

Gama Provides Corporate Update on Closing of Muskox Acquisition and Financing Plans

THIS NEWS RELEASE IS NOT FOR DISTRIBUTION TO U.S. NEWswire SERVICES FOR DISSEMINATION IN THE UNITED STATES

VANCOUVER, BC / January 19, 2023 / Gama Explorations Inc. (CSE:GAMA)(FSE:N79) ("**Gama**" or the "**Company**") is pleased to announce that, further to its press release dated January 16th, 2023, it has entered into a definitive option agreement (the "**Agreement**") to acquire a 100% interest in the Muskox Lithium Property (the "**Property**") in the Yellowknife Pegmatite Province of The Northwest Territories, Canada.

"We are excited to announce this definitive agreement for the Muskox property, which we expect to be a key aspect of our 2023 exploration program," stated Dr. Mick Carew, CEO of Gama. "Hosting one known pegmatite that has been tested with channel samples, we believe that significant upside potential exists through the delineation of additional pegmatite targets. The technical team at Gama is excited to unlock additional value on this new asset over 2023 through thorough and systematic exploration."

Muskox Lithium Property Highlights

- Gama solidifies battery metals portfolio with the Muskox lithium property in the heart of a growing pegmatite exploration district that is seeing a notable amount of activity.
- The Muskox Pegmatite Lithium project hosts the CM-1 pegmatite, a coarse-grained, spodumene-bearing pegmatite that has been traced over a strike length of ~730 m and is up to 11 m wide.
- Recent channel sampling from the CM-1 pegmatite in 2022 produced average grades of 1.34% Li₂O over 5 m and 1.26% Li₂O over 11 m.
- The Property is located ~40 km east of Yellowknife and 100 m north of a government maintained all-season road that runs along the entire southern border of the claims.
- A large portion of the 50 km² project area remains under-explored and the potential to identify additional lithium-bearing pegmatites remains high.

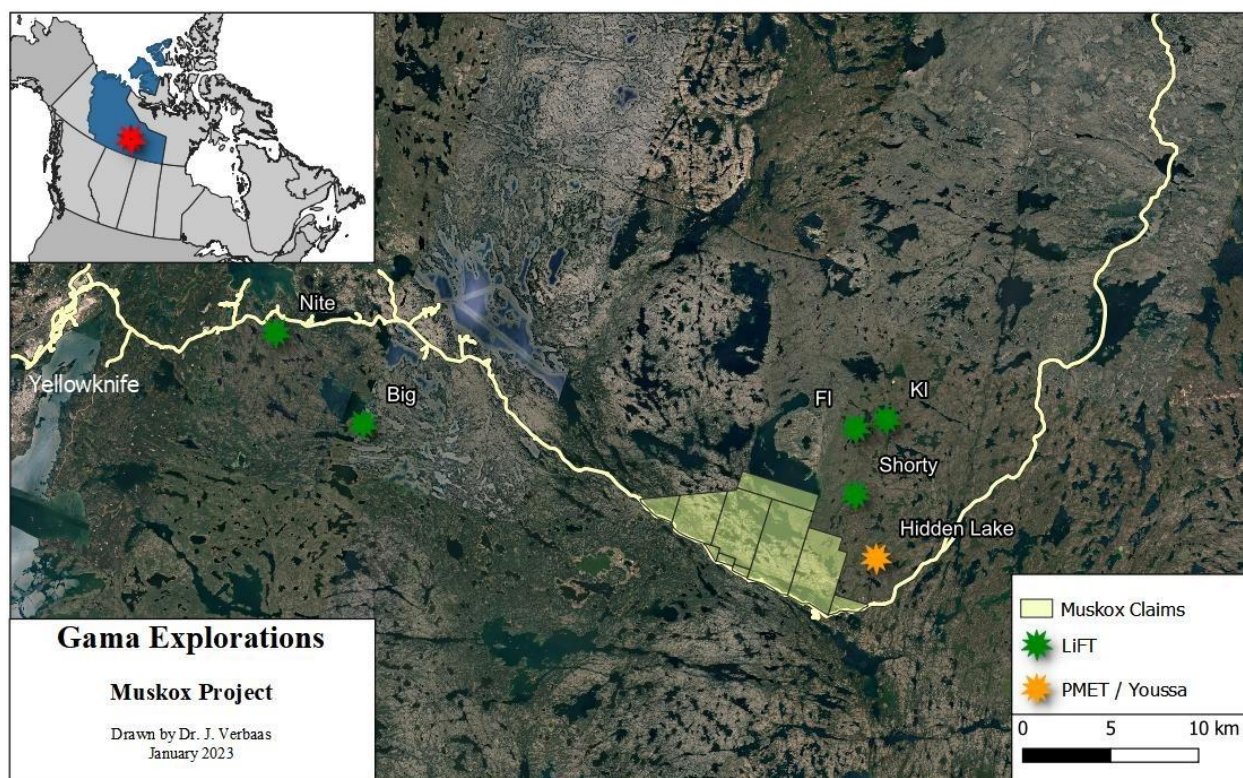


Figure 1. Muskox Pegmatite Lithium Property location.

About the Muskox Pegmatite Lithium Property

Project Description

The Muskox Pegmatite Lithium Project is located approximately 40 km east of the city of Yellowknife in the Northwest Territories (Figure 1). The project covers a 50 km² area within the centre of the Yellowknife Pegmatite Province (YPP), which comprises occurrences of spodumene rich pegmatites over an area of more than 5,000 km². The Muskox Pegmatite Lithium project hosts the CM-1 pegmatite, a coarse-grained, spodumene-bearing pegmatite that crops-out 100 meters north of the paved, all-season Highway 4. The pegmatite has been traced over a strike length of ~730 m and is up to 11 m wide (Figure 2). The Property is easily accessible by paved road.

Highlights from channel sampling completed by RGV Lithium in 2022 along the CM-1 pegmatite include 1.34% Li₂O over 5 m and 1.26% Li₂O over 11 m (Table 1). A total of ten channel samples were completed over the ~700 m strike length. Beyond the CM-1 pegmatite, most of the 50 km² of the project area remains under-explored. Gama has identified additional prospective pegmatites from satellite imagery that have no record of historical work, representing exciting targets for a phase 1 exploration program.

Exploration History

Lithium-bearing pegmatites within the Yellowknife Pegmatite Province were identified in the mid-1940's. Various exploration programs have been conducted in the region, particularly during the late 1970's/early 1980's.

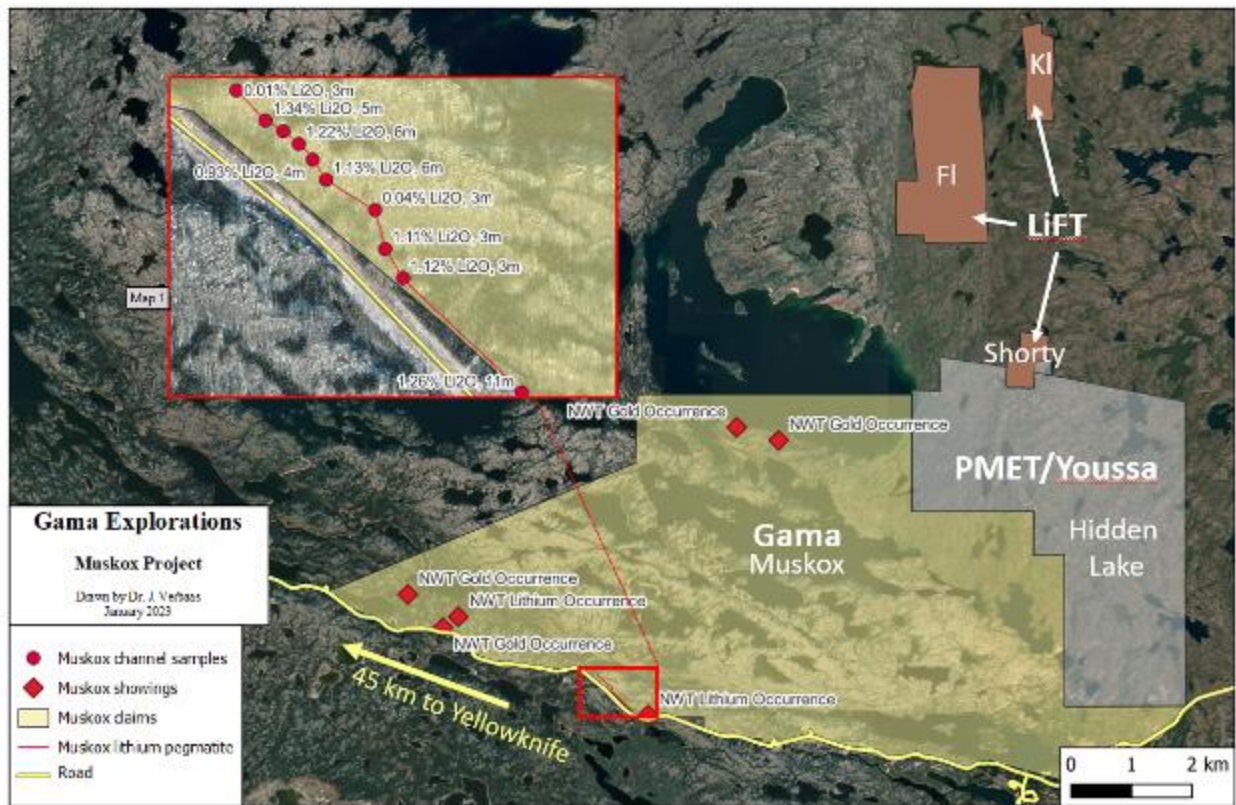
Spodumene-Bearing Pegmatites

Spodumene-bearing pegmatites within the Muskox Pegmatite Lithium Project area were documented as early as the mid 1950's; this work included the discovery and initial sampling of the CM-1 pegmatite (see above). Early exploration work included mapping and sampling, mainly along the CM-1 pegmatite, and bulk sampling from blast sites at several spodumene-bearing pegmatites ~1 km east of the CM-1 pegmatite. Metallurgical test work was conducted on these bulk samples in 1981 which demonstrated potential to produce a spodumene concentrate via flotation. Limited systematic exploration work has been conducted beyond the pegmatites described above and mapping and sampling is required to determine the extent of spodumene-bearing pegmatites elsewhere within the Muskox project area. Despite containing a lithium bearing pegmatite, the CM-1 pegmatite has never been drilled and at least several apparent pegmatites on the Muskox project remain unsampled.

Increased Activity in Yellowknife Pegmatite Province

More recently there has been a resurgence of exploration in pegmatites as the electric vehicle demand for lithium has put pressure on an undersupplied market. Owing to the notable endowment of hard rock lithium pegmatites, the Yellowknife Pegmatite Province has been a benefactor of notably increased activity and interest.

Figure 2. Muskox Pegmatite Lithium Property. The inset map shows channel sampling on the CM-1 pegmatite.



Pegmatite	Sample Type	Length (m)	Easting	Northing	Li ₂ O (%)
CM-1	Channel	11	366232	6932233	1.26
CM-1	Channel	3	366019	6932438	1.12
CM-1	Channel	3	365987	6932490	1.11
CM-1	Channel	3	365969	6932560	0.04
CM-1	Channel	6	365881	6932614	1.13
CM-1	Channel	5	365804	6932701	1.22
CM-1	Channel	3	365720	6932774	0.01
CM-1	Channel	5	365772	6932720	1.34
CM-1	Channel	6	365832	6932678	1.22
CM-1	Channel	4	365857	6932650	0.93

Table 1. Assay results from recent channel sampling of the CM-1 pegmatite within the Muskox Pegmatite-Lithium Project. Note that all samples are also indicated on the inset map in figure 2. Lengths above are in (m), Coordinates are in NAD83 UTM.

Terms of the Agreement

Pursuant to the terms of the Agreement, the Company will have an option to acquire a 100% interest in the Property from RGV Lithium Explorations Inc. In order to exercise the option, Gama will be required to make a payment of \$400,000 in cash, as follows:

- \$150,000 cash upon signing; and
- \$250,000 cash six months from the signing date.

In addition, Gama will be required to pay \$1,000,000 in cash or common shares of Gama, as follows:

- \$100,000 on the first anniversary of the signing date;
- \$200,000 on the second anniversary of the signing date;
- \$300,000 on the third anniversary of the signing date; and
- \$400,000 on the fourth anniversary of the signing date.

In the case that the vendor elects to receive common shares of Gama pursuant to the above payments, the shares will be issued at a price per share equal to the 10-day VWAP as at the date of payment, subject to a floor price equal to the minimum price permitted under CSE policies.

Further, Gama will be required to incur \$1,500,000 in exploration expenditures on the Property on or prior to the fourth anniversary of the signing date, as follows:

- \$250,000 by the first anniversary of the signing date;
- \$350,000 by the second anniversary of the signing date;
- \$400,000 by the third anniversary of the signing date; and
- \$500,000 by the fourth anniversary of the signing date.

Finally, Gama will grant the optionor a 2.5% net smelter return, subject to a 1.5% buy back at a price of \$2,000,000. In conjunction with the Agreement, Gama will issue 200,000 common shares as a finder's fee to an arm's-length party.

Concurrent Private Placement

In conjunction with the Muskox Property acquisition, Gama will be conducting a non-brokered private placement of up to 7,777,778 units (each, a "**Unit**") at a price of \$0.45 per Unit for gross proceeds of up to \$3,500,000 (the "**Offering**"). Each Unit will consist of one common share of the Company (each, a "**Share**") and one half of one common share purchase warrant (each whole warrant, a "**Warrant**"). Each Warrant exercisable into one additional Share at a price of \$0.80 for three years after the date of issuance. Closing of the Offering is subject to the acceptance of the CSE. The Company intends to use the proceeds of the Offering to commence detailed geological mapping and prospecting work at the Property in preparation for a field exploration campaign and for general working capital. Additionally, it is anticipated that certain proceeds will be allocated towards airborne surveys and field work on the Company's Tyee Nickel-Copper project on in Quebec.

All securities to be issued under the Offering will be subject to a statutory hold period expiring four months and one day from the date of issuance. The Company anticipates that the majority of the subscriptions will be from arm's length parties, although insiders may participate in the Offering. The Company may pay finders' fees on the Offering, as permitted by applicable securities law.

Data verification

The lithium assay data in Figure 2 and Table 1 was collected and sent for assay by RGV and field sampling methods were not independently verified by the QP. Samples were assayed by Actlabs using a TD-ICP analysis and overlimits were assayed using 4 acid ICP-OES for all TD-ICP Li values over 5,000 ppm. Actlabs maintains a rigorous QA/QC protocol including blanks, standards, duplicates and prep duplicates which all yielded acceptable values.

QP Disclosure

Dr. Thomas Hawkins, P.Geo., an independent consulting geologist, serves as a qualified person as defined by NI 43-101 and has reviewed and approved the scientific and technical information in this news release.

About Gama Explorations Inc.

Gama is a Canadian company listed on the Canadian Securities Exchange (CSE: GAMA), and on the Frankfurt Stock Exchange (FSE: N79). The Company is a mineral exploration company focused on the acquisition, exploration, and development of mineral properties containing metals used in green technologies and the renewable energy sector. The Company recently announced the addition of the Muskox Pegmatite Lithium Project situated within the Yellowknife Pegmatite Province in the Northwest Territories, to compliment its existing portfolio consisting of the Big Onion Copper-Molybdenum Project located a short 20-minute drive from the town of Smithers in northern British Columbia (option to earn 100%). Further, GAMA owns 100% of the Tyee Nickel-Copper Massive Sulphide Project located in North-Eastern Quebec. The Company continuously evaluates opportunities to acquire interest in additional exploration stage mineral properties in stable jurisdictions.

ON BEHALF OF THE BOARD,

Dr. Mick Carew, PhD | CEO and Director

Email: mick@gamaexplorations.com

For further information please contact:

Focus Communications

Tel: +1 647 689 6041

Email: info@fcir.ca

The securities being offered under the Private Placement have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and such securities may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons

absent registration or an applicable exemption from U.S. registration requirements and applicable U.S. state securities laws.

Forward-Looking Statements

This press release contains certain forward-looking statements as well as historical information. Readers should not rely on information in this summary for any purpose other than for gaining general knowledge of the Company. The words "expected", "will" and similar expressions are intended to be among the statements that identify forward-looking statements. Although the Company believes that its expectations as reflected in any forward-looking statements, are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements. Except as required by law, the Company undertakes no obligation to update these forward-looking statements in the event that management's beliefs, estimates, opinions or other factors should change.

The Canadian Securities Exchange has not reviewed this press release and does not accept responsibility for the adequacy or accuracy of this news release.

SOURCE: Gama Explorations Inc.