
Buchans Resources Sells Newfoundland Assets to Canterra Minerals

Providing Buchans Shareholders with Publicly-Traded Exposure to Consolidation of Highly Prospective Base Metals District in Central Newfoundland, Large Mineral Resource Inventory across Multiple Deposits, including the Past Producing Buchans Mine and Other Critical and Precious Metals Projects

Toronto, Ontario (November 22, 2023) – Buchans Resources Limited (“Buchans” or the “Company”) is pleased to announce that the Company and its wholly-owned subsidiary, Buchans Minerals Corporation (the “Seller”), have entered into an asset purchase agreement (the “Asset Purchase Agreement”) with Canterra Minerals Corporation (TSXV:CTM) (“Canterra” or the “Buyer”) to sell the Company’s portfolio of critical and precious metals projects in central Newfoundland, in exchange for common shares (“Consideration Shares”) and special warrants (“Consideration Warrants”) of Canterra, valued at approximately \$7.5 million or \$0.116 per common share of Buchans (“Buchans Share”).

Buchans intends to distribute at least 80% of the common shares of Canterra (the “Canterra Shares”) underlying the Consideration Warrants to shareholders of Buchans (“Buchans Shareholders”).

Benefits to Buchans Shareholders include:

- Meaningful equity position in Canterra (TSXV:CTM; OTCQB:CTMCF), an active and growth-oriented publicly-listed junior explorer in Newfoundland;
- Consolidation of highly prospective base metals district in Central Newfoundland, with a large mineral resource inventory across multiple deposits that ranks favourably in terms of tonnage and grade amongst the peer group, including the past producing Buchans Mine, a prolific polymetallic massive sulfide mine that was operated by ASARCO (and others) for over 50 years producing zinc and copper concentrate from high-grade ore;
- Near-term value to Buchans Shareholders via the distribution (the “Distribution”) in due course of at least 80% of the Canterra Shares underlying the Consideration Warrants, representing a material proportion (at least 67%) of the \$7.5M value of the Transaction based on Canterra’s current share price (\$0.05);
- High quality, supportive and concentrated shareholder base at Canterra;
 - 80% of shares held amongst small group of shareholders;
 - Eric Sprott, Michael Gentile, Cairn, Altius and Pathfinder;
- Exposure to Canterra’s Clipper Brook, Wilding Lake and Noel-Paul gold assets in Newfoundland which cover ~80 km of prospective strike length of the gold bearing Valentine Lake Shear Zone adjacent to Marathon Gold Corporation;
- Exposure to the Buffalo Hills Diamond asset in Alberta, a joint venture between Canterra and Star Diamonds Corporation, which hosts 38 kimberlites and has been subject to over C\$15 million in exploration, including a bulk sample;
- Exposure to Canterra’s recently-staked nickel assets in the Ring of Fire, Ontario;

- Complementary and dynamic management teams and Board of Directors that should be well positioned to execute on the business and exploration plans going forward.

In addition, Buchans Shareholders will retain their shareholding in Buchans, with funding available to advance exploration of Buchans' nickel, copper, cobalt and gold exploration assets in Labrador, with the ultimate goal of a sale or go-public transaction in respect of those assets. Buchans will also continue to hold its 19.9% investment in Royalties Inc. (CSE:RI) and 14% investment in Minco Exploration plc.

Further information on Canterra and its combined assets following the close of the Transaction is available in Canterra's press release today at www.canterraminerals.com.

"We are delighted to become a significant shareholder of Canterra," stated John Kearney, Chairman & CEO. "This transaction with Canterra consolidates the central Newfoundland area play, and puts the world-class potential of our Newfoundland assets in the hands of a young and aggressive team with a proven ability to finance regional scale exploration programs".

"We plan to distribute most of the consideration received in this transaction to our shareholders, providing them with publicly-listed shares in an active and growth-oriented junior explorer that will hold nearly the entirety of central Newfoundland's VMS camp."

Mr. Kearney continued, *"Buchans will continue to hold our promising nickel, copper, cobalt and gold exploration assets in Labrador, with the goal of advancing exploration on both assets over the course of the next 18-months. We have long held these assets, without sufficient funding to realize their potential. Buchans' South Voiseys Bay Ni/Cu/Co Project has high-priority, drill-ready targets in a confirmed Voisey Bay-style environment, while our Tasiuyak Gold Project is in orogenic iron formation-hosted geology, a similar setting to the renowned Homestake Mine in South Dakota. We look forward to advancing and transacting on both of these projects over the near- to mid-term."*

"Paul Moore, Buchans Vice President Exploration, and Dave Butler, Exploration Manager, who have each been tireless in their advancement of Buchans' assets in Newfoundland for many years will be joining the Canterra team going forward, though we expect to call on their advice and expertise as we undertake our planned exploration programs in Labrador. I thank them for their dedication to Buchans and look forward to their achievements with the Canterra team over the coming years. Michael Power, currently a director of Buchans, will be appointed as a director of Canterra."

Terms of the Asset Purchase Agreement

The Transaction will be a cashless transaction, with the consideration comprising (a) 24,910,000 Consideration Shares, representing an approximate 19.9% ownership interest in Canterra at closing, and (b) 125,500,000 Consideration Warrants (subject to certain adjustments on closing) exchangeable for Canterra Shares, for no additional consideration, upon the fulfillment of certain conditions, particularly that the exchange of the Consideration Warrants will not result in a Change of Control of Canterra or the creation of a new Control Person of Canterra, as defined by the TSXV policies.

The Consideration Shares and Consideration Warrants (and underlying Canterra Shares) will be subject to a statutory hold period, expiring four months and one day from the closing. Additionally, the Consideration Shares will be subject to transfer conditions for a period of 24 months post-closing. The Canterra Common

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Shares issuable upon exchange of the Consideration Warrants will be subject to contractual holds with 1/3 being freely tradable on the planned Distribution (assuming expiry of statutory hold), 1/3 being freely tradable on the date which is three months from distribution and 1/3 being freely tradable on the date which is six months from distribution.

The Transaction is expected to be completed in December 2023 and remains subject to customary conditions for transactions of this nature, including third-party consents and waivers, and the acceptance by the TSX Venture Exchange.

Information on the Distribution

Following closing of the Transaction, Buchans will begin the process of distributing at least 80% of the Canterra Shares underlying the Consideration Warrants to Buchans Shareholders. Further information will be provided to Buchans Shareholders in due course, but the Company expects that the Distribution will take place in the first half of 2024.

ABOUT BUCHANS RESOURCES

Buchans Resources 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 19.9% shareholding in **Royalties Inc.** (CSE-RI), base metal and silver projects in Mexico and, through its 14% shareholding in **Minco Exploration plc**, base metal exploration licences in Ireland.

Enquiries

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Please follow us on Twitter and on LinkedIn. Additional information available 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.