

Minto Metals Delivers A Record First Quarter With 9.1 Million Lbs Of Copper Production And An Adjusted Ebitda[1] Of \$19.2 Million

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WHITEHORSE, May 26, 2022 - [Minto Metals Corp.](#) (TSXV: MNT0) ("Minto" or the "Company") is pleased to announce Company's financial and operating results for the three months ended March 31, 2022 ("QTR 1 2022") for the Minto Mine within the Selkirk First Nation's Territory in the central Yukon, Canada. Copper Production totaled 9.1 million pounds of 70.7% increase over Quarter 1, 2021, at a consolidated cash cost of USD \$2.44 per payable pound produced.

First Quarter Highlights:

- Reported Adjusted Earnings before Interest, Taxes, Depreciation, and Amortization ("Alternative Performance Measure") of \$19.2 million compared to a loss of \$0.9 million in Q1 2021.
- Reported Cash Costs of \$2.44 per payable pound compared to \$2.47 per payable pound in Q1 2021.
- Mill Feed for Quarter 1 was 237,239 dry metric tonnes (dmt), an 11.7% increase over Quarter 1 2021.
- Sustained excellent operating performance. Operating costs in a higher copper price environment surpassed 2021 levels. The Company has strong momentum and is sustaining its (AISC) per pound cost at \$0.47/lb, said Stewart & Chief Executive Officer of Minto Metals.

Stewart said, "The results highlight the extraordinary performance and are a testament to the drive and passion to win shown by everyone here at Minto." Stewart added.

Q1 2022 Financial Highlights

Adjusted EBITDA¹ Reconciliation to Net Income

	Q1 2022	Q1 2021
Net income (loss) and comprehensive income (loss)	\$ 14,536	\$ (2,765)
Finance costs	2,064	1,106
Depletion and amortization	3,166	2,386
Income tax expense (recovery)	258	(250)
EBITDA	\$ 20,024	\$ 477
Share-based compensation expense	90	-
Unrealized foreign exchange loss (gain)	538	(627)
Mark-to-market revenue adjustments	(960)	(908)
Amortization of flow thru shares benefit	(485)	-
Loss on lease termination	-	192
Adjusted EBITDA	\$ 19,207	\$ (866)

1. Refers to Adjusted Earnings before Interest, Taxes, Depreciation, and Amortization "Alternative Performance Measure" page 18 of the Company's Q1 2022 MD&A.

2022 Q1 Interim Consolidated Statements of Loss and Comprehensive Loss - Unaudited

	Three months ended	
	March 31, 2022	March 31, 2021
Revenue	\$ 53,282	\$ 25,469
Production costs	(33,133)	(25,200)
Royalty expense	(1,190)	(762)
Depletion and amortization	(3,166)	(2,386)
Income (loss) from mine operations	15,793	(2,879)
Expenses		
Related party management fees	-	(125)
Stock-based compensation expense	(90)	-
Other expenses	(38)	(263)
Income (loss) from operations	15,665	(3,267)
Other income	1,193	1,358
Finance costs	(2,064)	(1,106)
Income (loss) before income taxes	14,794	(3,015)
Income tax (expense) recovery	(258)	250
Net Income (loss) and comprehensive income (loss)	\$ 14,536	\$ (2,765)
Per share amounts		
Basic and diluted	\$ 0.20	\$ (0.04)
Weighted Average Number of Common Shares Outstanding	72,709,253	60,228,864

2022 Q1 Interim Consolidated Statements of Financial Position - Unaudited

As at	March 31, 2022	December 31, 2021
Assets		
Current assets		
Cash	\$ 11,872	\$ 9,979
Accounts Receivable	25,617	20,762
Inventories	8,858	6,212
Prepaid expenses	3,857	2,855
	50,204	39,808

Non-current assets

Mineral properties, plant and equipment	56,281	53,702
Right-of-use assets	12,557	9,245
Long-term deposits	13,250	13,399
Total assets	\$ 132,292	\$ 116,154

Liabilities

Current liabilities

Accounts payable and accrued liabilities	\$ 40,688	\$ 36,370
Current portion of Sumitomo loan	6,595	10,221
Current portion of Note payable to Pembridge	6,248	-
Current portion of Due to Pembridge	4,246	4,000
Current portion of lease liability	6,169	5,436
	63,946	56,027

Non-current liabilities

Lease liabilities	5,715	3,895
Due to Pembridge	-	1,174
Note payable to Pembridge	-	6,368
Long-term debt	11,631	11,702
Deferred revenue	13,947	14,463
Deferred income tax liabilities	3,367	3,109
Asset retirement obligation	33,621	35,288
Total liabilities	132,227	132,026

Shareholders' equity (deficiency)

Share capital	223,241	221,840
Deficit	(223,176)	(237,712)
Total shareholders' equity (deficiency)	65	\$ (15,872)
Total liabilities and shareholders' equity (deficiency)	\$ 132,292	\$ 116,154

2022 Q1 Interim Consolidated Statements of Cash Flows - Unaudited

	Three months ended	
	March 31, 2022	March 31, 2021
Operating activities		
Net income (loss) for the period	\$ 14,536	\$ (2,765)
Adjustments for the following items:		
Depletion, depreciation and accretion	3,166	2,386
Finance costs	2,064	401
Other income (loss), net	(1,193)	2
Stock-based compensation expense	90	-
Amortization of deferred revenue	(786)	311
Income tax expense (recovery)	258	(250)
Change in non-cash working capital	(2,751)	7,351
	15,384	7,436
Interest paid	(384)	(483)
Net cash provided by operating activities	15,000	6,953
Investing activities		
Additions to mineral properties, plant and equipment	(5,897)	(1,147)
Right-of-use asset additions	(768)	-
Net cash used in investing activities	(6,665)	(1,147)
Financing activities		
Advances from Sumitomo	-	3,784
Repayments on Sumitomo loan	(3,525)	(585)
Payment of lease liabilities	(1,917)	(1,482)
Repayment of Due to Pembridge	(1,000)	-
Long-term deposits	-	(946)
Return of capital	-	(6,306)
Net cash provided by (used in) financing activities	(6,442)	(5,535)
Change in cash	1,893	271
Cash, beginning of period	9,979	507
Cash, end of period	\$ 11,872	\$ 778

Operational Outlook

Minto is pleased to reconfirm the financial guidance for 2022 as we continue to ramp up our ore production throughout the year. We are committed to a cost control strategy while improving our mine and milling operations.

Production Volumes	Dec 31, 2022
Payable Copper (million pounds)	27.0 - 31.0
Gold (ounces) ⁽¹⁾	11,000 - 12,100
Silver (ounces) ⁽¹⁾	140,000 - 150,000

Production Costs	Dec 31, 2022
Cash Costs (\$USD/lb) ⁽²⁾	\$2.70 - \$2.90
AISC (\$USD/lb) ⁽²⁾	\$3.85 - \$4.00
Exploration (\$ millions)	\$9.2
Sustaining Capital ⁽²⁾	\$27.0 - \$31.0

1. 100% amounts. Under the agreement with Wheaton Precious Metals, the Company receives 65% of the value of shipments up to 11,000 ounces. Silver receipts are the lesser of the prevailing market price and US \$4.35/oz.
2. Refers to Cash Costs, All-In Sustaining Costs and Sustaining Capital "Alternative Performance Measures" on page 20 of the Company's Q1 2022 MD&A.

The Yukon received between 150% and 400% of the normal annual snowfall during this past winter which generated a significant volume of water across the territory as it melted. With the warmer temperatures over the past couple of weeks, the Minto mine site saw daily water volume inflow exceed the mine's discharge capacities which caused the storage pond water levels to rise.

Underground mining operations continued uninterrupted during this temporary mill shutdown with ore being stockpiled ahead of the milling facility restart. The Mill is permitted to process an average of 4,200 tonnes/day of ore and underground production is currently averaging around 3,000 tonnes/day. With the milling facility restart, the stockpiled ore will be processed at a higher rate which means that there will be no metal production impact on the original guidance in 2022.

The Company temporarily suspended its milling operations until Spring Freshet ended, ensuring all water arriving on the mine site was properly managed within our water management system and that the environment was protected. The Company took full advantage of this temporary mill shutdown to complete future planned maintenance work in the mill thereby avoiding another shutdown in the coming months.

Once freshet ended, the company restarted its milling operations. The Mill is expected to run steadily for the balance of 2022.

"At the beginning of 2022 Minto committed to spending \$8 million dollars to improve the mine water management system at the Minto Mine. Our investment included an upgrade to our water treatment plant, the installation of a new microfiltration plant, and the purchase of evaporation units, all to support improved environmental stewardship. As outlined in an article from the Yukon government, the snowpack levels are unusually high and above the normal level across the Yukon, and in areas in the vicinity of the mine. Minto Metals takes the protection of the environment seriously and the temporary mill shutdown highlights our commitment", stated Chris Stewart, President & CEO of Minto Metals.

About Minto Metals Corp.

Minto operates the producing Minto mine located in the Minto Copper Belt, Yukon. The Minto mine has been in operation since 2007 with underground mining commencing in 2014. Since 2007, approximately 500Mlbs of copper have been produced from the Minto mine. The current mine operations are based on underground mining, a process plant to produce high-grade copper, gold, and silver concentrate, and all supporting infrastructure associated with a remote location in Yukon. The Minto property is located west of the Yukon River, about 20 km WNW of Minto Landing, the latter on the east side of the river, and approximately 250 road-km north of the City of Whitehorse, the capital city of Yukon.

Forward-Looking Information

This news release contains "forward-looking information" and "forward-looking statements" (collectively, "forward-looking statements"), within the meaning of applicable Canadian securities laws and "forward-looking information" within the meaning of applicable U.S. securities laws, which we refer to collectively as "forward-looking statements". Forward-looking statements are statements and information regarding possible events, conditions, or results of operations that are based upon assumptions about future conditions and courses of action. All statements and information other than statements of historical fact may be forward-looking statements. In some cases, forward-looking statements can be identified by the use of words such as "seek", "expect", "anticipate", "budget", "plan", "estimate", "continue", "forecast", "intend", "believe", "predict", "potential", "target", "may", "could", "would", "might", "will" and similar words or phrases (including negative variations) suggesting future outcomes or statements regarding an outlook. Forward-looking statements or assumptions in this press release include, but are not limited to: statements with respect to when milling operations will restart, ore will be processed at a higher rate, and no metal production is expected to be lost in 2022 as a result of the temporary Mill shutdown.

Such forward-looking statements are based on a number of material factors and assumptions, including, but not limited to: that required financing and permits will be obtained; general economic conditions; no labour disputes or disruptions, no flooding, ground instability, geotechnical failure, fire, failure of the plant; that equipment and processes continue to operate as anticipated and other risks of the mining industry will not be encountered; that contracted parties provide goods or services in a timely manner; that there is no material adverse change in the price of copper, gold or other metals; competitive conditions in the mining industry; title to mineral properties; costs; taxes; the retention of the Company's key personnel; no changes in-laws, and no material worsening of the direct and indirect impact of COVID-19 including rules and regulations applicable to Minto.

Forward-looking statements involve known and unknown risks, uncertainties, and other factors which may cause actual results, performance, or achievements to differ materially from those anticipated in such forward-looking statements. The Company believes the expectations reflected in such forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and you are cautioned not to place undue reliance on forward-looking statements contained herein. Some of the risks and other factors which could cause actual performance and results to differ materially from those expressed in the forward-looking statements contained in this news release, include, but are not limited to: changes in commodity prices, general economic conditions, mineral reserve and mineral resource estimates may change and may prove to be inaccurate; Minto has a limited operating history and is subject to risks associated with establishing new mining operations; sustained increases in costs, or decreases in the availability, of commodities consumed or otherwise used by the Company may adversely affect the Company; adverse geotechnical and geological conditions (including geotechnical failures) may result in operating delays and lower throughput or recovery, closures or damage to mine infrastructure; the Company's operations may encounter delays in or losses of production due to equipment delays or the availability of equipment; the Company's operations are subject to continuously evolving legislation, compliance with which may be difficult, uneconomic or require significant expenditures; the Company may be unsuccessful in attracting and retaining key personnel; labour disruptions could adversely affect the Company's operations; risks related to the Company's use of contractors; the hazards and risks normally encountered in the exploration, development and production of copper, gold and silver; the Company's operations are subject to environmental hazards and compliance with applicable environmental laws and regulations; the Company's operations and workforce are exposed to health and safety risks; the Company's title to exploration, development and mining interests can be uncertain and may be contested; the Company's properties may be subject to claims by various community stakeholders; risks related to limited access to infrastructure and water; the Company may not be able to secure additional financing when needed or on acceptable terms; the Company may be subject to litigation; and those risk factors set out in the Company's annual information form dated March 31, 2022 for the year ended December 21, 2021 as filed on SEDAR. Although the Company has attempted to identify important factors that could cause actual performance, results, or events to differ materially from those described in the forward-looking statements, you are cautioned that this list is not exhaustive and there may be other factors that the Company has not

identified. Furthermore, the Company undertakes no obligation to update or revise any forward-looking statements included in or incorporated by reference in, this news release if these beliefs, estimates, and opinions or other circumstances should change, except as otherwise required by applicable law.

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Chris A. Stewart,

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