

AuMEGA Metals Closes the Second Tranche of Private Placement Financing

(EDMONTON, CANADA) **AuMEGA Metals Ltd** (formerly Matador Mining Ltd) (**ASX: AAM | TSXV: AUM | OTCQB: AUMMF**) (“AuMEGA” or “the Company”) is pleased to announce the closing of the second and final closing of its previously announced financing (the “Tranche Two Placement”) following shareholder approval at the Company’s Special Shareholder Meeting on 4 December 2024.

Under the Tranche Two Placement, the Company issued an aggregate of 128,035,776 ordinary shares (“New Shares”) to institutional, professional and accredited investors for aggregate gross proceeds of C\$7.3 million, consisting of:

- Hard Dollars: 65,236,111 New Shares at a price of C\$0.050/A\$0.054 per share; and
- Flow Through: Constituting as “flow-through shares” as defined in subsection 66(15) of the *Income Tax Act* (Canada) as follows:
 - Traditional Flow Through: 34,299,666 New Shares at a price of C\$0.06/A\$0.065 per share
 - Premium Flow Through: 28,500,000 New Shares at a premium flow through price of at a price of C\$0.06825/A\$0.07408 per share

The Tranche Two Placement was in addition to the previously announced first tranche closing (the “Tranche One Placement”, together with the Tranche Two Placement, the “Offering”), whereby the Company issued 131,152,889 ordinary shares to institutional, professional and accredited investors for aggregate gross proceeds of C\$8.77 million.

Certain directors and officers of the Company participated in the Tranche Two Placement and subscribed for an aggregate of 1,366,666 ordinary shares, making it a related party transaction as defined under Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* (“MI 61-101”). Such participation is exempt from the formal valuation per section 5.5(a) of MI 61-101, and minority shareholder approval requirements per section 5.7(1)(a) of MI 61-101, as neither the fair market value of any shares issued to or the consideration paid by such insiders exceeds

25 percent of the Company's market capitalisation. The Company filed a material change report more than 21 days before the date of the Tranche Two Placement closing.

The proceeds from the Financing will be used primarily to advance the Company's exploration program in Newfoundland and Labrador, which is expected to include the Company's largest drill program in the last three years of up to 20,000 metres with an aim to grow the existing Mineral Resource and discovery at the highly prospective Bunker Hill Project. Additionally, the Company will continue to invest in early-stage exploration activities to further define and advance new and existing targets at Hermitage and Malachite. Finally, proceeds from the Financing will also be used for working capital and general corporate purposes.

The New Shares were issued pursuant to an exemption from the prospectus requirements under Canadian securities laws pursuant to Section 2.16 of National Instrument 45-106. All securities will be subject to a hold period in Canada of four months plus a day from the date of issuance and rules on the resale of the securities in Canada will apply in accordance with applicable Canadian securities laws. The hold period for New Shares sold in the Tranche Two Placement ends on 7 April 2025 for the New Shares that are traditional flow-through shares and premium flow-through shares and ends on 10 April 2025 for the New Shares that are hard-dollar shares. Securities issued to non-Canadian investors for trading on ASX will be freely tradeable.

AuMEGA paid aggregate finders' of approximately C\$220,150 to certain finders in connection with the Tranche Two Placement and approximately C\$555,000 to certain finders in connection with the Tranche One Placement, for an aggregate of C\$775,150.

The Offering remains subject to the receipt of final approval from the TSXV.

Neither the TSXV nor its Regulation Services Provider (as that term is defined in policies of the TSXV) accepts responsibility for the adequacy or accuracy of this press release.

– ENDS –

This announcement has been authorised for release by the Company's Board of Directors.

News Release

10 December 2024



To learn more about the Company, please visit www.aumegametals.com, or contact:

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About the Company

AuMEGA Metals Ltd (**ASX: AAM | TSXV: AUM | OTCQB: AUMMF**) is utilising best-in-class exploration methodologies to explore on its district scale land package that spans 110 kilometers along the Cape Ray Shear Zone, a significant under-explored geological feature recognised as Newfoundland, Canada's largest identified gold structure. This zone currently hosts Calibre Mining's Valentine Gold Project, which is the region's largest gold deposit (+5 million ounces), along with AuMEGA's expanding Mineral Resource.

The Company is supported by a diverse shareholder registry of prominent global institutional investors, and strategic investment from B2Gold Corp, a leading, multi-million-ounce a year gold producer.

Additionally, AuMEGA holds a 27-kilometer stretch of the highly prospective Hermitage Flexure and has also secured an Option Agreement for the Blue Cove Copper Project in southeastern Newfoundland, which exhibits strong potential for copper and other base metals.

AuMEGA's Cape Ray Shear Zone hosts several dozen high potential targets along with its existing defined gold Mineral Resource of 6.1 million tonnes of ore grading an average of 2.25 g/t, totaling 450,000 ounces of Indicated Resources, and 3.4 million tonnes of ore grading an average of 1.44 g/t, totaling 160,000 ounces in Inferred Resources¹.

AuMEGA acknowledges the financial support of the Junior Exploration Assistance Program, Department of Industry, Energy and Technology, Provincial Government of Newfoundland and Labrador, Canada.

¹ Refer to ASX announcement dated 30 May 2023