



Bolt Metals Announces New Agreement for Conditional Sale of Cyclops Project

Vancouver, B.C. – April 26, 2023 – Bolt Metals Corp. (“**Bolt**” or the “**Company**”) (CSE: BOLT) (FRANKFURT: A2QEUB) (OTCQB: PCRCF) is pleased to announce it has entered into a new conditional share sale and purchase agreement (the “**Agreement**”), pursuant to which Nickel Industries Limited (previously Nickel Mines Limited)(ASX:NIC)(“**NIL**”) has agreed to acquire 100% of the Company’s interest in the Cyclops nickel-cobalt project (the “**Transaction**”).

The Company and NIL had in December 2021 entered a similar agreement which did not close within its agreed timelines due to the decision by the Indonesian Government to revoke the mining permit (“**IUP**”) for the Cyclops Project.

Subject to approval of the Transaction by the shareholders of Bolt, Bolt and its subsidiaries will receive net cash payments in the aggregate amount of US\$6,500,000 in exchange for a 100% interest in the Cyclops project, a 5,000 hectare nickel-cobalt project located in Papua province, Indonesia (the “**Cyclops Project**”). If the shareholders of the Company do not approve the Transaction, NIL will have the right to acquire a 45% interest in the Cyclops Project for total net consideration of US\$500,000 and additional consideration of US\$980,000 to underlying Cyclops Project owners, PT Best Resources (“**PT Best**”).

Completion of the Transaction is subject to customary due diligence, regulatory and shareholder approval and the successful reinstatement and extension of the IUP for the Cyclops Project. A finder’s fee is payable in connection with the Transaction.

Key Transaction Details

Pursuant to the Agreement and subject to Bolt shareholder approval of the Transaction, NIL will acquire a 100% interest in the Cyclops Project in consideration for the payment of an aggregate of US\$7,000,000 in cash, payable as follows:

- US\$2,500,000 (inclusive of the initial US\$500,000 deposit paid to Bolt in December 2021) payable to Cobalt Power (Asia) Limited, an indirect wholly-owned subsidiary of Bolt (“**CPA**”) on the later of ten (10) business days after the date on which the Bolt provides to NIL evidence, satisfactory to NIL in its absolute discretion of both the IUP Reinstatement and the IUP Extension; and
- US\$4,500,000 on the earlier of; (i) the second anniversary of the IUP Extension; and (ii) ten (10) business days after the date on which the first commercial shipment of nickel ore from the Cyclops Project is sent to a smelter or leach plant for processing.

In the event Bolt does not obtain shareholder approval for the Transaction, NIL has the right to acquire a 45% interest in the Cyclops Project by paying US\$500,000 to CPA in exchange for CPA cancelling its option to acquire an additional 35% interest in the Cyclops Project and paying US\$980,000 to PT Best to acquire their 35% interest in the Cyclops Project, following which NIL and Bolt will proceed as partners in developing the Cyclops Project with NIL holding a 45% interest and Bolt holding the remaining 55% interest in the project. NIL may also elect to terminate the Agreement and receive a cash payment of US\$250,000 if Bolt does not obtain shareholder approval for the Transaction.

In connection with the Transaction, PT Best, has through a conditional share purchase agreement, granted CPA the exclusive right to acquire its 35% indirect interest in the Cyclops Project. Subject to various conditions, CPA will make cash payment(s) of US\$980,000 to PT Best upon receipt of certain minimum payments from NIL in connection with Transaction.

About Nickel Industries Limited

NIL Limited (ASX: NIC) is a globally significant, low-cost producer of nickel pig iron, a key ingredient in the production of stainless steel, with principal operations in Central Sulawesi, Indonesia. NIL holds an 80% interest in the Hengjaya Nickel and Ranger Nickel rotary kiln electric furnace projects, located within the Indonesia Morowali Industrial Park (“IMIP”), and the Hengjaya mine, a large tonnage high grade nickel laterite deposit located close to the IMIP.

About Bolt Metals

Bolt Metals is a Canadian-based exploration company focused on the acquisition and development of production grade nickel and cobalt deposits, key raw material inputs for the growing lithium-ion battery industry. Visit <https://boltmetals.com/> to find out more.

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Reader Advisory

This news release may contain statements which constitute “forward-looking information”, including statements regarding the timing and terms of the Transaction, satisfaction or waiver of closing conditions to the Transaction, receipt of regulatory and shareholder approval for the Transaction and the plans, intentions, beliefs and current expectations of the Company, its directors, or its officers with respect to the future business activities of the Company. The words “may”, “potential”, “should”, “would”, “could”, “will”, “intend”, “plan”, “anticipate”, “believe”, “estimate”, “expect” and similar expressions, as they relate to the Company, or its management, are intended to identify such forward-looking statements. Investors are cautioned that any such forward-looking statements are not guarantees of future business activities and involve risks and uncertainties, and that the Company’s future business activities may differ materially from those in the forward-looking statements as a result of various factors, including, but not limited to, the receipt of all approvals and satisfaction of all conditions to the completion of the Transaction, fluctuations in market prices, successes of the operations of the Company, continued availability of capital and financing and general economic, market or business conditions. There can be no assurances that such information will prove accurate and, therefore, readers are advised to rely on their own evaluation of such uncertainties. The Company does not assume any obligation to update any forward-looking information except as required under the applicable securities laws.

Neither the Canadian Securities Exchange nor the Investment Industry Regulatory Organization of Canada accepts responsibility for the adequacy or accuracy of this news release.