

USHA RESOURCES LTD.

1575 Kamloops Street
Vancouver, BC V5K 3W1

NEWS RELEASE

December 9, 2019

SYMBOL – USHA

USHA RESOURCES LTD. COMPLETES QUALIFYING TRANSACTION AND CONCURRENT FINANCING FOR \$472,065

Usha Resources Ltd. (the “**Company**”) is pleased to announce that it completed its Qualifying Transaction on December 6, 2019 resulting in the acquisition of a direct 51% legal and beneficial interest in the Nicobat Project in Northwest Ontario from Emerald Lake Development Corporation (“**Emerald Lake**”). As consideration for the acquisition, the Company issued an aggregate of 1,500,000 common shares to Emerald Lake at a deemed price of \$0.10 per common share for aggregate consideration of \$150,000. In addition, the Company has agreed to pay Emerald Lake a 2% Net Smelter Returns royalty (“**NSR**”) upon commencement of commercial production. A third party company that holds a 15% interest in the Nicobat Project has also agreed to pay Emerald Lake a 2% NSR on the Nicobat Project. The Company and the third party company may buy back up to 1.5% of the NSR from Emerald Lake, on a pari passu basis, by paying \$2,000,000 to the Emerald Lake at any time.

The Company expects to resume trading under the symbol “USHA” on December 11, 2019.

Concurrent Financing

The Company is also pleased to announce that it has completed its non-brokered private placement of 4,527,000 units (the “**Private Placement**”), consisting of 1,200,000 flow-through units (“**FT Units**”) at a price of \$0.13 per FT Unit and 3,327,000 non-flow through units (“**Units**”) at a price of \$0.095 per Unit (the FT Units and the Units, collectively the “**Private Placement Units**”).

Each FT Unit consists of one flow-through share in the capital of the Company and one common share purchase warrant (a “**Warrant**”) with each Warrant exercisable to purchase one common share in the capital of The Company (a “**Share**”) at a price of \$0.26 and expiring 24 months from the date of issuance. Each Unit consists of one Share and one Warrant, with each Warrant exercisable to purchase a Share at a price of \$0.19 and expiring 24 months from the date of issuance.

The proceeds from the flow-through portion of Private Placement will be used for Canadian exploration expenses that will qualify as flow-through mining expenditures, as defined in the *Income Tax Act* (Canada).

Net proceeds from the non flow-through portion of the Private Placement will be utilized to fund the Company’s business, as further described in the Company’s Filing Statement dated September 30, 2019 and filed on the Company’s SEDAR profile. The Company paid a cash finder’s fee in the amount of \$875 to an arm’s length finder in connection with the Private Placement.

Two “related parties” to the Company (as defined in Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”)) participated in Private Placement, subscribing for 527,700 Private Placement Units for net proceeds to the Company

of \$57,131.50 and representing approximately 11.66% of the funds raised. Participation by such related parties in the Private Placement constitutes a related party transaction as defined under MI 61-101. However, as neither the fair market value of the Private Placement Units acquired by the related parties, nor the consideration for the Private Placement Units paid by such related parties, exceeds 25% of the Company's market capitalization, the issuance of securities is exempt from the formal valuation requirements of Section 5.4 of MI 61-101 pursuant to Subsection 5.5(a) of MI 61-101 and exempt from the minority approval requirements of Section 5.6 of MI 61-101 pursuant to Subsection 5.7(1)(a) of MI 61-101.

Following the closing of the acquisition and the Private Placement, the Company has 10,227,000 common shares issued and outstanding. All securities issued in connection with the Private Placement and the acquisition are subject to a hold period expiring on April 7, 2020.

Board and Management of the Company

The directors and officers of the Company following completion of the Qualifying Transaction are as follows:

Deepak Varshney	Director, Chief Executive Officer and Corporate Secretary
Khalid Naeem	Chief Financial Officer
Navin Varshney	Director
David Ellet	Director
Leif Smither	Director

ON BEHALF OF THE BOARD

Usha Resources Ltd.

Deepak Varshney
Chief Executive Officer, Corporate Secretary and Director

For further information contact:

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Statements in this press release regarding the Company which are not historical facts are "forward-looking statements" that involve risks and uncertainties, including that the Company's expenditures will qualify as "flow-through mining expenditures". Such information can generally be identified by the use of forwarding-looking wording such as "may", "expect", "estimate", "anticipate", "intend", "believe" and "continue" or the negative thereof or similar variations. Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties. The forward-looking statements contained in this press release are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

The TSX Venture Exchange Inc. has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.