

Sokoman Iron Closes Non-brokered Flow-Through Private Placement

St. John's, New Foundland--(Newsfile Corp. - December 31, 2018) - Sokoman Iron Corp. (TSXV: SIC) (OTCQB: SICNF) ('Sokoman' or 'the Company') is pleased to announce that the TSX Venture Exchange has accepted for filing documents to close a flow-through, non-brokered private placement (the "Placement") for total proceeds of \$1,175,000 consisting of 5,875,000 Flow-Through Units (the "FT Units") at a price of \$0.20 per FT Unit. Each FT Unit consists of one flow-through common share and one-half of a common share purchase warrant. Each full warrant is exercisable into one common share at a price of 35 cents per share for a period of 18 months from closing.

All securities issued pursuant to the Placement are subject to a 4-month hold period. The finder's fees associated with the transaction were \$46,500. The proceeds of the financing will be used to advance the Company's flagship Moosehead Gold Project.

Tim Froude, President and CEO of Sokoman stated: "It is most gratifying to start the New Year with a top up of our treasury made possible by several flow-through funds, Mr. Eric Sprott, other insiders and some investment advisors. We have an aggressive drill program planned to begin in January once we have received, studied and press released the balance of the assays from our Phase 2 Program at our Moosehead gold property in Central Newfoundland."

The Placement was effected with insiders of the Company subscribing for 1,375,000 FT Units for aggregate subscription proceeds of \$275,000, that portion of the financing a "related party transaction" as such term is defined under Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("MI 61-101"). The Company is relying on exemptions from the formal valuation and minority approval requirements set out in MI 61-101. The Company is exempt from the formal valuation requirement of MI 61-101 under sections 5.5(a) and (b) of MI 61-101 in respect of the transaction as the fair market value of the transaction, insofar as it involves the interested party, is not more than the 25% of the Company's market capitalization. Additionally, the Company is exempt from minority shareholder approval under sections 5.7(1)(a) and (b) of MI 61-101 as, in addition to the foregoing, (i) neither the fair market value of the Units nor the consideration received in respect thereof from interested party exceeds \$2,500,000, (ii) the Company has one or more independent directors who are not employees of the Company, and (iii) all of the independent directors have approved the transaction. Material change reports were not filed 21 days prior to the closing of the financing because insider participation had not been established at the time the financing was announced.

Eric Sprott acquired 1,250,000 FT Units pursuant to the Placement. Prior to the Placement, Mr. Sprott owned 13,350,000 common shares and 13,350,000 common share purchase warrants of the Company representing approximately 13.4% of the issued and outstanding common shares of the Company on a non-diluted basis and 23.7% on a partially diluted basis. As a result of the Placement, Mr. Sprott is the owner of 14,600,000 common shares and 13,975,000 common share purchase warrants of the Company representing approximately 14.7% of the issued and outstanding common shares of the Company on a non-diluted basis and 25.2% on a partially diluted basis. The above percentages are calculated based on 99,308,809 common shares issued and outstanding after giving effect to the Placement.

The FT Units were acquired by Mr. Sprott for investment purposes. Mr. Sprott has a long-term view of the investment and may acquire additional securities of the Company either on the open market or through private acquisitions or sell securities of the Company either on the open market or through private dispositions in the future depending on market conditions, reformulation of plans and/or other relevant factors. A copy of Mr. Sprott's early warning report will appear on the Company's profile on SEDAR and may also be obtained by calling (416) 362-7172 (200 Bay Street, Suite 2600, Royal Bank Plaza, South Tower, Toronto, Ontario M5J 2J2).

About Sokoman Iron Corp.

Sokoman Iron Corp. (TSXV: SIC) is a discovery-focused company with projects in Newfoundland & Labrador, Canada. Sokoman's primary focus is its portfolio of gold projects in Central Newfoundland. The Company also has interests in early-stage gold, base-metal and antimony projects in Newfoundland, as well as a 100% interest in the Iron Horse (Fe/V/REE) project in Western Labrador.

To learn more, 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.

Forward-Looking Statements:

Investors are cautioned that trading in the securities of the Corporation should be considered highly speculative. Except for historical information contained herein, this news release contains forward-looking statements that involve risks and uncertainties. Actual results may differ materially. Sokoman Iron Corp. will not update these forward-looking statements to reflect events or circumstances after the date hereof. More detailed information about potential factors that could affect financial results is included in the documents filed from time to time with the Canadian securities regulatory authorities by Sokoman Iron Corp.