

## ANNUAL MEETING OF SHAREHOLDERS 2021 EXPLORATION UPDATE

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**Toronto, June 24, 2021** - Buchans Resources Limited (the “**Company**” or “**Buchans**”), a Canadian base metal mineral exploration and development company, reports that it held its Annual Meeting of Shareholders today in Toronto at which all resolutions were approved and passed.

At the meeting, **John Kearney, Chairman** and **Paul Moore, Vice President of Exploration**, provided shareholders with an update of the current activities and outlook for the Company.

### COMPANY OVERVIEW

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Buchans is engaged in base metal and gold exploration in Newfoundland and Labrador, including within its flagship Buchans VMS base metal project in central Newfoundland and several gold projects within the emerging gold district, in central Newfoundland, currently receiving significant exploration activity and investment in response to recent successes by Marathon Gold Corporation (TSX-MOZ) and New Found Gold Corp. (TSXV-NFG).

The Company’s 73.5 km<sup>2</sup> Buchans Project covers the historic Buchans Mining Camp from which ASARCO mined **16.2 million tonnes** of ore from five separate deposits with a combined average grade of **14.51% Zn, 7.65% Pb, 1.33% Cu, 126 g/t Ag, and 1.37g/t Au**.

The project also hosts the Company’s large undeveloped **Lundberg stockwork sulphide deposit** that hosts a large near-surface resource of lower-grade stockwork mineralization that the Company continues to advance as a potential open pit mine development. This resource is estimated to contain more than 1.25 billion pounds of ZnEq metals within the Indicated category including 566 million lbs Zn, 237 million lbs Pb, 156 million lbs Cu, 3 million Oz Ag and 38,000 Oz Au (See Technical Report entitled: “NI 43-101 Technical Report and Mineral Resource Estimate on the Lundberg Deposit, Buchans Area, Newfoundland and Labrador, Canada”, dated April 15, 2019, filed on SEDAR).

### Base Metal Exploration at Buchans

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Work at Buchans in 2021 has to date largely focused on evaluating the project for future exploration for new high-grade deposits through work being undertaken in collaboration with Boliden. In addition, the Company has announced preliminary plans to undertake additional work to advance its Lundberg base metal deposit through additional exploration drilling at the adjacent Two-Level target area.

### *Boliden Collaboration*

So far in 2021, the Company’s exploration activities have focused on activities being undertaken under a Collaboration Agreement with Boliden Mineral AB under which Boliden is evaluating the Company’s Buchans VMS property for possible future investment and participation.

Work under the Collaboration Agreement commenced in January 2021, and to date Buchans has undertaken a coordinated compilation of past work on the project and continues to compile these data, together with the Company’s relogging data, into a new 3D geological model. In addition, Buchans is facilitating Boliden’s work to compile and evaluate the project’s geophysical datasets.

Boliden Mineral AB, (“Boliden”) a Swedish public limited company, is part of the Boliden Group and is a wholly owned subsidiary of Boliden AB (publ), a leading European mining and metals producer of the metals zinc, copper, lead and nickel.

# Buchans Resources Limited

## News Release

These activities are ongoing and are expected to culminate in the identification of priority exploration targets for buried high-grade Buchans VMS deposits. As part of this evaluation, Boliden and Buchans expect to provide specific recommendations for future exploration to be considered by Boliden for future participation and investment. To March 31, 2021 Boliden had contributed \$454,500 to fund these ongoing activities.

### ***Lundberg Deposit – potential open pit mine development***

On March 9, Buchans announced preliminary plans to undertake further exploration and pre-development activities within its Buchans project to independently advance its Lundberg deposit as a potential open pit mining and milling operation. Among activities planned for Lundberg in 2021 is a diamond drilling program designed to explore for additional high-grade resources adjacent to Lundberg that might complement its development as a large open pit or combined open pit-underground mining project.

The proposed target area, known as the Two-Level target, was last drilled by the Company in 2018 and returned drilled intercepts of **1.8 metres** of high-grade mineralization assaying **9.48% combined base metals (Zn+Pb+Cu) as 0.76% Cu, 3.15% Pb, 5.57% Zn, 90.5 g/t Ag & 0.37 g/t Au**, including **1.0 m** assaying **14.83% combined base metals as 1.26% Cu, 4.87% Pb, 8.70% Zn, 133.2 g/t Ag & 0.47 g/t Au**. Buchans believes this area holds considerable potential to host additional mineralization that could significantly increase the deposit's metal inventory and enhance Lundberg's development.

Drilling at Lundberg Two level is planned for the fall, after completion of its Buchans evaluation activities with Boliden.

### ***Exploring for gold in Newfoundland***

On May 13, 2021 Buchans and Benton Resources Inc ("Benton") entered in an agreement for the expansion of their Long Range Gold JV project in central Newfoundland. The Long Range project, a 51%:49% Joint Venture between Buchans and Benton, expanded from 3,750 hectares to 11,050 hectares through acquisition of additional properties that cover multiple early-stage gold prospects.

The expanded Long Range project is located approximately 25 km west of Marathon Gold's (TSX-MOZ) Valentine project and hosts multiple orogenic quartz vein-hosted gold in bedrock prospects similar to other high-profile gold discoveries in central Newfoundland including Marathon Gold Corporation's Valentine Gold project and New Found Gold's Queensway Project.

Benton and Buchans intend to undertake a targeted prospecting program commencing this summer that will include prospecting of several recently acquired gold prospects as well as follow-up prospecting of the JV's high-grade Goldquest prospect.

Buchans owns a 100% interest in the 2,175-hectare (21.8 km<sup>2</sup>) Lake Douglas gold property that covers the on-strike extension of favourable structures associated with gold mineralization located 15 km northeast of Marathon's Valentine project and bordered by Canterra Minerals Corporation's (TSXV-CTM) Wilding Gold project.

Buchans also holds three gold properties totalling 8.25 km<sup>2</sup> (Exploits Properties) located within and adjacent to New Found Gold Corp.'s Queensway project.

Buchans plans to undertake prospecting and exploration on several of its 100%-owned central Newfoundland gold projects in 2021, including its Lake Douglas and the Exploits properties where work will include prospecting and follow-up soil geochemical surveys and may include trenching, and potentially drilling to further explore these earlier-stage but highly prospective properties.

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## **Qualified Person:**

Paul Moore, M.Sc., P.Geo., (NL), Buchans Resources' Vice President of Exploration, is the Company's non-independent Qualified Person in accordance with National Instrument 43-101 and has reviewed the technical and scientific contents of this News Release.

## **ELECTION OF DIRECTORS AT ANNUAL MEETING**

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All of the nominees for re-election as director: Messrs. John Kearney, Patrick Downey, Terence McKillen, Peter McParland, Michael Power and Danesh Varma, were unanimously re-elected as directors, to serve until the next annual general meeting of shareholders.

## **RE-APPOINTMENT OF AUDITORS**

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McGovern Hurley LLP Chartered Professional Accountants were re-appointed as Auditors for the current year and the directors were authorized to fix the remuneration of the Auditors.

## **ABOUT BUCHANS**

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Buchans Resources currently holds interests in zinc, lead, silver properties located in Newfoundland; gold properties in Newfoundland and in Labrador; nickel, copper, cobalt properties in Labrador, and indirectly through its shareholding in Xtierra Inc. (TSXV-XAG), in base metal and silver projects in Mexico, and, through its shareholding in Minco Exploration plc, in base metal exploration licences in Ireland.

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Additional information is available on the Buchans website at [www.BuchansResources.com](http://www.BuchansResources.com)

## **FORWARD-LOOKING STATEMENTS**

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*This news release contains certain forward-looking statements relating to, but not limited to, the Company's expectations, intentions, plans and beliefs. Forward-looking information can often be identified by forward-looking words such as "anticipate", "believe", "expect", "goal", "plan", "intend", "estimate", "may" and "will" or similar words suggesting future outcomes, or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. Forward-looking information may include reserve and resource estimates, estimates of future production, unit costs, costs of capital projects and timing of commencement of operations, and is based on current expectations that involve a number of business risks and uncertainties. Factors that could cause actual results to differ materially from any forward-looking statement include, but are not limited to, failure to establish estimated resources and reserves the grade and recovery of ore which is mined varying from estimates, capital and operating costs varying significantly from estimates, delays in obtaining or failures to obtain required governmental, environmental or other project approvals, delays in the development of projects changes in exchange rates, fluctuations in commodity prices, inflation and other factors. Forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from expected results. Shareholders and prospective investors should be aware that these statements are subject to known and unknown risks uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. Shareholders are cautioned not to place undue reliance on forward-looking information. By its nature, forward-looking information involves numerous assumptions, inherent risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and various future events will not occur. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking information whether as a result of new information, future events or other such factors which affect this information, except as required by law.*