

Grid Metals Corp. Completes Private Placement

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TORONTO, June 8, 2021 - [Grid Metals Corp.](#) (the "Company") (TSXV:GRDM)(OTCQB:MSMGF) is pleased to announce that it has closed the second and final tranche of its previously announced private placement and that the total funds raised by the first and second tranche were \$3,500,000 which included an over allotment of \$500,000.

The second tranche consisted of:

- 2,054,545 units of the Company (the "Units") at a price of C\$0.22 per Unit;
- 382,240 flow-through units of the Company (the "FT Units") to traditional flow-through purchasers at a price of C\$0.25 per FT Unit.

Each Unit consisted of one common share of the Company (each, a "Common Share") and one half of one common share purchase warrant (a "Warrant"). Each Warrant will entitle the holder thereof to acquire one Common Share at a price of C\$0.33 at any time on or before June 8, 2023. Each FT Unit consisted of one "flow-through share" within the meaning of the Income Tax Act (Canada) (each, a "FT Share") and one half of one Warrant.

The net proceeds from the private placement will be used for exploration of the Company's mineral exploration properties including its East Bull Lake Palladium property and for general working capital purposes. Proceeds from the sale of FT Shares will be used to incur "Canadian exploration expenses" as defined in subsection 66.1(6) of the Income Tax Act and "flow through mining expenditures" as defined in subsection 127(9) of the Income Tax Act ("Qualifying Expenditures"). Such proceeds will be renounced to the subscribers with an effective date not later than December 31, 2021, in the aggregate amount of not less than the total amount of gross proceeds raised from the issue of FT Shares.

For the second tranche of financing the Company paid aggregate finders fees consisting of \$37,590 cash and a total of 167,618 finder's warrants (143,818 for Units and 23,800 for FT Units) to eligible finders. The finders warrants entitle the holder to purchase a share of the company at a price of either \$0.22 (Units) or \$0.25 per share (FT Units) until June 8, 2023.

An insider of the Company participated in the Offering for 17,240 FT Units, which participation constituted a related party transaction pursuant to the policies of the TSX Venture Exchange (the "TSXV") and Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("MI 61-101"). The Company relied on the exemptions from the valuation and minority approval requirements set forth in sections 5.5(a) and 5.7(1)(a) of MI 61-101 as the fair market value of the transaction did not exceed 25% of the Company's market capitalization. A material change report with respect to the closing of the Offering was not filed less than 21 days prior to the closing date of the Offering as participation by insiders was not settled until shortly prior to closing and the Company wished to complete the Offering as expeditiously as possible.

Resale of the securities of the Company issued under the Offering will be restricted, including a customary hold period pursuant to Canadian securities laws of four months and one day following the closing date of the Offering

Closing of the Offering has been conditionally approved by the TSXV, with final acceptance subject to the fulfillment of the customary requirements of the TSXV and other regulatory approvals.

USE OF PROCEEDS

The proceeds of the Offering will be used to advance Grid's nickel copper PGM cobalt projects which are located in Manitoba and Ontario.

1. The East Bull Lake Palladium Project is an exploration stage property targeting a several million ounce palladium resource in the 20 km x 4 km East Bull Lake layered intrusion. Over the next several weeks the Company expects to release additional drilling results, initial rhodium assays and key findings from an ongoing metallurgical study.
2. The Bannockburn Nickel Project is targeting a >100 million tonne, bulk mineable nickel sulfide deposit of sufficient grade to produce a high quality nickel sulfide concentrate for use in the EV supply chain. Historical drilling on a major ultramafic intrusive body confirmed the presence of secondary nickel sulfide mineralization having similar grades and widths to that observed at Canada Nickel Company's (TSXV: CNC) Crawford project. The Company expects to begin reporting initial results from the current drill campaign within the next few weeks. The Bannockburn property also hosts at least three zones of nickel-rich massive sulfides with cobalt and palladium credits. The property was acquired from Outokumpo Mining who holds a 2% royalty on most of the claims.
3. The Makwa-Mayville Ni-Cu-PGM-Co Project is an advanced exploration project located 145 km east of Winnipeg, Manitoba. It comprises the past producing Makwa nickel-rich sulfide deposit and the undeveloped Mayville Cu-rich sulfide deposit. A preliminary economic assessment (PEA) study published in April 2014 (RPA Associates) reported pit constrained indicated resources of 7.2 million tonnes at a nickel equivalent grade¹ of 0.85% for the Makwa nickel deposit and 26.6 million tonnes having a copper equivalent grade of 1.05% for the Mayville copper deposit. Another ~6 million tonnes of inferred resources were also considered in the PEA. The conceptual plan described in the PEA featured a bulk nickel-rich concentrate from Makwa mill feed and separate nickel and copper concentrates from Mayville feed. A concentrator was contemplated at the Mayville site to treat both feed sources. Significant improvements in certain metal recoveries were achieved from processing test work completed subsequent to the publication of the PEA in 2014 and will be captured in an updated PEA study that is expected to commence this summer. The Company is currently working on a trade off study investigating potential economic improvements that could accrue from an underground mining option at Makwa and a smaller but higher-grade pit design at Mayville.

The Company also holds the mineral rights to a number of lithium-bearing pegmatites located directly adjacent to the Mayville copper-nickel-PGM deposit. This lithium property hosts a non-compliant historical resource of approximately 3.5 million tonnes averaging 1.28% Li₂O. The Company completed its most recent drill program in 2018 with positive results and is currently considering options for advancing work on the property.

Notes: ¹ The nickel and copper equivalent grades reported here were calculated based on the NI 43-101 resource calculation for the Makwa Mayville Project published in the April 2014 PEA by RPA Associates using the following long-term consensus price forecasts (\$US) sourced from S&P Global Metals and Mining Research and dated October 30, 2020: Pd - \$1,813.90/oz; Pt - \$955.55/oz; Au - \$1,832.01/oz; Cu - \$2.96/lb; Ni - \$6.87/lb. A long-term cobalt price of \$20.00/pound was also assumed. ² The historical lithium oxide resource reported for the Mayville area lithium property was reported in Manitoba Mineral Inventory Card #229 filed with the Manitoba Government's Mines Branch. The Company is not able to determine the accuracy of this estimate.

Company President Robin Dunbar stated " this financing will be instrumental in unlocking the value of our projects going forward. The demand for low capital intensive, ESG positive metals streams is only expected to increase in the coming years." VP of Exploration and Business Development, Dave Peck, added that " we believe strongly in the technical merits of our core projects. We have a clear vision for each property and are continuously benchmarking our exploration results against our junior peer group in the context of the global mining market."

This news release does not constitute an offer of securities for sale in the United States. The securities being offered 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 absent U.S. registration or an applicable exemption from U.S. registration requirements.

Dr. Dave Peck, P.Geo., has reviewed and approved the technical content of this release for purposes of National Instrument 43-101.

GRID TO PRESENT AT EMERGING MARKETS CONFERENCE June 9, 2021 at 11:30 a.m Eastern

Grid will be presenting at the the Emerging Growth Conference on June 9, 2021 at 11:30 am for 30 minutes and the Company invites individual and institutional investors to attend the real-time interactive presentation. The Conference focus and coverage includes companies in a wide range of growth sectors, with strong management teams, innovative products & services, focused strategy, execution, and the overall potential for long term growth.

The Company will give a presentation and may subsequently open the floor for questions. Attendees may have the opportunity to ask questions during the presentation.

Please register at the following link here to ensure you are able to attend the conference and receive any updates that are released.

https://goto.webcasts.com/starthere.jsp?ei=1469230&tp_key=f8b5116237&sti=msmgf

If attendees are not able to join the event live on the day of the conference, an archived webcast will also be made available on EmergingGrowth.com and we will also release a link to that after the event.

About Grid Metals Corp.

To find out more about Grid Metals Corp., please visit www.gridmetalscorp.com.

On Behalf of the Board of [Grid Metals Corp.](#)

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We seek safe harbour. This news release contains forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995 and forward-looking information within the meaning of the Securities Act (Ontario) (together, "forward-looking statements"). Such forward-looking statements may include the Company's plans for its properties, the overall economic potential of its properties, the availability of adequate financing and involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements expressed or implied by such forward- looking statements to be materially different. Such factors include, among others, risks and uncertainties relating to potential political risk, uncertainty of production and capital costs estimates and the potential for unexpected costs and expenses, physical risks inherent in mining operations, metallurgical risk, currency fluctuations, fluctuations in the price of nickel, cobalt, copper and other metals, completion of economic evaluations, changes in project parameters as plans continue to be refined, the inability or failure to obtain adequate financing on a timely basis, and other risks and uncertainties, including those described in the Company's Management Discussion and Analysis for the most recent financial period and Material Change Reports filed with the Canadian Securities Administrators and available at www.sedar.com.

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