

## **Gem International Resources Inc. Closes Second and Final Tranche of Non-Brokered Private Placement and Closes Debt Settlement**

TORONTO, Dec. 27, 2019 -- Gem International Resources Inc. (the "**Company**") (NEX:GI.H) is pleased to announce that, in connection with its previously announced non-brokered private placement (the "**Offering**"), the Company has completed the second and final tranche ("**Second Tranche**") of the Offering. The Offering is comprised of the sale of 8,000,000 common shares in the capital of the Company ("**Shares**") at a price of \$0.05 per Share. The first tranche of the Offering consisted of the sale of 7,000,000 Shares for aggregate gross proceeds of \$350,000 and the Second Tranche consisted of the sale of 1,000,000 Shares for aggregate gross proceeds of \$50,000.

The Company intends to use the net proceeds from the Offering for general corporate and working capital purposes. Completion of the Offering is subject to certain conditions including, but not limited to, the receipt of all necessary approvals, including the approval of the TSX Venture Exchange and applicable securities regulatory authorities. The Common Shares issued pursuant to the Offering will be subject to a four month and one day statutory hold period.

The Company also announces that it has completed a debt settlement of an aggregate of \$262,750 owing to certain officers, directors, and service providers to the Company through the issuance of up to 5,255,000 Common Shares at an implied issue price of \$0.05 per Common Share (the "**Debt Settlement**").

The amount to be settled includes \$140,000 of accrued directors' fees owing to the Company's directors, representing the maximum amount owing that may be settled in shares without first obtaining disinterested shareholder approval.

The participation by the insiders in the Debt Settlement is considered a "related party transaction" as defined under Multilateral Instrument 61-101 ("MI 61-101"). The issuer intends to rely on the exemptions set forth in MI 61-101 Section 5.5(b) and 5.7(1) (b) from the formal valuation and minority shareholder approval requirements, respectively, as (i) no securities of the Company are listed or quoted on the markets specified in section 5.5(b) of MI 61-101; (ii) the fair market value of the Common Shares to be issued in respect of the Debt Settlement does not exceed \$2,500,000; (iii) the Company has one or more independent directors in respect of the Debt Settlement who are not employees of the Company; and (iv) Debt Settlement with each related party was unanimously approved by the Company's independent directors. In addition, neither the Company nor, to the knowledge of the Company after reasonable inquiry, the related parties, have knowledge of any material information concerning the Company or its securities that has not been generally disclosed.

### **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. No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein.*

*This press release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended, or any state securities laws and may not be offered or sold within the United States or to or for the account or benefit of a U.S. person (as defined in Regulation S under the United States Securities Act) unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.*

*Caution concerning forward-looking statements: The information in this release may contain forward-looking information under applicable securities laws which is not comprised of historical facts. This forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those implied by the forward-looking information. Forward-looking information in this news release may include statements made herein with respect to, among other things, the Company's objectives, goals or future plans, potential corporate and/or property acquisitions, exploration results, potential mineralization, exploration and mine development plans, timing of the commencement of operations, and estimates of market conditions. Factors that may cause actual results to vary include, but are not limited to, inability to complete the Offering, inaccurate assumptions concerning the exploration for and development of mineral deposits, political instability, currency fluctuations, unanticipated operational or technical difficulties, changes in laws or regulations, the risks of obtaining necessary licenses and permits, changes in general economic conditions or conditions in the financial markets and the inability to raise additional financing, as well as those risks set out in the Company's public disclosure documents filed on SEDAR. Readers are cautioned not to place undue reliance on this forward-looking information. The Company does not assume the obligation to revise or update his forward-looking information after the date of this release or to revise such information to reflect the occurrence of future unanticipated events except as may be required under applicable securities laws.*

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