

Indigo Exploration Inc. Issues Shares for Debt

June 1, 2020 - Vancouver, British Columbia. Indigo Exploration Inc. (the “**Company**”) (TSX-V: IXI, FSE: INE) announces that further to the news release of April 13, 2020, it has settled debt totaling \$259,166.67 by the issuance of 3,000,000 shares (the “**Settlement Shares**”) at a deemed price of \$0.05 per share (\$150,000) and 2,183,333 units at a deemed price of \$0.05 per unit (\$109,166.65). Each unit is comprised of one common share (the “**Unit Shares**”) and one share purchase warrant. The Settlement Shares, Unit Shares, warrants and any shares issued upon exercise of the warrants are subject to a hold period expiring on October 2, 2020.

The Settlement Shares were issued to Buena Tierra Developments Ltd., a company wholly owned by Paul S. Cowley, an insider of the Company, for accrued but unpaid service since 2013. This transaction constitutes a “related party transaction” under Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* (“MI 61-101”). Mr. Cowley owns and controls 3,268,421 common shares of the Company (approximately 8.95% of the issued and outstanding common shares of the Company), and 116,667 stock options of the Company. After acquiring the Settlement Shares, and assuming the exercise of his options (and assuming no other warrants or options held by other shareholders are exercised), Mr. Cowley would hold 3,385,088 shares, or approximately 9.24% of the issued and outstanding common shares of the Company.

This transaction is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101, pursuant to the “fair market value not more than 25 percent of market capitalization” exemption as set forth in MI 61-101. The related party transaction is exempt from the formal valuation requirements of Section 5.4 of MI 61-101 pursuant to subsection 5.5(a) of MI 61-101, and exempt from the minority approval requirements of Section 5.6 of MI 61-101 pursuant to subsection 5.7(1)(a) of MI 61-101.

On Behalf of the Board of Directors,

“Paul Cowley”

President and CEO

For further information, please contact Paul Cowley: (604) 340-7711

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Neither the TSX Venture Exchange nor its regulation services provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.