

Granite Creek Copper to Acquire Copper North Mining

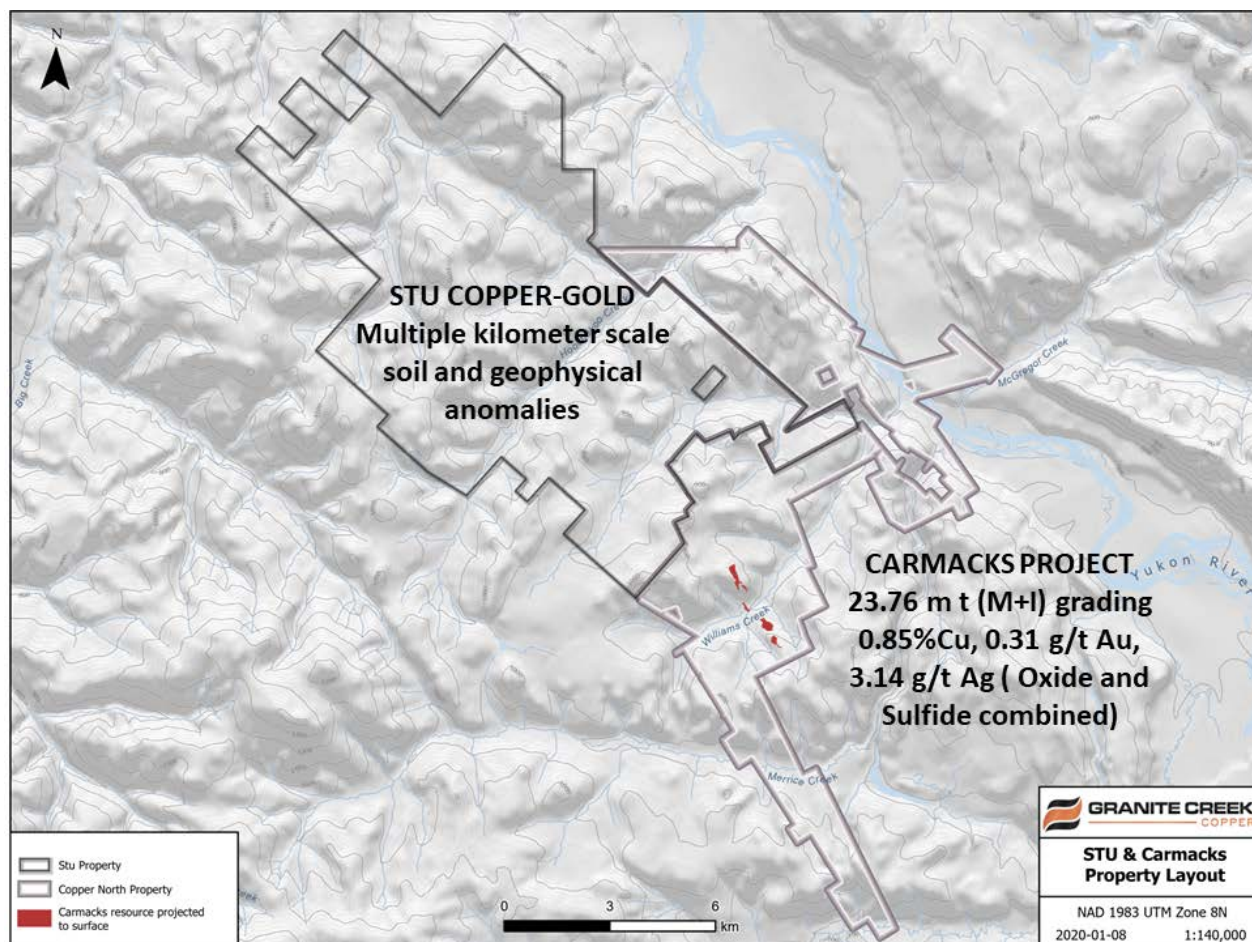
August 31, 2020, Vancouver, BC - Granite Creek Copper Ltd. (TSXV: GCX) ("Granite Creek") and Copper North Mining Corp. (TSXV: COL) ("Copper North") announced today that they have entered into a definitive arrangement agreement (the "Arrangement Agreement") pursuant to which Granite Creek has agreed to acquire all of the outstanding Copper North common shares (the "Copper North Shares") not already owned by Granite Creek through a plan of arrangement under the British Columbia *Business Corporations Act* (the "Arrangement"). Upon completion of the Arrangement, Granite Creek will control a large regional land package, including the advanced-stage Carmacks Copper Project and the highly prospective Stu Copper-Gold Project, in Canada's Yukon Territory. The combined land package will cover approximately 176 square kilometres within the Minto Copper District.

Synergies of the transaction

The transaction will combine Copper North's Carmacks deposit with Granite Creek's Stu Project, creating a significant copper-focused exploration and development company. Expected synergies from combining the projects include:

- Consolidating the second largest land position at 17,580 hectares in the highly prospective Minto Copper belt.
- Combining the PEA stage Carmacks deposit with 23.76 mt (Oxide and Sulfide combined) grading 0.85% Cu, 0.31 g/t Au, 3.14 g/t Ag, with the blue sky potential represented by the Stu Project with multiple kilometer scale targets including 3800 m of historic drilling with several high grade intercepts of over 1% Cu.¹
- Improving the potential to quickly build resources on the combined land packages including mineralised zones near and potentially overlapping existing claim boundaries between the projects.
- Strengthening and consolidating management and technical teams including resources made available through the Metallic Group.

Figure 1: Combined Project Areas



Details of the Arrangement

Under the terms of the Arrangement, Granite Creek has agreed to acquire all of the outstanding Copper North Shares it does not already own in an all-share transaction in which Copper North shareholders will receive 1 (one) common share of Granite Creek (a "Granite Creek Share") for every two and one-half (2.5) Copper North Shares (the "Exchange Ratio"). All outstanding warrants and options of Copper North will be exchanged (or deemed to be exchanged) for warrants and options, respectively, of Granite Creek at the Exchange Ratio, with appropriate adjustments to the exercise price, but shall not otherwise be amended, including with respect to vesting and expiry. From and after closing of the Arrangement, the Copper North options will be governed by, and deemed to be outstanding under, Granite Creek's existing long-term performance incentive plan.

Based on a price of \$0.15 per Granite Creek Share, being the closing price of the Granite Creek Shares on August 28, 2020, the Exchange Ratio represents an offer price of \$0.06 per Copper North Share, being a premium of 20% to the closing price of Copper North Shares on the TSX Venture Exchange on August 28, 2020.

The special committee comprised of independent directors of Copper North has, based on such financial and legal advice as it considered necessary, determined that the consideration to be received by Copper North's shareholders is fair, from a financial point of view, to the holders of Copper North Shares (other than GCC and its affiliates).

The Board of Directors of each of Granite Creek and Copper North have each unanimously approved the transaction. Upon completion of the transaction, it is expected that, based on the outstanding Granite Creek Shares on the date hereof, and on the basis that Granite Creek is acquiring only the outstanding Copper North Shares it does not already own, Granite Creek will have 84,414,707 common shares outstanding and Granite Creek shareholders will own approximately 72% and Copper North Shareholders will own approximately 28% of the combined company. Including the 10,529,664 Granite Creek Shares previously issued by Granite Creek to certain Copper North shareholders to acquire its existing 26,146,233 Copper North Shares, Copper North Shareholders will own approximately 41% of the combined company.

Tim Johnson, Granite Creek CEO stated: "Since early 2019, Granite Creek has moved quickly to advance and enhance its position in the Minto Copper district. Upon completion of the Arrangement, the combined company will have consolidated 176 square kilometers of the district including the mineral resources previously confirmed on the PEA-stage Carmack copper deposit and the highly prospective Stu Project. With the second-largest land package in the district with an advanced project, Granite Creek is positioned to rapidly develop the overall potential of its holdings and is evaluating the potential for initiating a diamond drill program on high-priority targets at Stu."

Upon completion of the Plan of Arrangement, Granite Creek will add two nominees from Copper North to its board of directors.

Completion of the Arrangement is subject to customary conditions, including, among other things, receipt of required regulatory approvals, court approvals and, subject to the court's approval, approval of the Arrangement at a special meeting of holders of Copper North Shares by not less than: (i) two-thirds of the votes cast by holders of Copper North Shares present in person or represented by proxy at the meeting; and (ii) a majority of the votes cast by holders of Copper North Shares present in person or represented by proxy at the meeting in accordance with the minority approval requirements of applicable Canadian provincial securities laws.

Details of the Arrangement, including a summary of the terms and conditions of the Arrangement Agreement, along with the approval process undertaken by Copper North will be disclosed in the management information circular of Copper North which will be mailed to the shareholders of Copper North and will also be available on SEDAR at www.sedar.com. The Arrangement is expected to close in the fourth quarter of 2020. A copy of the Arrangement Agreement will be available on SEDAR at www.sedar.com.

Copper North is subject to Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* ("MI 61-101"). MI 61-101 provides that, in certain circumstances, where a "related party" (as defined in MI 61-101) of an issuer is acquiring the issuer, such transaction may be considered a "business combination" for the purposes of MI 61-101 and may be subject to minority shareholder approval requirements.

Granite Creek owns approximately 30% of the Copper North Shares and is considered to be an "interested party" (as defined in MI 61-101) of Copper North for the purposes of the Arrangement. Consequently, the Copper North Shares owned by Granite Creek will be excluded for the purposes of determining if minority approval of the Arrangement is obtained.

About Granite Creek

Granite Creek is a Canadian exploration company focused on the 100%-owned Stu Copper-Gold project located in the Yukon's Minto Copper District. This 115 square kilometer property is on trend with Pembridge Resources' high-grade Minto Copper-Gold Mine to the north and Copper North's advanced-stage Carmacks Copper-Gold-Silver project. The project has excellent access to infrastructure with the paved Yukon Highway 2 within 60 km, along with grid power within 12 km. More information about Granite Creek and the Stu Copper-Gold Project can be viewed on Granite Creek's website at www.gxcopper.com.

About Copper North

Copper North is a Canadian mining exploration and development company focused on transforming the wholly-owned, advanced stage and high grade Carmacks Cu-Au-Ag project into a low-cost copper and precious metals producer.

About the Minto Copper District

The Minto-Carmacks Copper District is a 180 km long by 60 km wide belt of intrusion related, high-grade Cu-Au-Ag deposits within the Dawson Range in the central Yukon Territory of Canada. The District is host to Pembridge's operating Minto Mine and Copper North's advanced-stage Carmacks Copper Project. Granite Creek's Stu Project lies between these projects, with copper mineralization contained in foliated to gneissic granodiorite, similar to the Minto mine & the Carmacks Copper Deposit, generally.

FOR FURTHER INFORMATION PLEASE CONTACT:

Granite Creek Copper Ltd.
Timothy Johnson, President & CEO

Copper North Mining Corp.
John Cumming, President and CEO

Telephone: 1 (604) 235-1982
Toll Free: 1 (888) 361-3494
E-mail: info@gxcopper.com
Website: www.gxcopper.com

Telephone: 1 (604) 618-4262
Email: info@coppernorthmining.com
Website: www.coppernorthmining.com

References

[1] For further information on the Carmacks Project, please see the independent technical report dated November 26, 2016 and prepared for Copper North Mining Corp., and for further information on the Stu Project, please see the independent technical report dated November 15, 2018 and prepared for Granite Creek Copper Ltd., both of which are available on SEDAR at www.sedar.com.

Qualified Persons

Debbie James, P.Geo., and Scott Petsel P.Geo. are the Qualified Persons for Granite Creek and Copper North, respectively for this news release within the meaning of National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* and have reviewed and validated that the information contained in this news release as the same pertains to Granite Creek and Copper North, respectively, is accurate.

Forward-Looking Statements

This news release contains forward-looking statements relating to the proposed acquisition of Copper North, including statements regarding the completion of the proposed Arrangement. Any statements that are not statements of historical fact (including statements containing the words 'believes,' 'intends,' 'plans,' 'anticipates,' 'expects,' 'estimates' or similar expressions) and refer to management's expectations or plans and should be considered to be forward-looking statements. Such forward-looking statements are subject to important risks, uncertainties and assumptions. The results or events predicted in these forward-looking statements may differ materially from actual results or events. As a result, you are cautioned not to place undue reliance on these forward-looking statements. The completion of the proposed Arrangement is subject to a number of terms and conditions, including, without limitation: (i) approval of applicable governmental authorities, (ii) required Copper North shareholder approval, including approval by a "majority of the minority" in accordance with MI 61-101, (iii) necessary court approvals, and (iv) certain termination rights available to the parties under the Arrangement Agreement. These approvals may not be obtained, the other conditions to the Arrangement may not be satisfied in accordance with their terms, and/or the parties to the Arrangement Agreement may exercise their termination rights, in which case the proposed Arrangement could be modified, restructured or terminated, as applicable. The forward-looking statements are based on a number of assumptions which may prove to be

{00329477.9}

incorrect including, but not limited to, Granite Creek and Copper North being able to successfully complete the transaction referred to herein within the timeframe generally as anticipated and without unforeseen significant costs or delays and there being no material adverse changes in the affairs of Copper North. Readers are cautioned that the foregoing list is not exhaustive. The forward-looking statements contained in this news release are made as of the date of this release and, accordingly, are subject to change after such date. Except as may be required by Canadian securities laws, Copper North and Granite Creek expressly disclaim any intention and assume no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise required by applicable securities legislation. Additionally, Copper North and Granite Creek undertake no obligation to comment on expectations of, or statements made by, third parties in respect of the proposed Arrangement.

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.