



MacDonald Mines Exploration Ltd.

MacDonald Mines Announces First Closing of Private Placement

News Release

Toronto, Ontario – November 10, 2021 - MacDonald Mines Exploration Ltd. (TSX-V: BMK) (“MacDonald Mines” or the “Company”) announces that it has closed the first tranche of its previously announced non-brokered private placement offering (the “**Offering**”) for proceeds of \$1,418,650.87 consisting of: (i) 18,947,797 “flow-through” units (the “**FT Units**”) at a price of \$0.045 each, and (ii) 14,150,000 units (the “**Units**”) at a price of \$0.04 each.

Each FT Unit sold in the Offering is comprised of one common share that qualifies as a “flow-through share” within the meaning of the *Income Tax Act* (Canada) and one-half of one share purchase warrant (each whole warrant, a “**Warrant**”). Each whole Warrant is exercisable to acquire one Common Share (“**Warrant Share**”) at a price of \$0.07 per Warrant Share for a period of 24 months from the closing. Each Unit is comprised of one non-flow through share and one half of one Warrant.

The proceeds from the sale of Units will be used to incur the expenses set out in the press release of the Company dated September 29, 2021 (the “**Prior Press Release**”). Although the Company intends to use the proceeds as set out therein, the actual allocation and uses may vary in accordance with prudent business practice. In closing the first tranche of the Offering, the Company waived the receipt of Minimum Proceeds (as defined in the Prior Press Release) from the sale of Units. Proceeds from the sale of the FT Units will be used to incur “Canadian exploration expenses” that will qualify as “flow through mining expenditures” within the meaning of those terms in the *Income Tax Act* (Canada) which will be renounced to the purchasers of the units. The Company intends to close further tranches of the Offering, although there can be no assurances that any further closings will occur. All securities issued in the Offering are subject to a statutory four month hold period as well as a TSX Venture Exchange (“**TSXV**”) hold period.

The Company is relying on the temporary relief measures announced by the TSXV on April 8, 2020 and June 17, 2021 (the “**Temporary Relief**”) in offering the Units and the FT Units at a price that is less than \$0.05. Pursuant to the Temporary Relief, the Company will not issue more than 100% of its issued and outstanding common shares pursuant to the Offering. All securities issued under the Temporary Relief will be subject to a TSXV hold period in addition to the restricted period under applicable securities laws and will be legended accordingly. The proceeds of the Offering will not primarily be used to pay

management fees or for investor relations activities. The Company has applied to the TSXV for a 30-day extension to close the Offering. The final closing of the Offering is expected on or before November 30, 2021. The Offering and the closing extension are subject to TSXV approval.

In connection with the first tranche closing of the Offering the Company paid finders' fees in respect of the sale of securities to purchasers introduced to the Company by such finders of \$92,892.07 and has issued 2,151,153 non-transferable compensation warrants (the "**Compensation Options**") to such finders. Each Compensation Option entitles the holder to acquire units of the Company comprised of one common share and one half of one Warrant at a price of \$0.05 per Compensation Option.

About MacDonald Mines Exploration Ltd.

MacDonald Mines Exploration Ltd. is a mineral exploration company headquartered in Toronto, Ontario focused on gold exploration in Canada. The Company is focused on developing its large SPJ Project in Northern Ontario.

The Company's common shares trade on the TSX Venture Exchange under the symbol "BMK".

To learn more about MacDonald Mines, please visit www.macdonaldmines.com

For more information, please contact:

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Although the Company believes that the assumptions and factors used in preparing the forward-looking information in this news release are reasonable, undue reliance should not be placed on such information, which only applies as of the date of this news release. The Company disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, other than as required by law.