”) or any U.S. state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, United States persons absent registration or any applicable exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. This news release shall not constitute an offer to sell or the solicitation of an offer to buy securities in the United States, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

The Canadian Securities Exchange has neither approved nor disapproved the contents of this news release. The Canadian Securities Exchange does not accept responsibility for the adequacy or accuracy of this news release.

Certain information set forth in this news release may contain forward-looking statements that involve substantial known and unknown risks and uncertainties, including, but not limited to, the completion of the Transaction and related matters. These forward-looking statements are subject to numerous risks and uncertainties, certain of which are beyond the control of IM Exploration Inc., including, but not limited to, the impact of general economic conditions, industry conditions, volatility of commodity prices, risks associated with the uncertainty of exploration results and estimates, currency fluctuations, dependency upon regulatory approvals, the uncertainty of obtaining additional financing and exploration risk. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements.