SUDBURY, ON, June 21, 2017 /CNW/ - Transition Metals Corp. (XTM – TSX.V) ("Transition", "the Company") is pleased to announce the signing of a Definitive Option Agreement with North American Palladium ('NAP') on the Sunday Lake Project. The property is currently held by Joint Venture Partners, Transition Metals Corp. within its wholly-owned subsidiary, HTX Minerals Corp. and Impala Platinum Holdings Ltd. (Implats). Under the terms of the agreement, North American Palladium has the right to acquire a 75% ownership in the Sunday Lake Project by completing work commitments totaling $4.5M and making cash payments of $3.5M over a five year period.

The property occurs within the emerging Mid-Continental Rift (MCR) base and precious metal camp. Recent discoveries in the district include Panoramic Resources', Thunder Bay North Project (Indicated Resources 8.46Mt @ 2.09g/t Pt+Pd+Au or PGM[1]) in Ontario, Lundin Mining's, Eagle Mine (Reserves 3.72Mt @ 2.50% Ni, 2.20% Cu[2]) in Michigan and Rio Tinto's Tamarack Deposit (Indicated Resource 3.75Mt @ 1.81% Ni, 1.00% Cu, 0.85g/t PGM; Inferred Resource 3.38Mt @ 1.63% Ni, 0.94% Cu, 0.67g/t PGM[3]) in Minnesota. The Sunday Lake Project is geologically similar to these important deposits for which XTM has a 25% free carried interest until the completion of Feasibility Study.

Commenting on the agreement, company CEO and President Scott McLean stated "We are very pleased with the signing of a Definitive Option Agreement with NAP on our Sunday Lake Project. We continue to view the Sunday Lake Project as a key, high-quality project and we are excited to have NAP as a partner. NAP will focus on defining mineral resources at Sunday Lake which is 90 km trucking distance from their Lac des Ilse Mine/Mill Complex."

Option Agreement Terms

The Option agreement provides NAP with the exclusive right to acquire a 75% ownership in the Sunday Lake Project by completing the following exploration stages (see North American Palladium Press Release dated June 20, 2017 for details):

Stage 1: NAP may acquire a 51% controlling interest in the property by completing $1.5M of exploration expenditures and making cash payments of $75,000 to XTM and $675,000 to Implats within a two year period.

Stage 2: NAP may increase its interest from 51% to 65% by completing an additional $2.5M of exploration expenditures and making further cash payments of $125,000 to XTM and $1.125M to Implats within a two year period.

Stage 3: NAP may further increase its interest from 65% to 75% by completing an additional $0.5M of exploration expenditures and making final cash payments of $150,000 to XTM and $1.35M to Implats within a one year period.

About the Sunday Lake Property

The Sunday Lake PGM-Cu-Ni Project is located 25 km north of Thunder Bay in Jacques Township and approximately 95 km south of NAP's producing Lac Des Iles Mine (Figure 1) that has reported reserves (Proven and Probable) of 38.5Mt @ 2.25g/t Pd[4] as well as a fully integrated mill complex capable of processing 15,000 tonnes per day. The Sunday Lake Property covers a 3.5 km diameter circular reversely-polarized magnetic anomaly associated with a large buried mafic-ultramafic intrusion interpreted to be Proterozoic in age and related to the MCR. In November of 2015 the company reported the best intersection to date on the property from SL-15-013 that intersected 42.9m grading 3.43g/t combined PGMs (Pt+Pd+Au) including 10.10m grading 5.61g/t PGM[5] (interpreted to be close to true width).

[1] Resource reported by Panoramic Resources, Thunder Bay North deposit: 2011 JORC compliant mineral resources estimate prepared by AMEC Americas Ltd.

[2] Lundin Mining – Reserves and Resources June 30, 2016. http://www.lundinmining.com/s/Reserves.asp

[3] Resource reported by Talon Resources, Tamarack North Technical Report: 2014 NI 43-101mineral resource estimate prepared by Golder Associates Ltd. www.sedar.com

[4] North American Palladium Press Release dated May 29, 2017

[5] Transition Metals Corp. press release dated November 16, 2015

Qualified Person

The technical elements of this press release have been approved by Mr. Grant Mourre, P.Geo. (APGO), a Qualified Person under National Instrument 43-101.

About Transition Metals Corp

Transition Metals Corp. (XTM -TSX.V) is a Canadian-based, multi-commodity project generator that specializes in converting new exploration ideas into Canadian discoveries. The award-winning team of geoscientists has extensive exploration experience in established, emerging and historic mining camps and actively develops and tests new ideas for discovering mineralization in places that others have not looked, which often allows the company to acquire properties inexpensively. The team is rigorous in its fieldwork and combines traditional techniques with newer ones to help unearth compelling prospects and drill targets. Transition uses the project generator business model to acquire and advance multiple exploration projects simultaneously, thereby maximizing shareholder exposure to discovery and capital gain. Joint venture partners earn an interest in the projects by funding a portion of higher-risk drilling and exploration, allowing Transition to conserve capital and minimize shareholder's equity dilution. The Company has an expanding portfolio that currently includes more than 25 gold, copper, nickel and platinum projects primarily in Ontario, Nunavut, British Columbia, Minnesota and Saskatchewan.

Cautionary Note on Forward-Looking Information

Except for statements of historical fact contained herein, the information in this news release constitutes "forward-looking information" within the meaning of Canadian securities law. Such forward-looking information may be identified by words such as "plans", "proposes", "estimates", "intends", "expects", "believes", "may", "will" and include without limitation, statements regarding estimated capital and operating costs, expected production timeline, benefits of updated development plans, foreign exchange assumptions and regulatory approvals. There can be no assurance that such statements will prove to be accurate; actual results and future events could differ materially from such statements. Factors that could cause actual results to differ materially include, among others, metal prices, competition, risks inherent in the mining industry, and regulatory risks. Most of these factors are outside the control of the Company. Investors are cautioned not to put undue reliance on forward-looking information. Except as otherwise required by applicable securities statutes or regulation, the Company expressly disclaims any intent or obligation to update publicly forward-looking information, whether as a result of new information, future events or otherwise.

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.

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