



Ottawa, Ontario  
January 15, 2019

## MAYO LAKE MINERALS TO RAISE UP TO \$2.1 MILLION

Mayo Lake Minerals Inc. (Mayo Lake) is pleased to announce the initiation of a subscription receipt (Sub-Receipt) financing package to raise a minimum of \$1.0 million and a maximum of \$2.1 million in support of an application for a listing on the Canadian Securities Exchange by way of a Non-Offering Prospectus. The placement is anticipated to close on March 29 or earlier.

**The Financing Package.** The offering will consist of two Sub-Receipt financings consisting of:

- (1) a common share Sub-Receipt unit (CS Unit) financing at \$0.10 per CS Unit, each CS Unit consisting of one common share and one whole warrant exercisable into one common share for a period of two years from closing at an exercise price of \$0.15 per warrant; and
- (2) a flow through share Sub-Receipt unit (FT Unit) financing at \$0.12 per FT unit, each FT Unit consisting of one FT share and one whole warrant exercisable into one common share for a period of two years at an exercise price of \$0.15 per warrant.

The funds will be utilized for exploration, including drilling of the Anderson-Davidson Property, along with trenching at the Trail-Minto and Carlin-Roop properties, working capital and corollary matters necessary to qualify for a public listing. For more details of the financing see Schedule A to this News Release.

**Mayo Lake's Yukon Properties and Exploration Plans.** Mayo Lake's five claim groups cover 231 square kilometres of an under-explored part of the Tombstone Plutonic Belt within the Yukon's Tintina Gold Province. The ever-expanding mining camps within the Tombstone Belt point to the excellent mineral potential of Mayo Lake's properties in general; well supported by the Company's exploration results to date. All of Mayo Lake's properties show high potential for meaningful gold and silver mineralization.

In 2018 Newmont completed 8,000 metres of drilling at the Newmont-Goldstrike Plateau Project to delineate and expand gold mineralization within the Yellow Giant Trend, a rapidly developing district-scale mineral trend in the Mayo Mining District. Mayo Lake's exploration to date, in concert with numerous gold placer operations on its flagship Anderson-Davidson Property, support the fact that Anderson-Davidson covers the northern extension of the Yellow Giant Trend.

The intrusion-related Eagle Gold Deposit where Victoria Gold is putting a mine into production provides a model for exploration on the Company's Trail-Minto Property. Keno Hill silver mines (Alexco) offer models for the silver mineralization detected at Carlin-Roop, which is located at the eastern end of the Keno Hill mining camp.

Upon completion of this financing, Mayo Lake plans to complete between 1200 and 2200 metres of diamond drilling (first ever) on Anderson-Davidson. In addition, a minimum of 1500m of trenching and possibly some drilling on Carlin-Roop and Trail-Minto is anticipated.

Dr. Vern Rampton, P.Eng., President and CEO of Mayo Lake commented "We are extremely confident that with the more positive market for gold and related junior gold explorers, we will be able to expediently raise enough funds to obtain a public listing and aggressively explore our highly prospective properties where our work to date points toward meaningful mineral discoveries. We are anticipating some exciting results from this summer's exploration program."

**QP Statement:** This press release has been reviewed in full by Vern Rampton, Ph.D., P. Eng., in his capacity as a qualified person as defined under NI 43-101.

— END PRESS RELEASE —

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**About Mayo Lake Minerals Inc.** Mayo Lake Minerals is a private company focussed on the rapid development of precious metal projects in the Mayo Mining District of the Yukon Territory. It presently has, subject to certain net smelter royalties, a 100% interest in 1139 claims, totalling 231 sq.km in area. It's five claim groups all lay within the Tombstone Plutonic Belt of the Tintina Gold Province in the Yukon.

No securities authority, including the Canadian Securities Exchange, has reviewed this release.

*Cautionary statement: This press release contains certain forward-looking statements, which are based on the opinions and estimates of management at the date the statements are made and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected. MLM undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change. Management cannot guarantee that Mayo Lake will be listed on the Canadian Securities Exchange in spite of its expectations to be so listed. The reader is cautioned not to place undue reliance on forward-looking statements. For a more detailed cautionary statement the reader is referred to the Disclaimer in the News section on the Mayo Lake's website, [www.mayolakeminerals.com](http://www.mayolakeminerals.com).*

## Schedule A

### SUBSCRIPTION RECEIPTS AND FLOW-THROUGH SUBSCRIPTION RECEIPTS

- Issuer:** Mayo Lake Minerals Inc. (the "**Corporation**").
- Offering:** Offering of a combination of subscription receipts (the "**Subscription Receipts**") and flow-through subscription receipts (the "**FT Subscription Receipts**"), on a commercially reasonable efforts basis (the "**Offering**").
- Offering Size:** Minimum gross proceeds of \$1,000,000 (the "**Minimum Offering**"), Maximum gross proceeds of \$2,100,000 (the "**Maximum Offering**") to be completed on the Closing Date (as hereinafter defined), provided that if the Minimum Offering has not been achieved on or before the Closing Date, the Corporation shall, at its sole discretion, not complete the Offering and return the subscription funds to the purchasers without interest or deduction.
- Price:** \$0.10 per Subscription Receipt; and  
\$0.12 per FT Subscription Receipt.
- Closing Date:** March 29, 2019 or such other earlier date as the Corporation may determine (the "**Closing Date**").
- Subscription Receipts:** Each Subscription Receipt will entitle the holder to receive, without payment of any further consideration, one unit of the Corporation (each a "**Unit**") automatically upon the earlier of: (i) the satisfaction of the Release Condition (as defined below); or (ii) the third business day after the day which is one-hundred and twenty (120) days after the Closing Date.
- Each Unit is comprised of one common share in the capital of the Corporation (each, a "**Common Share**") and one Common Share purchase warrant in the capital of the Corporation (a "**Warrant**"), each Warrant entitling the holder thereof to acquire one Common Share at any time from the date of issue of the Warrants until 5:00 p.m. (Toronto time) on the date which is two (2) years after the Closing Date at an exercise price of \$0.15 per Common Share, subject to adjustment.
- FT Subscription Receipts:** Each FT Subscription Receipt will entitle the holder to receive, without payment of any further consideration, one flow-through unit of the Corporation (each a "**FT Unit**") automatically upon the earlier of: (i) the satisfaction of the Release Condition (as defined below); or (ii) the third business day after the day which is one-hundred and twenty (120) days after the Closing Date. Each FT Unit is comprised of one Common Share, issued on a "flow-through basis", and one Warrant. Each Warrant entitling the holder thereof to acquire one Common Share at any time from the date of issue of the Warrants until 5:00 p.m. (Toronto time) on the date which is two (2) years after the Closing Date at an exercise price of \$0.15 per Common Share, subject to adjustment.
- Escrow of Proceeds:** On the closing of the Offering, the net proceeds of the Offering (the "**Escrowed Funds**") will be held in escrow by an escrow agent (the "**Escrow Agent**") acceptable to the Corporation and invested in short term investment grade debt obligations.
- The Escrowed Funds (and accrued interest) will be released (the "**Release Condition**") to the Corporation, upon the completion by the Corporation of a Liquidity Event (as defined below). If the Release Condition has not occurred on or prior to 5:00 p.m. on the earlier of the third (3<sup>rd</sup>) business day after the day which is one-hundred and twenty (120) days after the Closing Date (the "**Escrow Expiry Date**"), the Escrowed Funds, together with interest earned thereon, shall be returned to the holders of the Subscription Receipts and/or FT Subscription Receipts on a *pro-rata* basis.

**Liquidity Event:** "Liquidity Event" means the completion by the Corporation of all the items listed under either (a) or (b):

- (a) (i) an initial public offering in Canada of the Units (the "**Public Offering**");
- (ii) becoming a reporting issuer in the Province of Ontario and taking all necessary steps and proceedings (including, if necessary, the clearing with applicable securities regulatory authorities of a (final) prospectus) to ensure that the Common Shares be freely tradable securities in the Offering Jurisdictions restriction as of the time of closing of the Public Offering; and
- (iii) obtaining a listing or quotation of the Common Shares on a recognized stock exchange or quotation system in Canada; or
- (b) (i) a transaction which provides holders of the Subscription Receipts and FT Subscription Receipts with comparable liquidity that such holders would have received if the Public Offering occurred, whether by means of a reverse take-over, merger, amalgamation, arrangement, take-over bid, insider bid, reorganization, joint venture, sale of all or substantially all assets, exchange of assets or similar transaction or other combination with a public corporation or such other transaction as may be acceptable to the Corporation; and
- (ii) obtaining a listing or quotation of the Common Shares on a recognized stock exchange or quotation system in Canada.

**Finders Fees:** Subject to the satisfaction of the Release Condition, eligible persons ("**Finders**") may receive commissions in the form of cash equal to up to seven percent (7%) of the gross proceeds raised by such Finders and such number of finder warrants ("**Finder Warrants**") or flow-through finder warrants ("**FT Finder Warrants**") equal to seven percent (7%) of the number of Subscription Receipts or FT Subscription Receipts, as applicable, sold under the Offering by such Finder.

Each Finder Warrant will entitle the holder to acquire one Unit at a price of \$0.10 for a period of two (2) years following the Closing Date. Each FT Finder Warrant will entitle the holder to acquire one FT Unit at a price of \$0.12 for a period of two (2) years following the Closing Date. For greater certainty, the Common Shares issuable upon the exercise of FT Finder Warrants will not be issued on a "flow-through" basis.

**Tax Renunciation:** The Corporation will agree to incur and renounce to the purchasers of the FT Subscription Receipts for federal and provincial tax purposes an amount equal to Canadian Exploration Expenses equal to the issue price for each FT Subscription Receipt.

**Offering Jurisdictions:** The Subscription Receipts will be offered for sale to purchasers in: (i) all of the Provinces and Territories of Canada pursuant to available prospectus exemptions; (ii) the United States on a private placement basis only under Regulation D, Rule144A or other available U.S. registration exemptions and (iii) jurisdictions outside of Canada and the United States, in each case in accordance with all applicable laws provided that no prospectus, registration statement or similar document is required to be filed in such jurisdiction and the Corporation does not thereafter become subject to continuous disclosure obligations in such jurisdiction.