



NEWS RELEASE – 04/2021

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FOR IMMEDIATE RELEASE

## **MONETA CLOSES OVERSUBSCRIBED \$22.6 MILLION FINANCING**

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**Toronto, Ontario – February 04, 2021 - Moneta Porcupine Mines Inc. (TSX:ME) (OTC:MPUCF) (XETRA:MOP) (“Moneta” or the “Company”)** is pleased to announce that the Company has closed its previously announced (ME-PR 01-2021) bought deal private placement (“**Bought Deal Offering**”) for aggregate gross proceeds of C\$19.6 million.

The Bought Deal Offering was led by Paradigm Capital Inc. (“**Paradigm**”) and Dundee Goodman Merchant Partners (“**Dundee**”) on behalf of a syndicate of underwriters including Canaccord Genuity Corp., Eight Capital, Haywood Securities Inc., and Sprott Capital Partners LP (together with Paradigm and Dundee, the “**Underwriters**”).

In connection with the Bought Deal Offering, Moneta issued 17,343,700 common shares at C\$0.32 per share (“**Hard Dollar Shares**”) and 30,435,000 common shares at C\$0.46 issued on a flow-through basis (“**Flow Through Shares**”) for aggregate gross proceeds of \$19,550,084, including 7,968,700 Hard Dollar Shares pursuant to the full exercise of the Underwriters’ option.

Concurrent with the Bought Deal Offering, Moneta also closed its previously announced non-brokered private placement of subscription receipts at a price of C\$0.32 per subscription receipt for gross proceeds of C\$3,000,000 (“**Subscription Receipts**”). The proceeds from the sale of the Subscription Receipts have been deposited into escrow pending satisfaction of certain escrow release conditions, including closing of the previously announced acquisition (“**Acquisition**”) of the Garrison project from O3 Mining (ME-PR 01-2021), as further described below. At the time the Acquisition closes, each Subscription Receipt will be exchanged for one common share of Moneta.

Gary O’Connor, CEO of Moneta, commented; *“The closing of our oversubscribed financing provides Moneta with the ability to quickly advance our existing gold resources, as well as those to be acquired once the combination with O3 Mining’s Garrison Project is concluded. The combined assets will host a current resource of 4.0M gold ounces indicated and 4.4M gold ounces inferred, creating one of the largest undeveloped gold projects in North America. Our drill program for this year is planned to be 70,000 metres, more than double the size of our program in 2020 with several high-grade and open pit targets already having been identified.”*

The Company will use an amount equal to the gross proceeds received by the Company from the sale of the Flow Through Shares, pursuant to the provisions in the *Income Tax Act* (Canada), to incur or be deemed to incur eligible “Canadian exploration expenses” that qualify as “flow-through mining expenditures” as both terms are defined in the *Income Tax Act* (Canada) (the “**Qualifying Expenditures**”) on future and current properties of the Company or a subsidiary thereof on or before December 31, 2022, and to renounce all the Qualifying Expenditures in favour of the subscribers of the Flow Through Shares effective on or before December 31, 2021. The proceeds from the sale of the Hard Dollar Shares and Subscription Receipts will be used for exploration and development activities on future and current properties of the Company or a subsidiary thereof and for general corporate purposes.

The offerings were completed in connection with the Company's previously announced Acquisition, whereby Moneta will acquire all of the outstanding common shares of Northern Gold Mining Inc., a wholly owned subsidiary of O3 Mining which owns 100% of the Golden Bear assets, including the Garrison Gold Project, located immediately adjacent to Moneta's Golden Highway Project in Timmins, Ontario. Please refer to the Company's press release dated January 14, 2021 (ME-PR 01-2020) for further information regarding the Acquisition.

All securities issued pursuant to the Bought Deal and the non-brokered private placement will have a hold period of four months and one day.

### **About Moneta**

Moneta's land package in the Timmins Gold Camp covers 12,742 hectares (ha) including six gold projects plus a joint venture with Kirkland Lake Gold Corporation (TSX: KL) covering 4,334 ha. The Company's flagship project, Golden Highway Gold Project is located 100 km east of Timmins and hosts a total indicated resource of 2,145,000 ounces gold contained within 55.3 Mt @ 1.21 g/t Au and a total of 3,337,000 ounces gold contained within 49.7 Mt @ 2.09 g/t Au in the inferred category at a 2.60 g/t Au at South West, a 3.00 g/t Au cut-off for the other underground deposits and a 0.30 g/t Au for the open pit deposits. The project includes a total of 1,512,000 ounces of open pit indicated resources contained within 50.5 Mt @ 0.93 g/t Au and 1,207,000 ounces of open pit inferred resources contained within 34.0 Mt @ 1.10 g/t Au. The project also includes 632,000 ounces of indicated underground resources contained within 4.9 Mt @ 4.05 g/t Au and 2,128,000 ounces of inferred underground resources within 15.7 Mt @ 4.21 g/t Au.

A PEA study was completed in September 2020 on the South West underground gold deposit, one of 6 deposits located on the Golden Highway project, and highlighted an underground bulk mining operation consisting of an 11-year mine life with an after-tax NPV5% of C\$236MM, IRR of 30% and a 3.4 year payback, generating C\$371MM LOM after-tax free cash flow. The project envisaged producing 76,000 oz/pa at a cash cost of US\$590/oz at a gold price of US\$1,500/oz and an exchange rate of US\$0.77/C\$. The open pit resources and new underground discoveries have not yet been subjected to a preliminary economic assessment study at Golden Highway.

Moneta has entered into a share purchase agreement to acquire the Ontario assets of O3 Mining (see press release ME-PR 01-2021 dated January 14, 2021). O3 Mining holds 9,269 ha of prospective land within the Golden Bear project located adjacent to or in near proximity to Moneta's Golden Highway project, 100 km east of Timmins. O3 Mining completed an updated resource estimate and preliminary economic assessment (PEA) study on the Garrison Gold project within the Golden Bear project in December 2020. The study highlighted a measured and indicated open pit resource of 1,822,000 ounces contained within 66.3 Mt @ 0.86 g/t Au and an inferred open pit resource of 1,062,000 ounces contained within 45.3 Mt @ 0.73 g/t Au at a 0.30 g/t Au cut-off. The PEA study showed an open pit mining operation consisting of a 12-year mine life with an after-tax NPV5% of C\$321MM, IRR of 33% and a 2.3 year payback. The project envisaged open pit mining producing 121,000 oz/pa in years 1 to 8 (94,000 oz/pa LOM), at a strip ratio of 2.7:1 at a cash cost of US\$721/oz using a gold price of US\$1,450/oz and an exchange rate of US\$0.75/C\$.

### **FOR FURTHER INFORMATION, PLEASE CONTACT:**

Gary V. O'Connor, CEO  
416-357-3319

Linda Armstrong, Investor Relations  
647-456-9223

*This news release includes certain forward-looking information and forward-looking statements, collectively “forward-looking statements” within the meaning of applicable Canadian securities legislation. Forward-looking statements are frequently identified by such words as “may”, “will”, “plan”, “expect”, “anticipate”, “estimate”, “intend” and similar words referring to future events and results. Forward-looking statements include, but are not limited to information with respect to the the Transaction, the benefits of the Transaction, tax treatment of the Flow Through Shares, use of proceeds of the Offerings, the future performance of the business, its operations and financial performance and condition such as the Company’s drilling program and the timing and results thereof; and the ability of the Company to finance and carry out its anticipated goals and objectives.*

*Forward-looking statements are based on the current opinions and expectations of management. All forward-looking information is inherently uncertain and subject to a variety of assumptions, risks and uncertainties, including the speculative nature of mineral exploration and development, fluctuating commodity prices, competitive risks and the availability of financing, as described in more detail in our recent securities filings available at [www.sedar.com](http://www.sedar.com). Actual events or results may differ materially from those projected in the forward looking-statements and we caution against placing undue reliance thereon. We assume no obligation to revise or update these forward-looking statements.*