

Press Release

For immediate distribution

Stelmine Canada Arranges \$3.25 Million Private Placement

Québec City, August 12, 2021 - Stelmine Canada (STH-TSXV) (“Stelmine” or the “Company”) is pleased to announce that it has arranged a non-brokered hard dollar private placement with strategic investors at \$0.25 per unit to raise total gross proceeds of up to \$3,250,000 (see terms below).

Net proceeds from this private placement will be used for an upcoming drill program at the Company’s 100%-owned district-scale Courcy and Mercator properties in Quebec’s newest gold district (Caniapiscau) east of James Bay and Newmont’s Eleonore mine.

At Courcy, drilling will target gold mineralization now interpreted to be associated with a major thrust fault. The last of eight shallow drill holes completed at this under-explored property by SOQEUM in 2006 returned a 42-meter core interval of 4.2 g/t Au, starting just 12 meters downhole, including 13.5 meters grading 12.2 g/t Au. Visible gold was noted in a 1.5-meter section (42 m - 43.5 m) that returned 105 g/t Au.

At Mercator, 100 kilometers northwest of Courcy, a recently completed high resolution geophysics survey combined with ongoing surface sampling has revealed a potential large-scale gold system with mineralization discovered in metasediments and amphibolites at surface along a 1.9-km trend of faulted and folded iron formations, open for significant expansion to the northeast and southwest (refer to August 3, 2021, NR). Mercator has never been previously drilled or systematically explored.

Private Placement Terms

This above-market private placement (“Offering”) consists of the sale of up to 13 million units (“Units”) of Stelmine to strategic investors at a price of \$0.25 per Unit. Each Unit comprises one common share of Stelmine and one half of a share purchase warrant. Each full warrant will entitle the holder to acquire one common share of the Company at \$0.35 for a period of 36 months from issuance.

In the event that the closing price of the Company’s shares on the TSX Venture Exchange is \$0.50 or greater during any 10 consecutive trading day period at any time subsequent to four months and one day after the closing date, all warrants under this offering will expire at 4:00 pm ET on the 30th day after the date on which the Company provides notice of such accelerated expiry to the holders of the warrants.

The proceeds of the Offering will be used for exploration on the Courcy and Mercator properties and for general working capital purposes. Finders’ fees will be paid in connection with the private placement.

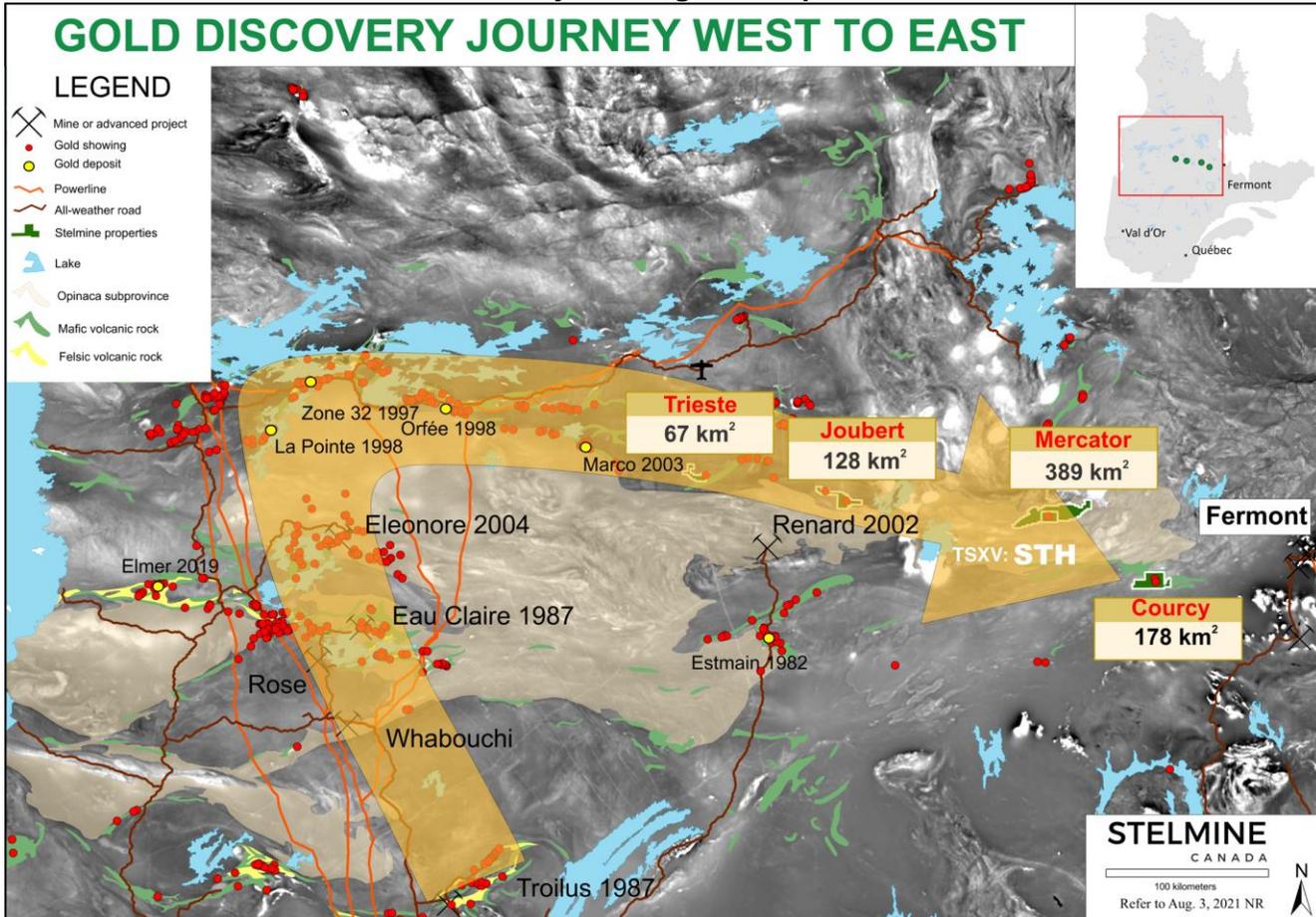
The Offering is subject to certain conditions including, but not limited to, the receipt of all necessary regulatory and stock exchange approvals, including the approval of the TSX Venture Exchange. The common shares issued pursuant to the Offering will be subject to a four-month hold period in accordance with applicable Canadian securities laws.

The securities being offered have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States or for the account or benefit of U.S. persons absent registration or an applicable exemption from the registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the securities in any state in which such offer, solicitation or sale would be unlawful.

Qualified Person

The technical information in this news release has been reviewed and approved by Mr. Michel Boily, P.Geo., Ph.D. Mr. Boily is the Qualified Person responsible for the scientific and technical information contained herein under National Instrument 43-101 standards.

Project & Regional Map



About Stelmine Canada

Stelmine is a junior mining exploration company pioneering a new gold district (Caniapiscou) east of James Bay in the under-explored eastern part of the Opinaca metasedimentary basin where the geological context has similarities to the Eleonore mine. Stelmine has 100% ownership of 1,574 claims or 815 sq. km in this part of northern Quebec, highlighted by the Courcy and Mercator Projects.

FORWARD LOOKING INFORMATION

Certain information in this press release may contain forward-looking statements, such as statements regarding the expected closing of and the anticipated use of the proceeds from the Offering, acquisition and expansion plans, availability of quality acquisition opportunities, and growth of the Company. This information is based on current expectations and assumptions (including assumptions in connection with obtaining all necessary approvals for the Offering and general economic and market conditions) that are subject to significant risks and uncertainties that are difficult to predict. Actual results might differ materially from results suggested in any forward-looking statements. Risks that could cause results to differ from those stated in the forward-looking statements in this release include those relating to the ability to complete the Offering on the terms described above. The Company assumes no obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those reflected in the forward-looking statements unless and until required by securities laws applicable to the Company. Additional information identifying risks and uncertainties is contained in the Company's filings with the Canadian securities regulators. The filings are available at www.sedar.com.

CAUTIONARY STATEMENT

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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