

**NEWS RELEASE – EARLY WARNING REPORT
ISSUED PURSUANT TO NI 62-103**

ACQUISITION OF SECURITIES OF CANADIAN SPIRIT RESOURCES INC.

October 22, 2020

This press release is being disseminated as required by National Instrument 62-103 in connection with the filing of an Early Warning Report regarding the acquisition of securities of Canadian Spirit Resources Inc. (the "**Corporation**").

On October 6, 2020, Elmag Investments Inc. (Investissements Elmag Inc.) (the "**Acquiror**") purchased (the "**Acquisition**") 6,953,000 common shares in the capital of the Issuer ("**Shares**") through the facilities of the TSXV at a price of \$0.05 per Share for an aggregate purchase price of \$347,650. Mr. Luigi Liberatore, a director of the Issuer, is the deemed beneficial owner of the Shares acquired by the Acquiror as the Acquiror is a wholly-owned holding company of Mr. Luigi Liberatore.

Immediately prior to the Acquisition, the Acquiror held 93,215,067 Shares representing approximately 47.52% of the issued and outstanding Shares. Following the Acquisition, the Acquiror held 100,168,067 Shares, representing approximately 51.06% of the issued and outstanding Shares.

The Shares were acquired for investment purposes only and not for the purpose of exercising control or direction over the Issuer. The Acquiror may, from time to time, increase or decrease its shareholding or continue to hold Shares as it may determine appropriate in the normal course of investment activity. In the future, the Acquiror may, directly or indirectly, acquire additional Shares of the Issuer or dispose of such shares subject to a number of factors, including, without limitation, general market and economic conditions and other investment and business opportunities available.

A copy of the Early Warning Report to be filed by the Acquiror will be available on SEDAR under the Issuer's profile on www.sedar.com.

This early warning news release is issued under the early warning provisions of Canadian securities legislation, including National Instrument 62-104 - *Take-Over Bids and Issuer Bids* and National Instrument 62-103 - *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues*.

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this press release nor have they approved nor disapproved the content thereof.

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