
Buchans Reports Third Quarter 2021 Results

Update on 2021 Exploration Programs

Toronto, November 29, 2021 – Buchans Resources Limited (the “Company” or “Buchans”), a Canadian mineral exploration and development company, reports its interim financial results and results of operations for the three and nine month periods ended September 30, 2021.

This news release should be read in conjunction with the Company’s unaudited condensed interim financial statements and the associated management’s discussion and analysis (MD&A) for the three and nine month periods ended September 30, 2021 which are available on the Company’s website at www.BuchansResources.com or under the Company’s profile at www.sedar.com.

COMPANY OVERVIEW

Buchans’ flagship project consists of the historic, high-grade Buchans VMS base metal mining camp in central Newfoundland, Canada. Recognized internationally as one of the world’s richest and highest grade VMS camps, the Company is currently working to advance the project under a Collaboration Agreement with Boliden Mineral AB. The Company is also exploring several gold properties in central Newfoundland, including three properties being explored as joint ventures funded largely by joint venture partners. Buchans also has interests in several additional projects, including other VMS base metal properties near Buchans, gold properties in central Newfoundland and northern Labrador, and nickel-copper-cobalt properties near Voisey’s Bay in Labrador. Buchans holds equity interests in base metal and silver projects in Mexico through its ~25% shareholding in Xtierra Inc. (TSXV: “XAG”), and base metal exploration licences in Ireland through its 12.5% shareholding in Minco Exploration plc.

Collaboration Agreement with Boliden

In January 2021, Buchans entered into a Collaboration Agreement on its Buchans Project with Boliden Mineral AB a wholly-owned subsidiary of Boliden AB (publ), a leading European mining and metals producer of zinc, copper, lead, and nickel. Under this agreement Boliden has been granted rights to evaluate the project for possible future investment and participation and retains exclusivity on the project until December 31, 2021 (the “Exclusivity Period”). Boliden has until that date to complete its assessment and negotiate further agreements pursuant to which Boliden may earn an interest in the Buchans Project. If Boliden submits a proposal prior to the end of the Exclusivity Period, Boliden will be granted a right of first refusal for a further six months.

Work under the Collaboration Agreement commenced in January 2021, and to date Buchans has undertaken a compilation of past work on the project and continues to compile these data together with additional relogging collected in 2021 into a new, digital 3D geological model. In addition, Boliden is continuing its review of past geophysical survey data to evaluate optimal geophysical exploration strategies for future exploration. These programs have met Boliden’s expenditure commitment of C\$600,000 and included expenditures required to maintain the property. These activities are ongoing and are expected to culminate in the confirmation of priority exploration targets for buried high-grade Buchans VMS deposits.

Lundberg deposit - potential open pit mine

Located within the Buchans Project, the Lundberg deposit is the largest and most advanced base metal deposit in the Buchans district and has been the subject of multiple technical evaluations undertaken by the Company to advance the

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deposit towards open pit mine development. These evaluations have included several campaigns of resource delineation drilling, metallurgical test work and other technical assessments. Lundberg's current In-pit resource estimate contains more than 1.25 billion pounds Zinc Equivalent of which 97.8% of the resource occurs in the higher confidence Indicated category. The Lundberg resource comprises **Indicated In-pit resources totalling 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)**, as well as **Inferred In-pit 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% ZnEq)** [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].

Buchans plans to undertake further exploration and pre-development activities to advance its Lundberg deposit as a potential open pit mining and milling operation. Among activities being considered for Lundberg in 2022 is diamond drilling to explore for additional high-grade resources adjacent to Lundberg that may complement Lundberg's development as an enlarged open pit or combined open pit-underground mining project. The timing and scope of future programs at Lundberg are in part subject to the outcomes of the Company's Collaboration Agreement with Boliden and are primarily focused on a specific target area located immediately northwest of the Lundberg deposit, known as the Two Level

The Two Level target area was last drilled by the Company in 2018 and returned drilled intercepts of **1.8 m of high-grade mineralization assaying 9.48% combined base metals (Zn+Pb+Cu) as 5.57% Zn, 3.15% Pb, 0.76% Cu, 90.5 g/t Ag & 0.37 g/t Au**, including **1.0 m assaying 14.83% combined base metals as 8.70% Zn, 4.87% Pb, 1.26% Cu, 133.2 g/t Ag & 0.47 g/t Au** (Buchans news release dated November 19, 2018). Buchans believes the Two Level area holds considerable potential to host additional mineralization that could further enhance Lundberg's development potential by contributing to the deposit's metal inventory.

Exploring for gold in central Newfoundland

During the period ended September 30, 2021, Buchans entered into joint venture ("JV") agreements on three of its central Newfoundland gold projects. Exploration on these properties is primarily being funded by Buchans' JV partners who are earning or maintaining interests on Buchans held properties. These JVs include the 11,050 ha Long Range JV with Benton Resources Inc. (BEX.TSX.V; "Benton"), the 5,425 ha Tulks South JV with Quadro Resources Ltd. (QRO.TSX.V; "Quadro"), and the 9,100 ha Lake Douglas-South Tally JV with C2C Gold Corp. (CTOC.CSX; "C2C"). Buchans retains rights to maintain participating interests ranging between 49% and 51% on these gold JV properties as well as certain underlying royalty rights. In addition, Buchans retains preferred base metal rights on the Tulks South and Lake Douglas-South Tally joint ventures that grant Buchans rights to retain a 70% interest and operatorship, should a base metal deposit(s) be discovered on these properties.

The Company has also been advised by its respective joint venture partners that a variety of prospecting and geochemical exploration programs have been undertaken on each of the gold joint venture properties in central Newfoundland for which assay results are pending. The Company has also been advised by C2C Gold that "geological mapping, sampling, and prospecting activities are underway at the Lake Douglas property, part of C2C's joint venture with Buchans Resources Limited (C2C Gold Corp. news release dated November 10, 2021). In addition, the Company has also conducted initial prospecting activities on several of its 100% owned gold properties (Exploits Properties).

Buchans 2021 field programs are being conducted in accordance with government imposed Covid-19 protocols and restrictions and as such, these programs as well as the Company's ability to finance and complete these programs, may be adversely affected by future impacts and protocols related to the COVID-19 pandemic.

FINANCIAL RESULTS

Buchans recorded no revenue in the periods ended September 30, 2021 or September 30, 2020.

For the three months ended September 30, 2021, the Company recorded a loss of \$158,481. The loss included a loss in fair value of the 2021 Xtierra warrants between the date of issue of April 27, 2021 and September 30, 2021 in the amount of \$98,029. For the nine months ended September 30, 2021, the Company recorded a loss of \$201,005. The loss included a non cash income of \$273,648 representing the fair value of the 2021 Xtierra warrants received, a loss in fair value of the 2021 Xtierra warrants between the date of issue of April 27, 2021 and September 30, 2021 in the amount of \$184,833, and a loss in fair value of the 2020 Xtierra warrants in the amount of \$103,8471.

For the three-month period ended September 30, 2020, the Company recorded a loss of \$158,481, which included a loss in fair value of the 2021 Xtierra warrants in the amount of \$98,029. For the nine-month period ended September 30, 2020, the Company recorded a gain of \$201,005, which included a non-cash finance income from the issue of Xtierra warrants in the amount of \$259,234, a gain in fair value of the Xtierra warrants in the amount of \$1,096,143, a loss in the amount of \$307,778 arising on an increase in the estimated fair value of the Minco exchangeable warrants, and a loss in the amount of \$66,113 attributable to discontinued operations.

During the period ended September 30, 2021, Buchans has been primarily engaged in activities related to Boliden's evaluation of the Buchans Project under the aforementioned Collaboration Agreement. As a result of the Collaboration Agreement with Boliden (\$600,000 2021 expenditure commitment) and the three exploration JV agreements with partners on the Company's central Newfoundland gold projects (\$435,000 expenditure commitment by August 2022), much of the Company's 2021 exploration activities has been partner-funded.

Qualified Person:

Paul Moore, M.Sc., P.Geo., (NL), Buchans Resources' Vice President of Exploration, is acting as Qualified Person in compliance with National Instrument 43-101 with respect to this release and has reviewed the contents for accuracy. Reported third-party assays are derived from reports submitted to the Newfoundland Government and have not been verified by the QP. The Company cautions that past results or discoveries on properties in proximity to properties held by the Company may not necessarily be indicative of mineralization on the Company's properties.

ABOUT BUCHANS RESOURCES

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.

The Company's Buchans project covers the historic, world-renowned, high-grade base metal mining camp with excellent potential for new discoveries, currently being evaluated by Boliden AB, Europe's leading mining and metals producer of zinc, copper, lead, and nickel. Boliden's review is being undertaken under an exclusive Collaboration Agreement for the negotiation of an Earn-in and JV Option Agreement (*See Buchans news release January 5, 2021*).

Enquiries

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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.