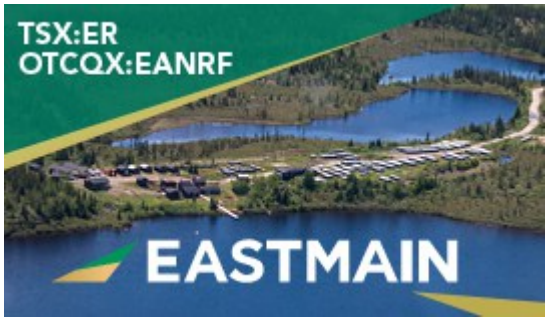
Eastmain Resources Upsizes Previously Announced Private Placement Financing to C$2.75 Million

written by Raj Shah | October 23, 2019



October 22, 2019 (Source) – **Eastmain Resources Inc. (TSX:ER, OTCQX:EANRF)** ("Eastmain" or the "Company") is pleased to announce that it intends to further upsize its previously announced non-brokered private placement (the "Offering") to accommodate demand from shareholders (see news releases dated October 9, 2019 and October 15, 2019). The Offering has increased to provide for aggregate gross proceeds of up to $2.75 million, comprised, in part, of a minimum of C$500,000 of units of the Company ("Hard Units") at a price of $0.12 per Hard Unit. The remaining balance will be comprised of any combination of Hard Units and flow-through shares of the Company in any combination of Quebec flow-through common shares of the Company (the "Quebec FT Shares") at a price of $0.155 per Quebec FT Share, and federal flow-through common shares of the Company (the "Federal FT Shares") at a price of $0.145 per Federal FT Share.

Each Hard Unit will consist of one common share of the Company and one-half of one common share purchase warrant (each whole common share purchase warrant, a "Warrant"). Each Warrant will entitle the holder to acquire one common share of the Company for 2 years from the closing of the Offering (the "Closing") at

a price of $0.16.

The net proceeds from the sale of the Hard Units will be used to fund the exploration and development of the Company's Québec mineral concessions and for general corporate and working capital purposes. The gross proceeds received by the Company from the sale of the FT Shares will be used to incur Canadian Exploration Expenses ("CEE") that are "flow-through mining expenditures" (as such terms are defined in the Income Tax Act (Canada)) on the Company's properties in Québec, which will be renounced to the subscribers with an effective date no later than December 31, 2019, in the aggregate amount of not less than the total amount of the gross proceeds raised from the issue of Quebec FT Shares and Federal FT Shares.

The Offering is subject to certain conditions including, but not limited to, the receipt of all necessary regulatory and other approvals including the approval of the Toronto Stock Exchange. The Company has agreed to pay a finder's fee to certain eligible registrants assisting in the Offering in an amount equal to 5% of the gross proceeds raised by such finders, which finder's fee shall be satisfied by the issuance of Hard Units to such finders at a deemed price of $0.12 per Hard Unit.

This press release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws and may not be offered or sold within the United States or to or for the account or benefit of a U.S. person (as defined in Regulation S under the U.S. Securities Act) unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

About Eastmain Resources Inc. (TSX: ER | OTCQX:EANRF)

Eastmain is a Canadian exploration company operating in the Eeyou Istchee emerging James Bay gold camp in Québec. The Company holds a 100%-interest in the Clearwater Property, host of the Eau Claire Project, for which it issued a Preliminary Economic Assessment ("PEA") in May 2018, and the Percival Discovery made in November 2018. Eastmain is also the operator of the Éléonore South Joint Venture, located immediately south of Goldcorp Inc.'s Éléonore Mine, which hosts the Moni/Contact Trend Discovery (2017). In addition, the Company has a 100% interest in the Eastmain Mine Project under option to a third party and holds a 100% interest in a pipeline of exploration projects in this favourable mining jurisdiction with nearby infrastructure.

Forward-Looking Statements – Certain information set forth in this news release may contain forward-looking statements that involve substantial known and unknown risks and uncertainties. Forward-looking statements consist of statements that are not purely historical, including statements regarding beliefs, plans, expectations or timing of future plans, and include, but not limited to, statements with respect to the potential success of the Company's future exploration and development strategies and completion and size of the Offering. These forward-looking statements are subject to numerous risks and uncertainties, certain of which are beyond the control of Eastmain, including, but not limited to the impact of general economic conditions, industry conditions, dependence upon regulatory approvals, the availability of financing, timely completion of proposed studies and technical reports, and risks associated with the exploration, development and mining industry generally such as economic factors as they affect exploration, future commodity prices, changes in interest rates, safety and security, political, social or economic developments, environmental risks,

insurance risks, capital expenditures, operating or technical difficulties in connection with development activities, personnel relations, the speculative nature of gold exploration and development, including the risks of diminishing quantities of grades of Mineral Resources, contests over property title, and changes in project parameters as plans continue to be refined. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. The Company assumes no obligation to update such information, except as may be required by law.