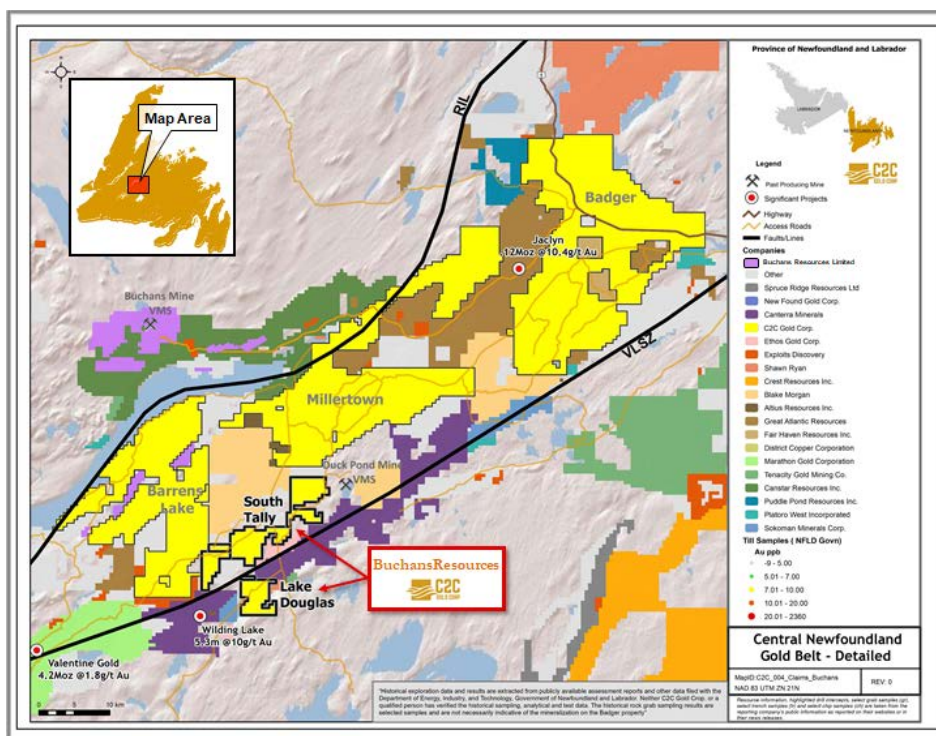


BUCHANS SIGNS NEW JOINT VENTURE WITH C2C GOLD LAKE DOUGLAS AND SOUTH TALLY PROPERTIES IN NEWFOUNDLAND

Toronto, August 4, 2021 - Buchans Resources Limited (the “Buchans” or the “Company”), is pleased to announce it has entered into an option and joint venture agreement (the “JV Agreement”) with C2C Gold (“C2C”) wherein Buchans has granted C2C an option to acquire up to a 70% ownership interest in 364 mineral claims (91 km²) covering Buchans’ Lake Douglas and South Tally properties, located in the Central Newfoundland Gold Belt, Canada. The properties cover key fault structures considered prospective for orogenic-style gold mineralization and are on-strike with gold bearing structures at Marathon Gold Corporation’s Valentine project.

Buchans is a base metal-focused company, and as such, if a base-metal deposit is identified the Company retains the right to become operator of any base metal project on a 70% Buchans/30% C2C joint venture.



The Lake Douglas and South Tally Properties

The Lake Douglas property (87 claims, 21.75km²) covers the on-strike trend of gold-bearing structures at Marathon Gold Corporation’s Valentine project, located 15 km on strike to the southwest. The Lake Douglas property is also located less than 5 km on strike from a number of gold prospects on adjacent mineral claims being explored by Canterra Minerals Corporation. Among the prospects located on Canterra’s adjacent property are several gold in bedrock targets, where previous drilling returned intercepts of 10.0 g/t Au over 5.35 m core length, including 49.9 g/t Au over 0.98 m (Antler Gold Inc. news release dated December 13, 2017).

A soil sampling program completed by Buchans in 2018 over the northwestern portion of the Lake Douglas property returned several gold-in-soil anomalies. The areas of interest include several multi-station gold anomalies ranging up to 200 m in length with anomalous values up to 317 ppb Au (see Buchans Resources news release dated December 14, 2018).

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The South Tally property (277 claims, 69.25 km²) is contiguous with the southeast boundary of C2C's Barrens Lake property. The South Tally property has traditionally been explored for VMS-style base metal mineralization. It remains essentially unexplored for gold despite the property covering an area hosting anomalous gold values detected within several Newfoundland and Labrador Geological Survey's regional geochemical datasets.

In addition to the project's gold potential, Buchans is encouraged by the property's potential to host new base metal discoveries, as the property covers a 20 km extension to the Tally Pond volcanic belt that hosts Teck Resources' former Duck Pond mine, located less than 4 km on strike of the South Tally property.

C2C Work Plan for Gold Exploration

C2C will work in cooperation with Buchans to compile and interpret the historical data for the properties. A comprehensive field program will be designed to integrate into C2C's ongoing exploration work on its Badger, Millertown, and Barrens Lake properties.

Terms of the Buchans – C2C Agreement

C2C has been granted an initial option (the "First Option") to earn a 51% ownership interest in the Properties and a second option (the "Second Option"), to earn an additional 19% ownership interest in the event Buchans elects not to participate in the joint venture at the 49% level.

In order to exercise the First Option, C2C must issue 100,000 common shares to Buchans and within four years of the date of the JV Agreement, incur or fund expenditures on the Properties in the total amount of \$1,500,000 as follows:

- Year 1 – minimum expenditures of \$200,000 within one year from the date of the JV Agreement, to maintain the Properties in good standing, including the reimbursement to Buchans payable on the date of the JV Agreement for a bond in the amount of \$69,250 posted with the Newfoundland Government on certain claims;
- Year 2 – minimum expenditures of \$300,000 within two years from the date of the JV Agreement;
- Year 3 – minimum expenditures of \$400,000 within three years from the date of the JV Agreement; and
- Year 4 – minimum expenditures of \$600,000 within four years from the date of the JV Agreement.

Upon completion of the First Option, the parties will thereafter participate in a joint venture of which C2C will own 51% and Buchans will own 49%. If Buchans declines to participate in a joint venture, C2C will have the right to exercise the Second Option. In order to exercise the Second Option, C2C must incur or fund additional expenditures in the minimum amount of \$1,000,000 on the Properties within five years from the date of the JV Agreement.

As Buchan's is a base metal-focused company the Agreement contains a provision where if a base-metal dominant area is identified, then a project area would be defined and Buchans would become operator of the base metal project on a 70% Buchans/30% C2C joint venture.

Dilution of either party's joint venture interest to below 10%, will result in that party's joint venture interest converting to a 2% net smelter return royalty (the "NSR"), of which the majority joint venture interest owner will have the option to buy back half of the NSR for \$1,500,000.

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.

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ABOUT BUCHANS

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.

Buchans Resources holds a 72.5 km² land package which includes all the past-producing deposits of the Buchans Mine. The Buchans Mine is one of the world's highest grade volcanogenic massive sulphide camps with historic production of 16.2 million tonnes averaging 1.3% Cu, 7.6% Pb, 14.5% Zn, 1.37 g/t Au & 126 g/t Ag. This extensive land package includes the large Lundberg stockwork sulphide deposit located beneath the former Lucky Strike massive sulphide orebody at Buchans. The Lundberg deposit has a 2019 Mineral Resource Estimate that includes In-pit Indicated Mineral Resources of 16,790,000 tonnes grading 1.53% Zn, 0.64% Pb, 0.42% Cu, 5.69 g/t Ag and 0.07 g/t Au (3.38% Zn Eq) and In-pit Inferred Mineral Resources of 380,000 tonnes grading 2.03% Zn, 1.01% Pb, 0.36% Cu, 22.35 g/t Ag and 0.31 g/t Au (4.46% Zn Eq), containing more than 1.25 billion pounds Zinc Equivalent.

Buchans entered into a Collaboration Agreement with Boliden Mineral AB under which Boliden is evaluating the Company's Buchans Mine Property (the former Buchans Mine Area) for possible future investment and participation (see Buchans Resources news release dated January 5, 2021).

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Additional information is available on the Buchans website at www.BuchansResources.com

FORWARD-LOOKING STATEMENTS

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.