



Canadian Manganese Company Inc.

**Canadian Manganese Announces Agreement
with Maximos Metals to form a New
Technology Metals Focused Company
with New Financing of \$5 Million**

Toronto, March 26, 2021 – Canadian Manganese Company Inc. (the “Company” or “CMC”), is pleased to announce it has entered into an agreement with **Maximos Metals Corp.** (“Maximos”) to create a new Technology Metals company with an immediate strategic focus on the advancement of CMC’s Woodstock manganese property in New Brunswick to produce high purity electrolytic manganese metal and/or high purity manganese sulphate monohydrate for the growing battery metals market.

Private Placement Financing \$5 Million

In connection with the transaction, CMC will complete a non-brokered, private placement equity financing (the “**Financing**”) through an offering of Subscription Receipts at a price of \$0.30 per flow-through receipt and \$0.225 per non-flow-through receipt, of which CMC has already received subscriptions for a minimum of \$5 million, led by key supporting investors, including certain Maximos insiders, Clarion Finance Pte Ltd. and Commodity Capital.

Each Subscription Receipt will ultimately be converted to one common share of CMC upon completion of the proposed transaction.

Maximos Agreement

CMC has entered into a definitive agreement (the “**Amalgamation Agreement**”) with Maximos and CMC’s wholly owned subsidiary, (“**CMC Subco**”), to complete a three-cornered amalgamation, which will result in Maximos becoming a wholly owned subsidiary of CMC, and the shareholders of Maximos becoming shareholders of CMC.

Transaction Highlights

- CMC's vision is to create a diversified technology metals company through a disciplined growth strategy with an emphasis on stakeholder value creation and the development of industry-leading sustainability programs
- Advanced large, carbonate hosted, manganese deposit in New Brunswick with NI 43-101 defined resource and completed PEA, with demonstrated flow sheet for production of various high purity manganese products
- Focus on manganese, which has been identified as a critical mineral by both US and Canadian governments

- Global evolution of electric vehicle (EV) and battery technologies combined with mounting geopolitical support provides unique opportunity to create a North American based leader in the production of battery-grade manganese
- Dominant land position, strategically located adjacent to Trans-Canada Highway and near US border, with multiple resource expansion areas, including other deposits with historical resources
- Additional exposure to key technology metals - Nickel, Copper and Cobalt sulphides, via Maximos' nickel cobalt exploration claims in Labrador and its investment in Spark Minerals Inc. that holds the Londonderry and Trident properties in Nova Scotia with potential for iron-oxide-copper-gold (IOCG) type mineralization
- Supportive shareholders underpinning concurrent financing to provide strong cash position of over \$5 million include key Maximos insiders, Clarion Finance Pte Ltd. and Commodity Capital.

Strategic Focus on Battery Manganese and Critical Minerals

CMC's immediate strategic focus will be the advancement of its wholly owned Woodstock manganese property in New Brunswick, Canada. The Woodstock property hosts the near-surface, Plymouth carbonate-hosted manganese-iron deposit ("**Plymouth**") which contains an Inferred Resource of **44,770,000 tonnes grading 9.85%** manganese, on which a positive Preliminary Economic Assessment with supporting National Instrument 43-101 Technical Report ("**PEA**") was completed in 2014 to evaluate a potential open pit mining and processing facility.

CMC's Woodstock property also hosts two adjacent outcropping manganese deposits, the North Hartford and South Hartford deposits, each of which hosts historical, non NI 43-101 compliant, uncategorized resources, including 51.2 million short tons (46.5 million tonnes) averaging 10.9% Mn (manganese) and 13.3% Fe within the ¹North Hartford deposit, and 50 million short tons (45 million tonnes) grading 8% Mn and 12% Fe within the ¹South Hartford deposit.

The Plymouth deposit, together with the North and South Hartford deposits, are believed to represent the largest accumulation of manganese carbonate (rhodochrosite) in North America and collectively one of the largest manganese carbonate deposits in the world outside China.

Manganese has been defined by the Canadian and US governments as a critical mineral that is essential for national defense, aerospace, technology, and energy that is highly susceptible to supply interruptions due to the lack of domestic production.

Manganese is a key component in the formulations of the cathode material used in high-performance lithium-ion batteries, and in utility bulk energy storage facilities, which are expected to create strong demand for high-purity manganese products. Manganese at the Woodstock Plymouth Deposit predominately occurs as a manganese carbonate which is preferred, relative to higher-grade manganese oxide feed materials, for production of high-purity manganese metals.

As the Woodstock PEA was focused on the potential for electrolytic manganese metal production, the current program will seek to update the PEA for the production of both high purity manganese metal and high purity manganese sulphate monohydrate for the battery industry. Concurrently, CMC proposes to undertake several programs to advance various project categories to a prefeasibility level of study, including: Product Market and End-User Market Assessment; Process Development and Advanced Metallurgy; Infrastructure Evaluation and Preliminary Environmental Assessment and Engagement.

Additionally, CMC plans to undertake a drilling program to further define the Plymouth deposit (currently open in several directions) as well as, explore the adjacent North and South Hartford properties.

About the Transaction

Under the terms of the Amalgamation Agreement an aggregate of 59,683,564 CMC Shares will be issued to holders of Maximos shares on the basis of 0.555625 of a CMC Share for every common share of Maximos (the "**Exchange Ratio**"). In addition, 9,500,000 Maximos stock options and 8,000,000 Maximos warrants will be cancelled, and the holders will receive equivalent options or warrants of CMC with necessary adjustments to reflect the Exchange Ratio.

Immediately after the Closing, assuming the issue of 20 million CMC Shares pursuant to the Financing, CMC will have approximately 140,000,000 shares outstanding, of which the shareholders of CMC including new investors will own approximately 57% and the former shareholders of Maximos will own approximately 43%, each on an undiluted basis.

The Amalgamation, which is an arm's length transaction, is subject to the receipt of all necessary regulatory approvals and approval by Maximos shareholders. It is anticipated the closing of the transaction will occur in the second quarter of 2021.

It is anticipated that following the completion of the transaction, two nominees of Maximos and two new independent directors will be appointed to the Board of Directors of CMC.

In connection with the execution of the Amalgamation Agreement, Maximos has provided an unsecured, interest free, loan of \$250,000 to CMC, which loan will be repayable on demand if the transaction is not completed.

ABOUT MAXIMOS METALS

Maximos was incorporated pursuant to the provisions of the *Canada Business Corporations Act* on May 17, 2017. Led by a team with over 50 years of combined relevant international finance, geopolitical and resource development experience, Maximos focused on the identification of new mineralized areas with the use of the proprietary NanoSpectra technology. Over the past three years under this stakeholder partnership and incubation model, Maximos has worked directly with companies (both public and private) and governments accumulating a portfolio of interests (asset and equity-linked) across commodities and jurisdictions.

Maximos holds a 100% interest in the Maximos Nickel Property which consists of nine discontinuous mineral Licences (024907M to 024915M) covering a total area of 336 km² in north western Labrador on which Maximos completed a diamond drilling program in late 2017 and early 2018.

Maximos also holds a majority equity ownership of Spark Minerals Inc., that holds iron oxide copper gold mineral licences in Nova Scotia and which recently announced a proposed reverse takeover transaction with Mongoose Mining Ltd.

The information contained or referred to in this press release relating to Maximos has been furnished by Maximos. Although CMC has no knowledge that would indicate that any statement contained herein concerning Maximos is untrue or incomplete, neither CMC nor any of its respective directors or officers assumes any responsibility for the accuracy or completeness of such information. Investors are cautioned that, except as disclosed by CMC, any information released or received with respect to the transaction may not be accurate or complete and should not be relied upon.

ABOUT CANADIAN MANGANESE

Canadian Manganese is a Canadian mineral development company aiming to become a supplier of high-purity manganese metal products for the rechargeable battery industry.

Canadian Manganese holds the Woodstock manganese property in New Brunswick containing the Plymouth manganese-iron deposit that hosts an Inferred Resource of 44,770,000 tonnes grading 9.85% manganese and on which a positive preliminary economic assessment, NI 43-101 technical report was completed in 2014.

Qualified Person and Technical Report

Paul Moore is the Qualified Person as defined by National Instrument 43-101 who has approved the scientific and technical information relating to Canadian Manganese's Woodstock property contained in this News Release.

The 2014 Mineral Resource Estimate for the Plymouth Mn-Fe deposit was prepared by Mercator Geological Services as disclosed in the Technical Report issued in July of 2014 as a Preliminary Economic Assessment [*Preliminary Economic Assessment on the Woodstock Manganese Property, New Brunswick Canada. Effective Date: July 10, 2014. Prepared by Dharshan Kesavanathan, P.Eng., Laszlo Bodi, P.Eng., Michael Cullen, M.Sc., P.Geo., Mike McLaughlin, P.Eng., Stephanie M. Goodine, P.Eng., and Wenchang Ni, P.Eng.*]. (Technical Report filed on SEDAR under the profile of Canadian Manganese's parent company, Buchans Resources Limited, at www.sedar.com and on the Company's website).

Historical Estimates: This News Release contains historical estimates, including estimates of the quantity and grade for deposits referred to as the North Hartford and South Hartford deposits. These historical estimates are based on data obtained and prepared by previous operators and neither CMC nor its predecessors have located original assay sheets or details of the estimation methodology, nor the key assumptions or parameters, underlying the estimates. A qualified person has not done sufficient work to verify or classify the historical estimates for the North Hartford or South Hartford deposits as current mineral resources. CMC is not treating these historical estimates as current mineral resources in accordance with NI 43-101, and these estimates should not be relied upon.

For further information:

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Additional information on Canadian Manganese Company Inc. is available at www.CanadianManganese.com

CAUTIONARY STATEMENTS

This news release does not constitute an offer to sell or the solicitation of an offer to buy any securities in any jurisdiction. Completion of the transaction is subject to a number of conditions. There can be no assurance that the Transaction will be completed as proposed or at all.

ANY SECURITIES REFERRED TO HEREIN WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “1933 ACT”), AND MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES OR TO A U.S. PERSON IN THE ABSENCE OF SUCH REGISTRATION OR AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE 1933 ACT.

Notice regarding forward-looking statements:

This press release includes forward-looking statements regarding CMC, Maximos, and their respective businesses, which may include, but is not limited to, statements with respect to the completion of the transaction, the terms on which the transaction is intended to be completed, the expected use of the net proceeds from the Financing, the ability to obtain regulatory and shareholder approvals, the proposed business plan of Maximos and the resulting issuer and other factors. Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “is expected”, “expects”, “scheduled”, “intends”, “contemplates”, “anticipates”, “believes”, “proposes” or variations (including negative variations) of such words and phrases, or state that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. Such statements are based on the current expectations of the management of each entity. The forward-looking events and circumstances discussed in this press release, including completion of the transaction, may not occur by certain specified dates or at all and could differ materially as a result of known and unknown risk factors and uncertainties affecting the companies, including risks regarding the mining industry, failure to obtain regulatory or shareholder approvals, economic factors, the equity markets generally and risks associated with growth and competition. Although CMC and Maximos have 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. No forward-looking statement can be guaranteed. Except as required by applicable securities laws, forward-looking statements speak only as of the date on which they are made and CMC and Maximos undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.