



Clean Air Metals Inc. Announces Completion of Reverse Takeover Transaction

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Toronto, ON, May 14, 2020 – Clean Air Metals Inc. (formerly Regency Gold Corp.) (“**Clean Air**” or the “**Company**”) (NEX: RAU.H) is pleased to announce the completion of its previously announced reverse takeover transaction (the “**Transaction**”) pursuant to the policies of the TSX Venture Exchange (“**TSXV**”). In connection with the completion of the Transaction, Clean Air filed a filing statement dated May 5, 2020 (the “**Filing Statement**”) in support of its application to the TSXV to become a “Mining Issuer” (as that term is defined in the policies of the TSXV). The Filing Statement has been filed on SEDAR under the Company’s issuer profile at www.sedar.com. Readers are encouraged to review the Filing Statement for full details on the Transaction.

The Transaction

Pursuant to the terms of the definitive option agreement dated January 6, 2020, as amended January 27, 2020 (collectively, the “**Option Agreement**”) entered into between the Company and Benton Resources Inc. (“**Benton**”) (TSXV: BEX), the Company has now completed the acquisition of an option (the “**Option**”) to acquire a 100% right, title and interest in and to the Escape Lake Property (the “**Escape Lake Property**”).

Pursuant to the terms of a definitive share purchase agreement dated January 6, 2020 (the “**Pan Agreement**”) entered into between the Company and Magma Metals PTY Ltd. (“**Magma**”), the Company has now completed the acquisition of 100% of Panoramic Resources Limited’s indirect subsidiary, Panoramic PGMs (Canada) Ltd. (“**Pan Subsidiary**”), which owns the Thunder Bay North Project (the “**TBN Project**”). Pan Subsidiary is now a wholly-owned subsidiary of Clean Air. In consideration of the acquisition of Pan Subsidiary, Clean Air agreed to pay to Magma, over a three-year period, an aggregate of C\$9 million, C\$4.5 million of which was paid on closing of the Transaction.

The Escape Lake Property and the TBN Project are collectively referred to as the “**TBN Property**”.

In connection with the acquisition of the Option and the completion of the Transaction, and in accordance with the terms and conditions of the Option Agreement, the Company, among other things: (i) granted to Benton a 0.5% net smelter return royalty from production on the Escape Lake Property and a 0.5% net smelter return royalty from production on any mineral claims comprising the TBN Project over which a net smelter royalty has not previously been granted; and (ii) issued to Benton an aggregate of 24,615,884 common shares (the “**Consideration Shares**”) in the capital of the Company.

Concurrent Financing

In connection with the Transaction, the Company completed a private placement of subscription receipts (each, a “**Subscription Receipt**”) on February 11, 2020, led by Paradigm Capital Inc. and Sprott Capital Partners LP (the “**Co-Lead Agents**”) on behalf of a syndicate of agents,



including Red Cloud Securities and Mackie Research Capital Corporation (together with the Co-Lead Agents, the "**Agents**") pursuant to which the Company issued an aggregate of 75,000,000 Subscription Receipts for gross proceeds of \$15,000,000 (the "**Offering**").

The gross proceeds of the Offering less certain expenses of the Agents and other commissions (the "**Escrowed Proceeds**") were held in escrow on behalf of the subscribers for the Subscription Receipts by Computershare Trust Company of Canada (the "**Escrow Agent**"), pursuant to the terms of a subscription receipt agreement (the "**Subscription Receipt Agreement**") entered into on February 11, 2020 among the Company, the Co-Lead Agents and the Escrow Agent. As part of the completion of the Transaction, the Company and the Co-Agents delivered a joint notice to the Escrow Agent on May 13, 2020 confirming satisfaction of the applicable escrow release conditions, at which time each Subscription Receipt was automatically converted into one unit (a "**Unit**") of the Company, and the Escrowed Proceeds were released to the Company. Each Unit is comprised of one common share of Clean Air (each, a "**Unit Share**") and one-half of one common share purchase warrant of Clean Air (each whole common share purchase warrant, a "**Warrant**"). Each Warrant is exercisable by the holder thereof for one common share of the Company (each, a "**Warrant Share**") until February 11, 2022 at an exercise price of \$0.30 per Warrant Share, subject to adjustments in certain events.

The net proceeds of the Offering were and will be used to fund the cash portion of the consideration payable to Magma in respect of the acquisition of the TBN Project, to fund drilling for the TBN Property, and for general corporate purposes.

The securities issued upon conversion of the Subscription Receipts are subject to a statutory hold period until June 12, 2020, in accordance with applicable securities laws.

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

TSXV Approval and Resumption of Trading

Trading in the common shares of the Company was previously halted on October 15, 2019 at the request of the Company in connection with the announcement of the Transaction. The Transaction remains subject to final approval by the TSXV and fulfillment of all of the requirements of the TSXV in order to obtain such approval including, among other things, submission and acceptance of all documents requested by the TSXV in its conditional acceptance letter and payment of all outstanding fees to the TSXV. Until final approval of the TSXV is obtained and a Final Exchange Bulletin is issued, trading in the common shares of Clean Air will remain halted; however it is expected that trading will resume on or about May 22, 2020. Upon resumption of trading, the common shares of Clean Air will trade under the symbol "AIR" and Clean Air will be listed as a Tier 2 Mining Issuer.

Name Change

Prior to the completion of the Transaction, the Company changed its name from "Regency Gold Corp." to its current name, "Clean Air Metals Inc." in accordance with the provisions of the *Canada Business Corporations Act*.

Grant of Options

Concurrently with the completion of the Transaction, the Company granted an aggregate of 7,565,000 options ("**Options**") to purchase common shares of the Company (each, an "**Option Share**"), exercisable at a price of \$0.20 per Option Share for a period of five (5) years from the date of issuance, to certain directors, officers, employees and consultants of the Company. The Option Shares issuable upon exercise of the Options are subject a four-month statutory hold period from the original date of grant.

Management of Clean Air Metals

The following individuals comprise the current Board of Directors and management of Clean Air, in the capacities listed below. Brief biographies of the current management team are as follows:

Abraham Drost, M.Sc., P. Geo., CEO and Director – Mr. Drost is a Professional Geoscientist (Ontario) and a graduate of the University of Waterloo (B.Sc) and Queen's University (M.Sc.). Mr. Drost is a former President and Director of Sabina Gold and Silver Corp., former President and Director of Gold X Mining Corp. and former CEO, and Director of Mexican Gold Corp. Mr. Drost is a former Chairman of Premier Gold Mines USA Inc. and the former CEO and founding Director of Premier Royalty Inc., prior to the sale to Sandstorm Gold Ltd. He was a former CEO and then Director of Mega Precious Metals Inc. at the sale to Yamana Gold Inc. Mr. Drost was most recently CEO and Director of Carlisle Goldfields Ltd. at the sale to Alamos Gold Inc. He previously served as Regional Land Use Geologist with the Ontario Geological Survey, promoting exploration best practices for junior mining companies on aboriginal traditional territories.

Kelsey Chin, CPA, CGA, Chief Financial Officer – Ms. Chin is a Chartered Professional Accountant, Certified General Account and a graduate of the University of British Columbia (B. Com.). Ms. Chin has over 15 years of experience in audit, finance and accounting within the mining, exploration, healthcare and technology industries. She has served as a director and executive officer for numerous publicly traded companies where she was responsible for all aspects of financial services, financial reporting, corporate governance, and has led numerous financings, mergers and acquisitions to successful completion. As chief financial officer of various publicly-listed companies, Ms. Chin is intricately familiar with accounting principles and preparing financial statements and disclosure documents within the mineral resources industry.

James Gallagher, P. Eng., Chairman and Director – Mr. Gallagher is a Professional Engineer and seasoned mining executive with a 35-year track record of optimizing operational performance, leading successful projects and consulting with global scope. Mr. Gallagher was most recently the President and CEO of North American Palladium Ltd. ("**NAP**"). During his 6 year tenure at NAP, Mr. Gallagher rebuilt the senior management team, introduced advanced technologies and mining

methods at the Lac des Illes Mine and achieved an operational and financial turnaround that made the Lac des Illes Mine one of the largest and lowest cost underground mines in Canada, culminating in the 2019 sale of NAP for \$1 billion to Impala Platinum. Prior to NAP, Mr. Gallagher spent 24 years with Falconbridge Ltd., in a variety of operational and project management roles and eight years as Global Director of Mining for Hatch, leading one of the largest mining EPCM teams in North America. Mr. Gallagher is a Director and chair of the Health, Safety and Technical committee for Harte Gold, serves on the Board of Directors of the Ontario Mining Association.

Dawn Evans-Lamswood, MSc, P.Geo, VP Exploration - Ms. Evans-Lamswood's career spans two decades of exploration experience exploring the Voisey's Bay district after joining the Archean Resources drilling team in 1995, immediately following the discovery of the Ovoid Zone. Her career continued in the area with Inco and its successor company Vale Inco, recently retiring with the position of Exploration Manager, Brown Field Exploration, Vale North Atlantic. Ms. Evans-Lamswood has co-authored numerous publications on the Voisey's Bay deposit and district.

Carson Phillips, M.Eng., VP Corporate Development - Mr. Phillips is a mining executive with over a decade of experience with a focus on precious metals. He was also an initial founder and director of Ecuador Gold & Copper Corp. (TSX.V: EGX) which was subsequently acquired by Lumina Gold Corp. (TSX.V: LUM) in 2016. Carson has a degree in Business Administration from the University of British Columbia (Okanagan) as well as a degree in International Business from Hogeschool Zeeland in the Netherlands. Mr. Phillips has also completed a Master of Engineering in Mine Economics & Finance from the University of British Columbia in 2014.

Dean Chambers, P. Eng., ICD.D., Director - Mr. Chambers is a Professional Engineer and financial executive with over 35 years of business, technical and financial experience. In 2017, Mr. Chambers retired as Executive Vice President and Chief Financial Officer at Sherritt International Corporation, a major international resource company. Mr. Chambers' career as a senior executive in the mining and chemical industries also includes progressive positions with The Dow Chemical Company, Falconbridge Limited and Dynatec Corporation. Most recently, Mr. Chambers served four years on the Board of Directors and chaired the Audit Committee of North American Palladium Ltd. leading up to its successful sale to Impala Platinum in 2019. Mr. Chambers holds the ICD.D designation from the Institute of Corporate Directors. Mr. Chambers also serves on the Industrial Advisory Committee for the Engineering and Management program at McMaster University.

MaryAnn Crichton, P.Eng., MBA, Director - Ms. Crichton is a Professional Engineer and senior executive with over 30 years of international business experience in financing; project development; environmental, social and governance ("**ESG**")/Corporate Social Responsibility ("**CSR**") and strategy. Ms. Crichton holds B.Sc. (Chemical Engineering) from the University of Alberta and an MBA from the Ivey Business School at Western University. She spent most of her career as Global Director of Management Consulting for Hatch Ltd. ("**Hatch**"), a global engineering, advisory and construction firm working in the mining, metals, and infrastructure and energy industries. Prior to joining Hatch, she worked in private equity and the resource and chemical industries. In 2017 and again in 2020, Ms. Crichton was elected to the Board of the Prospectors and Developers Association of Canada ("**PDAC**") and is currently a member of both their Governance and Nominations Committee and CSR/Diversity and Inclusion Working Group. In 2018, she was elected to serve as PDAC's representative on the Board of Mining Matters.



ON BEHALF OF THE BOARD OF DIRECTORS

"Abraham Drost"

Abraham Drost, Chief Executive Officer of Clean Air Metals Inc.

For further information, please contact:

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Cautionary Note

The information contained herein contains "forward-looking statements" within the meaning of applicable securities legislation. Forward-looking statements relate to information that is based on assumptions of management, forecasts of future results, and estimates of amounts not yet determinable. Any statements that express predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance are not statements of historical fact and may be "forward-looking statements." Forward-looking statements are subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking statements, including, without limitation: risks related to the TSXV listing, risk related to the failure to obtain adequate financing on a timely basis and on acceptable terms; risks related to the outcome of legal proceedings; political and regulatory risks associated with mining and exploration; risks related to the maintenance of stock exchange listings; risks related to environmental regulation and liability; the potential for delays in exploration or development activities or the completion of feasibility studies; the uncertainty of profitability; risks and uncertainties relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits; risks related to the inherent uncertainty of production and cost estimates and the potential for unexpected costs and expenses; results of prefeasibility and feasibility studies, and the possibility that future exploration, development or mining results will not be consistent with the Company's expectations; risks related to commodity price fluctuations; and other risks and uncertainties related to the Company's prospects, properties and business detailed elsewhere in the Company's disclosure record. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements. Investors are cautioned against attributing undue certainty to forward-looking statements. These forward-looking statements are made as of the date hereof and the Company does not assume any obligation to update or revise them to reflect new events or circumstances, except in accordance with applicable securities laws. Actual events or results could differ materially from the Company's expectations or projections.