

Hilo Mining Announces Non-Binding Letter of Intent to Earn up to 80% in a Lithium Project

Vancouver, British Columbia--(Newsfile Corp. - March 6, 2023) - Hilo Mining Ltd. (TSXV: HILO) ("**Hilo**" or the "**Company**") is pleased to announce that it has entered into a non-binding letter of intent (the "**Letter of Intent**") with Capella Minerals Limited ("**Capella**"). The Letter of Intent provides that Capella and Hilo will have 30 days to negotiate a definitive earn-in agreement (the "**Earn-In Agreement**") pursuant to which Hilo may earn up to an 80% interest in Capella's 100% owned lithium-cesium-tantalum pegmatite and rare-earth element reservations located in central southern Finland (the "**Property**"). Upon making cash payments of \$200,000, issuing 500,000 common shares and incurring \$700,000 in expenditures on the Property, Hilo will earn a 51% interest in the Property. Hilo may make additional cash payments of \$300,000, issue an additional 1,500,000 common shares and incur an additional \$1,300,000 in expenditures in order to earn an additional 29% interest in the Property (for a total of 80%). There is no certainty that the parties will be successful in negotiating the Earn-In Agreement on the terms set out in the Letter of Intent or at all.

"I'm pleased to announce the execution of this Letter of Intent and look forward to negotiating the Earn-In Agreement with Capella," said Jeremy Poirier, the Chief Executive Officer of the Company. He continued, "I'm excited about the prospect of an acquisition of a Property that would potentially allow Hilo to participate in the global electrification and decarbonization process."

In addition, the Company announces that it has issued an aggregate of 800,000 restricted share units ("**RSUs**") to its directors, officers and consultants. 550,000 of the RSUs have been issued to its directors with 50% of the RSUs vesting in three months and the remaining RSUs vesting in nine months. 250,000 of the RSUs have been granted to the Company's management and consultants and vest in equal instalments over 12 months.

About Hilo Mining Ltd.

Hilo Mining Ltd. is a junior mining company currently focussed on the Champ precious metal property near Castlegar, British Columbia. In addition, the Company is currently reviewing additional opportunities to increase shareholder value.

FOR FURTHER INFORMATION PLEASE CONTACT:

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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.

Cautionary Statements Regarding Forward-Looking Information

This press release includes certain "forward-looking information" and "forward-looking statements" (collectively "forward-looking statements") within the meaning of applicable Canadian and United States securities legislation including the United States Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical fact, included herein, without limitation, statements relating the future operating or financial performance of the Company, are forward-looking statements. Forward-looking statements are frequently, but not always, identified by words such as "expects", "anticipates", "believes", "intends", "estimates", "potential", "possible", and similar expressions, or statements that events, conditions, or results "will", "may", "could", or "should" occur or be achieved. Forward-looking statements in this news release relate to, among other things, the

execution of the Earn-In Agreement. **There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those expressed or implied in such forward-looking statements.**

These forward-looking statements reflect the beliefs, opinions and projections on the date the statements are made and are based upon a number of assumptions and estimates, primarily the assumption that the parties will be successful in negotiating the terms of the Earn-In Agreement that, while considered reasonable by the Company, are inherently subject to uncertainties and contingencies including, primarily but without limitation, the risk that the parties will be unsuccessful in negotiating the Earn-In Agreement or the Company will not be satisfied with the results of its due diligence on the Property. The Company does not assume any obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change, except as required by law.

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