

Grid Metals Corp. Closes C\$2.74M Private Placement

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Toronto, Ontario, December 24, 2020 – **Grid Metals Corp.** (the "**Company**") (TSXV:GRDM) is pleased to announce that it has closed its previously announced private placement for gross proceeds of C\$ 2,742,966 (the "**Offering**"), including exercise of the Company's over-allotment option. Under the Offering, the Company sold the following securities:

- 2,833,336 units of the Company (the "**Units**") at a price of C\$0.15 per Unit;
- 4,988,028 flow-through units of the Company (the "**FT Units**") to traditional flow-through purchasers at a price of C\$0.17 per FT Unit; and,
- 7,000,002 flow-through units of the Company (the "**Charity FT Units**") sold to charitable flow-through purchasers at a price of C\$0.21 per Charity FT Unit.

Each Unit consisted of one common share of the Company (each, a "**Common Share**") and one half of one common share purchase warrant (a "**Warrant**"). Each Warrant will entitle the holder thereof to acquire one Common Share at a price of C\$0.22 at any time on or before December 24, 2022. Each FT Unit and Charity FT Unit will be comprised of one common share of the Company to be issued as "flow-through shares" within the meaning of the Income Tax Act (Canada) (each, a "**FT Share**") and one half of one Warrant.

The net proceeds from the Units will be used for exploration primarily of the Company's East Bull Lake Palladium property and general working capital purposes. Proceeds from the sale of FT Shares will be used to incur "Canadian exploration expenses" as defined in subsection 66.1(6) of the Income Tax Act and "flow through mining expenditures" as defined in subsection 127(9) of the Income Tax Act ("**Qualifying Expenditures**"). Such proceeds will be renounced to the subscribers with an effective date not later than December 31, 2020, in the aggregate amount of not less than the total amount of gross proceeds raised from the issue of FT Shares.

Red Cloud Securities inc. ("**Red Cloud**") acted as a finder in connection with a portion the Offering. In connection with the Offering, Red Cloud received a cash commission of C\$166,090 (of a total of \$ 171,495.47 total cash consideration paid) and 875,105 finder's warrants of a total of 895,699 finders' warrants paid). Each warrant entitles the finder to purchase one common share of the Company at a price of C\$0.15 per Unit until December 24, 2022. Resale of the securities of the Company issued under the Offering will be restricted, including a customary hold period pursuant to Canadian securities laws of four months and one day following the closing date of the Offering. An insider of the Company participated in the Offering for 100,000 FT Units, which participation constituted a related party transaction pursuant to the policies of the TSX Venture Exchange (the "TSXV") and Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("MI 61-101"). The Company relied on the exemptions from the valuation and minority approval requirements set forth in sections 5.5(a) and 5.7(1)(a) of MI 61-101 as the fair market value of the transaction did not exceed 25% of the Company's market capitalization. A material change report with respect to the closing of the Offering will be filed less than 21 days prior to the closing date of the Offering as participation by insiders was not settled until shortly prior to closing and the Company wished to complete the Offering as expeditiously as

possible. Closing of the Offering has been conditionally approved by the TSXV, with final acceptance subject to the fulfillment of the customary requirements of the TSXV.

This news release does not constitute an offer of securities for sale in the United States. The securities being offered have not been, nor will they be, registered under the United States *Securities Act of 1933*, as amended, and such securities may not be offered or sold within the United States absent U.S. registration or an applicable exemption from U.S. registration requirements.

About Grid Metals Corp.

Grid Metals Corp. is an exploration and development Company that has a diversified portfolio of projects in the nickel-copper-platinum group metal sectors. These commodities are vital to the emerging battery metals, energy storage and automotive sectors. All of Grid's projects are located in secure North American mining jurisdictions. The Company is focused on timely advancement of its property portfolio through prudent exploration and development activities. To find out more about Grid Metals Corp., please visit www.gridmetalscorp.com.

On Behalf of the Board of Grid Metals Corp.

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We seek safe harbour. This news release contains forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995 and forward-looking information within the meaning of the Securities Act (Ontario) (together, "forward-looking statements"). Such forward-looking statements may include the Company's plans for its properties, the overall economic potential of its properties, the availability of adequate financing and involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements expressed or implied by such forward-looking statements to be materially different. Such factors include, among others, risks and uncertainties relating to potential political risk, uncertainty of production and capital costs estimates and the potential for unexpected costs and expenses, physical risks inherent in mining operations, metallurgical risk, currency fluctuations, fluctuations in the price of nickel, cobalt, copper and other metals, completion of economic evaluations, changes in project parameters as plans continue to be refined, the inability or failure to obtain adequate financing on a timely basis, and other risks and uncertainties, including those described in the Company's Management Discussion and Analysis for the most recent financial period and Material Change Reports filed with the Canadian Securities Administrators and available at www.sedar.com.