

Churchill Closes \$4 Million Private Placement

TORONTO, March 31, 2022 (GLOBE NEWSWIRE) – Churchill Resources Inc. (“**Churchill**” or the “**Company**”) (**TSXV: CRI**) is pleased to announce that it has completed its previously announced brokered private placement consisting of the sale of units (the “**Units**”) and flow-through units (the “**FT Units**”, and together with the Units, the “**Offered Securities**”), for aggregate gross proceeds of C\$4,000,000 (the “**Offering**”). The Offering was led by Red Cloud Securities Inc. and included Canaccord Genuity Corp. (the “**Agents**”). Due to strong investor demand, the Offering was upsized from its original gross proceeds of C\$2,500,000 and included the full exercise of the Agents’ over-allotment option.

Paul Sobie, CEO of Churchill stated, “We were very pleased at the high interest level in this financing and with it closing, the Company is now set up for comprehensive nickel exploration programs at both Taylor Brook in Western Newfoundland, and Florence Lake in East-central Labrador, for the coming year.”

Under the Offering, the Company sold 4,687,500 Units at a price of C\$0.32 per Unit and 7,142,857 FT Units at a price of C\$0.35 per FT Unit. Each Unit was comprised of one common share in the capital of the Company (each, a “**Common Share**”) and one-half of one Common Share purchase warrant (each whole warrant, a “**Warrant**”). Each FT Unit was comprised of one Common Share (an “**FT Share**”) issued as a “flow-through share” within the meaning of the *Income Tax Act* (Canada) and one-half of one Warrant. Each Warrant entitles the holder to purchase one Common Share (a “**Warrant Share**”) at a price of C\$0.48 at any time on or before March 31, 2024. If the closing price of the Common Shares on the TSX Venture Exchange (the “**TSXV**”) is equal to or greater than C\$0.75 for a period of 10 consecutive trading days, the Company will have the right to accelerate the expiry date of the Warrants to a date which is 30 calendar days following the date a press release is issued by the Company announcing the accelerated expiration date of the Warrants. The Warrants were issued pursuant to a warrant indenture dated March 31, 2022 between Churchill and TSX Trust Company, as warrant agent.

The gross proceeds from the sale of the FT Shares comprising the FT Units are expected to be used by the Company to incur exploration expenditures on its nickel properties in Newfoundland (the “**Qualifying Expenditures**”) by December 31, 2023. The Qualifying Expenditures will be renounced to subscribers of FT Units with an effective date of no later than December 31, 2022. The net proceeds from the sale of the Units are expected to be used for working capital and general corporate purposes.

As consideration for their services, the Agents received a commission of 7.0% of the gross proceeds of the Offering paid through the delivery of 874,999 Units as well as 828,124 broker



warrants ("**Broker Warrants**"). Each Broker Warrant entitles the holder to purchase one Common Share at a price of C\$0.32 until March 31, 2024.

All securities issued pursuant to the Offering, including any underlying securities, are subject to a statutory four-month and one day hold period in accordance with applicable Canadian securities laws. The Offering remains subject to the final approval of the TSXV.

About Churchill Resources Inc.

Churchill is managed by career mining industry professionals and currently holds four exploration projects, namely Taylor Brook in Newfoundland, Florence Lake in Labrador, Pelly Bay in Nunavut and White River in Ontario. All projects are at the evaluation stage, with known mineralized Ni-Cu-Co showings at Taylor Brook, Florence Lake and Pelly Bay, and diamondiferous kimberlitic intrusives at White River and Pelly Bay. The primary focus of Churchill is on the continued exploration and development of the Taylor Brook and Florence Lake Nickel Projects.

Further Information

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Cautionary Note Regarding Forward Looking Information

This news release contains "forward-looking information" and "forward-looking statements" (collectively, "forward-looking statements") within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "proposed", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements. In this news release, forward-looking statements relate to, among other things, the Offering, the proposed use of proceeds from the Offering, the Company's objectives, goals and exploration activities conducted and proposed to be conducted at the Company's properties; future growth potential of the Company, including whether any proposed exploration programs at any of the Company's properties will be successful; exploration results; and future exploration plans.

These forward-looking statements are based on reasonable assumptions and estimates of management of the Company at the time such statements were made. Actual future results may differ materially as forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to materially differ from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors, among other things, include: the expected



benefits to the Company relating to the exploration conducted and proposed to be conducted at the Company's properties; failure to identify any additional mineral resources or significant mineralization; the preliminary nature of metallurgical test results; uncertainties relating to the availability and costs of financing needed in the future, including to fund any exploration programs on the Company's properties; business integration risks; fluctuations in general macroeconomic conditions; fluctuations in securities markets; fluctuations in spot and forward prices of gold, silver, base metals or certain other commodities; fluctuations in currency markets (such as the Canadian dollar to United States dollar exchange rate); change in national and local government, legislation, taxation, controls, regulations and political or economic developments; risks and hazards associated with the business of mineral exploration, development and mining (including environmental hazards, industrial accidents, unusual or unexpected formations pressures, cave-ins and flooding); inability to obtain adequate insurance to cover risks and hazards; the presence of laws and regulations that may impose restrictions on mining and mineral exploration; employee relations; relationships with and claims by local communities and indigenous populations; availability of increasing costs associated with mining inputs and labour; the speculative nature of mineral exploration and development (including the risks of obtaining necessary licenses, permits and approvals from government authorities); the unlikelihood that properties that are explored are ultimately developed into producing mines; geological factors; actual results of current and future exploration; changes in project parameters as plans continue to be evaluated; soil sampling results being preliminary in nature and are not conclusive evidence of the likelihood of a mineral deposit; title to properties; ongoing uncertainties relating to the COVID-19 pandemic; and those factors described in the most recently filed management's discussion and analysis of the Company. Although the forward-looking statements contained in this news release are based upon what management of the Company believes, or believed at the time, to be reasonable assumptions, the Company cannot assure shareholders that actual results will be consistent with such forward-looking statements, as there may be other factors that cause results not to be as anticipated, estimated or intended. Accordingly, readers should not place undue reliance on forward-looking statements and information. There can be no assurance that forward-looking information, or the material factors or assumptions used to develop such forward-looking information, will prove to be accurate. The Company does not undertake to release publicly any revisions for updating any voluntary forward-looking statements, except as required by applicable securities law.

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