

Metallum Resources Inc. Enters into Definitive Agreement with Waroona Energy Pty Ltd

Metallum Resources Inc. (TSXV:MZN; OTCQB:MTLLF) (“Metallum” or the “Company”) is pleased to announce that further to its news release dated October 19, 2022 (the **“Initial News Release”**), the Company has entered into a definitive share exchange agreement dated December 6, 2022 (the **“Definitive Agreement”**) with Waroona Energy Pty Ltd (**“Waroona”** or **“Target”**), SE Waroona Development Pty Ltd, a wholly owned subsidiary of Target (**“ProjectCo”**) and the shareholders of Target (the **“Target Shareholders”**).

Pursuant to the Definitive Agreement, the Company will acquire all the issued and outstanding securities of Target (the **“Transaction”**), and consequently Target will become a wholly owned subsidiary of Metallum. The Transaction will constitute an Arm’s Length Transaction (as defined in the policies of the TSX Venture Exchange (the **“Exchange”**)). Metallum, after giving effect to the completion of the Transaction, is referred to in this news release as the **“Resulting Issuer”**.

On closing of the Transaction, it is anticipated that the Resulting Issuer will change its name to **“Waroona Energy Inc.”** and a new trading symbol will be assigned. Additionally, on closing of the Transaction, the Resulting Issuer will control, indirectly, an advanced solar energy project located in Western Australia (the **“Project”**).

Transaction Summary

Prior to closing of the Transaction, the Company anticipates completing a concurrent financing for gross proceeds of up to CAD\$9,000,000 (**“Concurrent Financing”**). Additional details regarding the terms of the Concurrent Financing, including issue price, and the number of securities of Metallum to be issued, will be announced in a subsequent press release.

Under the Transaction, Metallum will acquire all of the issued and outstanding common shares of Target (the **“Target Shares”**) through the issuance of 304,500,000 common shares in the capital of the Company (the **“Shares”**). Upon completion of the Transaction (excluding the Shares to be issued in connection with the Concurrent Financing), it is anticipated that the Resulting Issuer will have approximately 587,979,415 Shares issued and outstanding.

Metallum does not anticipate making any advances to Target prior to closing of the Transaction. Closing of the Transaction is subject to a number of outstanding conditions including, but not limited to: (i) receipt of requisite shareholder approval of Metallum and Target; (ii) entering into all escrow arrangements required by the Exchange; (iii) receipt of all requisite regulatory approvals relating to the Transaction, including, without limitation, approval of the Exchange; (iv) delivery by Target to Metallum of a current title opinion in respect of the site on which the Project is situated, in form and substance satisfactory to Metallum, acting reasonably; (v) delivery by Target to Metallum of a corporate opinion in respect of Target and ProjectCo, in form and substance satisfactory to Metallum, acting reasonably ; (vi) preparation of Target’s financial statements in such form and covering such periods as required for the purposes of the required disclosure by Metallum; (vii) completion of the Concurrent Financing; and (viii) no material adverse changes having occurred with respect to either Metallum or Target.

It is anticipated that, on closing, the Resulting Issuer will meet the Exchange's initial listing requirements for a Tier 2 technology issuer.

The Resulting Issuer

Following completion of the Transaction, the Resulting Issuer will carry on development of the Project conducted by Target and ProjectCo.

Directors, Management and Insiders

It is expected that the management team of the Resulting Issuer will be led by Mr. Adam Kiley as President and Chief Executive Officer, Mr. Sean McGrath as Chief Financial Officer and Ms. Jan Urata as Corporate Secretary. Mr. Kiley is currently a director of Metallum, Mr. McGrath is currently Chief Financial Officer of Metallum and Ms. Urata is currently Corporate Secretary of Metallum.

The initial board of directors of the Resulting Issuer (the "**Resulting Issuer Board**") is expected to be comprised of Mr. Michael Bowen (proposed director), Mr. Timothy Hanlon (proposed director), Mr. Adam Kiley (currently a director of Metallum), Mr. Paul Manias (proposed director) and Mr. Tony Wonnacott (currently a director of Metallum). It is expected that Mr. Grant Davey will resign as a director of Metallum effective on the closing of the Transaction.

A description of the names and backgrounds of each anticipated director and officer of the Resulting Issuer follows:

Adam Kiley – Proposed President, Chief Executive Officer and Director

Adam Kiley is an accomplished resources executive, with over 18 years' experience in the mining and energy sectors. Mr. Kiley brings significant experience in a variety of fields, including equity capital markets, debt advisory, project development studies as well as project evaluation.

Mr. Kiley is also a Non-Executive Director of Copper Strike Limited (CSE.ASX) as well as being Head of Corporate Development for Lotus Resources (LOT.ASX) and Frontier Energy Limited (FHE.ASX).

Sean McGrath – Chief Financial Officer

Sean McGrath is a Chartered Professional Accountant in Canada and a former Certified Public Accountant (Illinois) in the United States. He has spent more than 25 years providing financial management and consulting services to publicly traded companies, with primary emphasis in the natural resources sector. He has been responsible for corporate strategy, all aspects of accounting and finance, planning and forecasting, treasury, internal and external reporting, and internal controls and corporate governance. Mr. McGrath has held senior executive positions with numerous publicly traded companies throughout his career, and he is currently a director of several TSX Venture Exchange/Canadian Securities Exchange listed companies.

Jan Urata – Corporate Secretary

Jan Urata is the Founder and President of Take It Public Services Inc. since 2011, a highly motivated legal support service for top tier and junior issuers in a variety of industry sectors. She is well versed in taking corporate entities from initial seed capital stage to publicly listed status. Her services include corporate secretarial to regulatory filings to complex transactions while offering corporate sustainability through

cost-effective, efficient, and timely services. Her business model focuses on performance, attention to detail and results, ensuring success and quality of work, with over 25 years' experience in the industry. The business grew out of her years of experience as a legal secretary/paralegal in top Vancouver law firms. She is also Corporate Secretary of several TSX Venture Exchange and Canadian Securities Exchange issuers.

Michael Bowen – Proposed Director

Michael Bowen is a partner of the Australian law firm Thomson Geer. He practices primarily corporate, commercial and securities law with over 40 years of experience and emphasis on mergers, acquisitions, capital raisings and resources. Mr. Bowen holds a Bachelor of Laws, Jurisprudence and Commerce from the University of Western Australia. He has been admitted as a barrister and solicitor of the Supreme Court of Western Australia since 1979 and is also admitted as a solicitor of the High Court of Australia. He is a Certified Public Accountant and member of the Australian Society of Accountants.

Mr. Bowen is also Non-Executive Chairman of Lotus Resources Limited and Non-Executive Director of Genesis Minerals Limited.

Mark Hanlon – Proposed Director

Mark Hanlon has over 25 years of experience in the resources and resource services sector, as well as in commercial and merchant banking. He has a broad background of senior executive experience across a wide range of industries including mining and mining services.

Mr. Hanlon is currently a Non-Executive Director with Australian Stock Exchange listed company Red River Resources Limited where he also chairs the audit and risk committee. He is also Non-Executive Chair of Lotus Resources Limited.

Paul Manias – Proposed Director

Paul Manias is currently Venture Partner with Climate Innovation Capital and Special Advisor, Climate Resilient Infrastructure with Addenda Capital. He has 20 years of experience in business and law. Prior to his current roles, Mr. Manias was Managing Director at OMERS, a \$110 billion Canadian pension plan, where he spent over 10 years focused on infrastructure and private equity. Prior to OMERS, he spent 8 years as a private equity lawyer in Toronto and Boston. Mr. Manias holds a Bachelor of Business Administration (BBA) from the Schulich School of Business, York University, and a Juris Doctor (JD) from the Faculty of Law, University of Toronto.

Tony Wonnacott – Director

Tony Wonnacott is a corporate securities lawyer based in Toronto, Ontario with over 20 years of experience. He is a member of the Law Society of Ontario and holds a B. Comm. (cum laude) from Saint Mary's University and an LL.B. from Dalhousie University. He began his career at a major Toronto law firm in the banking and securities field before moving to work as a legal consultant to a number of companies, primarily in the mining and resource industry. As a consultant, officer and director of several of these companies, Mr. Wonnacott has been involved with the successful listings of private companies, the outright sale of a company for approximately \$750 million and capital raisings in excess of \$1 billion.

It is expected that the Audit Committee of the Resulting Issuer will be comprised of Michael Bowen, Mark Hanlon and Paul Manias, with Mr. Hanlon serving as Chair of the Audit Committee. Each of Mr. Bowen, Mr. Hanlon and Mr. Manias will meet the requirements for independence under National Instrument 58-

101. Each of the proposed members of the Audit Committee is financially literate within the meaning of National Instrument 52-110. A director is “financially literate” within the meaning of NI 52-110 if he has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Resulting Issuer’s financial statements.

It is further anticipated that Ophiolite Holdings Pty Ltd will be an insider of the Resulting Issuer. Ophiolite Holdings Pty Ltd, an existing shareholder of Metallum, is a wholly owned subsidiary of Frontier Energy Limited, a company listed on the Australian Stock Exchange.

Sponsorship

The Company will make an application to the Exchange for a waiver from the sponsorship requirements in connection with the Transaction. There is no assurance that such waiver will be granted.

Filing Statement

In connection with the Transaction and pursuant to the requirements of the Exchange, Metallum expects to file a filing statement on its issuer profile on SEDAR (www.sedar.com), which will contain details regarding the Transaction, Metallum, Target, ProjectCo and the Resulting Issuer.

Trading Halt

The Shares are currently halted from trading, and the trading of the Shares is expected to remain halted pending completion of the Transaction.

Further Information

For additional information on the Transaction, please refer to the Initial News Release. Metallum will provide further details in respect of the Transaction, by way of a news release to be disseminated at a later date.

Additional Information

All information contained in this news release with respect to the Company and Waroona was supplied, for inclusion herein, by each respective party and each party and its directors and officers have relied on the other party for any information concerning such other party.

Completion of the Transaction is subject to a number of conditions, including but not limited to, Exchange acceptance and if applicable, disinterested shareholder approval. Where applicable, the Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of the Company should be considered highly speculative.

The TSX Venture Exchange Inc. has in no way passed upon the merits of the proposed Transaction and has neither approved nor disapproved the contents of this news release.

ON BEHALF OF THE BOARD

For further information, contact:

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Neither the TSX Venture Exchange nor the Investment Industry Regulatory Organization of Canada accepts responsibility for the adequacy or accuracy of this release.

Cautionary Note Regarding Forward-Looking Statements

Certain statements contained in this news release constitute forward-looking statements within the meaning of Canadian securities legislation. All statements included herein, other than statements of historical fact, are forward-looking statements and include, without limitation, statements about the Concurrent Financing, completion of the Transaction, and the Company's development plans for the Project. Often, but not always, these forward looking statements can be identified by the use of words such as "estimate", "estimates", "estimated", "potential", "open", "future", "assumed", "projected", "used", "detailed", "has been", "gain", "upgraded", "offset", "limited", "contained", "reflecting", "containing", "remaining", "to be", "periodically", or statements that events, "could" or "should" occur or be achieved and similar expressions, including negative variations.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any results, performance or achievements expressed or implied by forward-looking statements. Such uncertainties and factors include, among others, the uncertainties inherent in the estimated economics of the Project, and whether the Company will arrange any offtake related financing; whether exploration and development of the Company's properties will proceed as planned; changes in general economic conditions and financial markets; the Company or any joint venture partner not having the financial ability to meet its exploration and development goals; risks associated with the results of exploration and development activities, estimation of mineral resources and the geology, grade and continuity of mineral deposits; unanticipated costs and expenses; risks associated with COVID-19 including adverse impacts on the world economy, exploration and development efforts and the availability of personnel; and such other risks detailed from time to time in the Company's quarterly and annual filings with securities regulators and available under the Company's profile on SEDAR at www.sedar.com. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended.

Forward-looking statements contained herein are based on the assumptions, beliefs, expectations and opinions of management, including but not limited to: the accuracy of the estimated economics of the Project; that the Company will arrange offtake related financing; that the Company's stated goals and planned exploration and development activities will be achieved; that there will be no material adverse change affecting the Company or its properties; and such other assumptions as set out herein. Forward-looking statements are made as of the date hereof and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as required by law. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, investors should not place undue reliance on forward-looking statements.