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NEWS RELEASE

TSX-V: CMB  
PK: CMCXF  
Frankfurt: ZM5P

## CMC Metals Ltd. Signs Option Agreement on Terra Nova – Newfoundland

July 4, 2022. Vancouver, B.C. – CMC Metals Ltd. (TSX-V: CMB) (Frankfurt:ZM5P) (CMCXF: OTC PINKS) (“CMC” or the “Company”) is pleased to announce that they have signed an Option Assignment Agreement with Highbank Resources Ltd. (TSX.V: HBK) (“Highbank”) on the Terra Nova property in Newfoundland.

### Terra Nova Property details:

The Terra Nova property consists of 71 claims (6 licences) located 30 km northwest of Port Blandford in central Newfoundland. Access is from the town of Terra Nova via 12 km of transmission line road built from the Lower Churchill Falls power development project. Highbank has an option to earn an 80% ownership in the property.

An alteration area of 12 square kilometers has been identified, which to date has been subjected to limited exploration. The project has the potential to host mesothermal gold-polymetallic deposits. The property lies within the Gander Zone, which is an area of significant exploration interest as a result of Newfoundland Gold Corp.’s Queensway gold project. Highlights of the property include:

- The property currently comprises five mineralized showings (i) the Copper Vein; (ii) Nancy’s Gold Vein; (iii) New Alteration Zone; (iv) the Silver Pit; and (v) Galena Vein showing.
  - (i) A grab sample collect at the Copper Vein showing produced 354 ppb Au, 43.8 g/t Ag, 2.33% Cu and >1,000 g/t W.
  - (ii) A grab sample at Nancy’s Gold Vein showing assayed 6,812 ppb Au, 159.6 g/t Ag, 1,562 g/t Cu and >1000 g/t W.
  - (iii) Samples collected from the Galena showing have reported assay values of 953 ppb Au, 59.8 g/t Ag, 7.2% Pb, and >1000 g/t W.

In March 2022 CMC Metals Ltd., completed a ground magnetometer survey (approx. 35-line km) with the services of McKeown Exploration Ltd., St. John’s Newfoundland. These surveys have helped to provide indication of possible areas of mineralization associated with large-and local-scale structures (faults,

dykes, shear zones, etc.), variations in the near surface geology as well as at depth, and to identify demagnetized zones which are an indicator of areas that have been subjected to hydrothermal activity.

Mr. John Bossio, Chairman noted, "This joint venture with Highbank provides CMC and our prospector partners with the best opportunity to undertake further exploration on the Terra Nova property and thereby add value to our shareholders."

**Terms of the Assignment Option:**

**Cash:**

- \$10,000 within 30 days of signing the Agreement;
- \$20,000 on/or before October 22, 2022 (assuming the second anniversary payment of CMC to the vendors;
- \$30,000 on/or before October 22, 2023 (assuming the third anniversary payment of CMC to the vendors:
- Starting at the fifth year anniversary of the CMC agreement (October 22, 2025) assuming an advance royalty payment of \$5,000 per year.

**Shares:**

- 500,000 common shares of Highbank Resources Ltd., issued to CMC upon TSX Venture Exchange ("Exchange") approval and subject to a statutory hold period of 4 months + one day; and
- 500,000 common shares of Highbank Resources Ltd., issued to CMC within six (6) months of Exchange approval; and
- 500,000 common shares of Highbank Resources Ltd., issued to CMC within twelve (12) month of Exchange approval.

**Royalty:**

- A two percent (2%) Net Smelter Returns royalty related to Mineral Products from any and all conventional mining on, in or under the Property.

***Qualified Person***

Qualified Person Kevin Brewer, a registered professional geoscientist, is the Company's President and CEO, and Qualified Person (as defined by National Instrument 43-101). He has given his approval of the technical information pertaining reported herein. The Company is committed to meeting the highest standards of integrity, transparency and consistency in reporting technical content, including geological reporting, geophysical investigations, environmental and baseline studies, engineering studies, metallurgical testing, assaying and all other technical data.

***About CMC Metals Ltd.***

CMC Metals Ltd. is a growth stage exploration company focused on opportunities for high grade polymetallic deposits in Yukon, British Columbia and Newfoundland. Our polymetallic silver-lead-zinc CRD

prospects include the Silver Hart Deposit and Blue Heaven claims (the “Silver Hart Project”) and Rancheria South, Amy and Silverknife claims (the “Rancheria South Project”). Our polymetallic projects with potential for copper-silver-gold and other metals include Logjam (Yukon), Bridal Veil, Terra Nova and Rodney Pond (central Newfoundland).

On behalf of the Board:

**“John Bossio”**

John Bossio, Chairman  
CMC METALS LTD.

**For Further Information and Investor Inquiries:**

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To be added to CMC's news distribution list, please send an email to [info@cmcmetals.ca](mailto:info@cmcmetals.ca) or contact Mr. Kevin Brewer directly.

***Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.***

“This news release may contain certain statements that constitute “forward-looking information” within the meaning of applicable securities law, including without limitation, statements that address the timing and content of upcoming work programs, geological interpretations, receipt of property titles and exploitation activities and developments. In this release disclosure regarding the potential to undertake future exploration work comprise forward looking statements. Forward-looking statements address future events and conditions and are necessarily based upon a number of estimates and assumptions. While such estimates and assumptions are considered reasonable by the management of the Company, they are inherently subject to significant business, economic, competitive and regulatory uncertainties and risks, including the ability of the Company to raise the funds necessary to fund its projects, to carry out the work and, accordingly, may not occur as described herein or at all. Actual results may differ materially from those currently anticipated in such statements. Factors that could cause actual results to differ materially from those in forward looking statements include market prices, exploitation and exploration successes, the timing and receipt of government and regulatory approvals, the impact of the constantly evolving COVID-19 pandemic crisis and continued availability of capital and financing and general economic, market or business conditions. Readers are referred to the Company’s filings with the Canadian securities regulators for information on these and other risk factors, available at [www.sedar.com](http://www.sedar.com). Investors are cautioned that forward-looking statements are not guarantees of future performance or events and, accordingly are cautioned not to put undue reliance on forward-looking statements due to the inherent uncertainty of such statements. The forward-looking statements included in this news release are made as of the date hereof and the Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities legislation.”