

# Q2 Metals Announces \$10 Million Private Placement

Vancouver, British Columbia--(Newsfile Corp. - January 25, 2023) - **Q2 Metals Corp. (TSXV: QTWO) (OTCQB: QUEXF) (FSE: 458)** ("**Q2**" or the "**Company**") is pleased to announce that it has arranged a non-brokered private placement of units of the Company to raise gross proceeds of up to \$10,000,000 (the "Offering") as follows:

- 6,250,000 units of Q2 at a price of \$1.04 per unit (the "Series C Units"). Each Series C Unit will consist of one flow-through common share of Q2 (a "FT Share") and one share purchase warrant, entitling the holder to acquire one additional non-flow-through common share of Q2 at a price of \$1.25 per share for a period of two years (a "Warrant");
- 1,350,000 units of Q2 at a price of \$0.75 per unit (the "Series R Units"). Each Series R Unit will consist of one FT Share and one Warrant; and
- 4,975,000 units of Q2 at a price of \$0.50 per unit (the "NFT Units"). Each NFT Unit will consist of one non-flow-through common share of Q2 and one Warrant.

Gross proceeds from the sale of the FT Shares will be used to incur during 2023 "Canadian exploration expenses", as defined in the *Income Tax Act* (Canada) (the "Tax Act"), on Q2's Mia Property in Quebec that the Company will renounce to the subscribers pursuant to the Tax Act with an effective date not later than December 31, 2023, and that qualify as "flow-through critical mineral mining expenditures", as defined in the Tax Act. Where applicable, gross proceeds from the sale of the FT Shares from purchasers in Québec will also qualify as exploration expenses under the *Taxation Act* (Québec). Proceeds from the sale of the NFT Units will be used for general working capital.

The Company may pay finders' fees in accordance with the policies of the TSX Venture Exchange.

Closing of the Offering is subject to certain customary conditions, is expected to occur on or about February 23, 2023, and is subject to receipt of acceptance by the TSX Venture Exchange. All securities issued with respect to the Offering will be subject to a hold period of four months and one day in accordance with applicable securities laws or the Exchange Hold Period under the policies of the TSX Venture Exchange.

The directors or officers of the Company may participate in the Offering and purchase up to \$300,000 in Series R Units or NFT Units (or a combination thereof). Such directors or officers will therefore each be a "related party" within the meaning of Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* of the Canadian Securities Administrators ("MI 61-101") and the Offering will constitute a "related party transaction" under MI 61-101. The Company will be relying on exemptions from the formal valuation and minority shareholder approval requirements in sections 5.5 and 5.7(1) of MI 61-101 in respect of such related party participation.

This news release does not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of any of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful, including any of the securities in the United States of America. The securities issuable pursuant to the Offering have not been, and will not be, registered under the U.S. Securities Act or any U.S. state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons, absent registration or any applicable exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws

## **About Q2 Metals Corp**

Q2 Metals Corp is a Canadian mineral exploration company currently advancing exploration of the

86km<sup>2</sup> Mia Lithium project in the James Bay area of Quebec, Canada. Q2 is also exploring the highly-prospective Big Hill and Titan gold projects located in the historic goldfields of Queensland, Australia. The total Australia land position covers 110 square kilometers in the Talgai Goldfields of the broader Warwick-Texas District and hosts 54 high-grade historical gold mines.

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

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## **Forward-Looking Statements**

This news release contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning of applicable Canadian legislation. Forward-looking statements are typically identified by words such as: "believes", "expects", "anticipates", "intends", "estimates", "plans", "may", "should", "would", "will", "potential", "scheduled" or variations of such words and phrases and similar expressions, which, by their nature, refer to future events or results that may, could, would, might or will occur or be taken or achieved. Accordingly, all statements in this news release that are not purely historical are forward-looking statements and include statements regarding beliefs, plans, expectations and orientations regarding the future including, without limitation, any statements or plans regard the geological prospects of the Company's properties and the future exploration endeavors of the Company. *Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Forward-looking statements are based on a number of material factors and assumptions. Factors that could cause actual results to differ materially from those in forward-looking statements include failure to obtain necessary approvals, unsuccessful exploration results, changes in project parameters as plans continue to be refined, results of future resource estimates, future metal prices, availability of capital and financing on acceptable terms, general economic, market or business conditions, risks associated with regulatory changes, defects in title, availability of personnel, materials and equipment on a timely basis, accidents or equipment breakdowns, uninsured risks, delays in receiving government approvals, unanticipated environmental impacts on operations and costs to remedy same. Readers are cautioned that mineral exploration and development of mines is an inherently risky business and accordingly, the actual events may differ materially from those projected in the forward-looking statements.* Additional risk factors are discussed in the section entitled "Risk Factors" in the Company's Management Discussion and Analysis for its recently completed fiscal period, which is available under Company's SEDAR profile at [www.sedar.com](http://www.sedar.com).

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.



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