



Arizona Metals Corp Announces \$15 Million Bought Deal Private Placement and Increases Kay Mine Phase 2 Expansion Program from 25,000m to 75,000m

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Toronto, April 5, 2021 – Arizona Metals Corp. (TSXV:AMC, OTCQX:AZMCF) (the “**Company**” or “**Arizona Metals**”) is pleased to announce it has entered into an agreement with a syndicate of underwriters (the “**Underwriters**”) led by Stifel GMP and Clarus Securities Inc., pursuant to which the Underwriters have agreed to purchase, on a bought deal private placement basis, 7,150,000 special warrants of the Company (the “**Special Warrants**”) at a price of C\$2.10 per Special Warrant (the “**Offering Price**”) for aggregate gross proceeds to the Company of C\$15,015,000 (the “**Offering**”). The Company has agreed to grant the Underwriters an over-allotment option to purchase up to an additional 1,072,500 Special Warrants at the Issue Price exercisable in whole or in part, at any time and from time to time on or prior to the date that is 48 hours prior to the Closing Date (as defined below).

This financing will allow the Company to increase the fully-funded Kay Mine Phase 2 expansion drill program, currently underway, from 25,000 to 75,000 metres.

Marc Pais, CEO commented, “*We appreciate the continued support and confidence of current and new shareholders. This financing will allow us to triple the planned drilling at the Kay Mine Phase 2 Expansion program from 25,000m to 75,000m. We can now accelerate the testing of numerous satellite targets on strike and to the west of the Kay Mine, previously identified using a combination of structural mapping, helicopter electromagnetic (VTEM) surveys, borehole electromagnetic surveys (BHEM), and soil and rock geochemical sampling. A recently completed property-wide gravity survey has helped to refine the current drill targets, while also identifying new historically untested targets. We are currently scheduling a third and fourth drill rig to the Kay Mine, and will provide further details of the expanded program in a future release.*”

Each Special Warrant shall be issued under a special warrant indenture and shall entitle the holder thereof to receive, without payment of additional consideration, one (1) unit of the Company (each a “**Unit**”). Each Unit shall consist of one (1) common share of the Company (a “**Unit Share**”) and one-half (0.5) of one common share purchase warrant (each whole common share purchase warrant, a “**Warrant**”). Each Warrant will entitle the holder thereof to purchase one common share of the Company (a “**Warrant Share**”) at a price of \$3.00 for a period of 12 months following the Closing Date (as defined below).

The Special Warrants shall be deemed exercised on behalf of, and without any required action on the part of, the holders (and for no additional consideration) on the earlier of: (i) the second business day following the date on which a final receipt is obtained from the Ontario Securities Commission, as principal regulator on behalf of the securities regulatory authorities in each of the Qualifying Jurisdictions (as defined herein), for a (final) short form prospectus qualifying for distribution the Units underlying the Special Warrants (the “**Qualification Date**”); and (ii) 5:00 p.m. (Toronto time) on the date which is four months and a day following the Closing Date.



In the event the Qualification Date has not occurred on or before the date that is ten (10) weeks following the Closing Date, each Special Warrant shall thereafter entitle the holder to receive, upon the exercise or deemed exercise of each Special Warrant, for no additional consideration, 1.1 Units.

The Company plans to use the net proceeds from the Offering to fund exploration and development work at the Kay Mine Copper-Gold VMS Project in Arizona, and for working capital and general corporate purposes.

The Special Warrants will be offered on a private placement basis in all provinces of Canada, except Québec (the "Qualifying Jurisdictions"). The Special Warrants will also be offered in the United States on a private placement basis pursuant to available exemptions from the registration requirements of the United States Securities Act of 1933, as amended (the "1933 Act"), and in such other jurisdictions outside of Canada and the United States, as mutually agreed by the Company and the Underwriters, in each case in accordance with all applicable laws.

The Offering is scheduled to close on or about April 22, 2021 and 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 the securities regulatory authorities.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any state in which such offer, solicitation or sale would be unlawful. The securities being offered have not been, nor will they be, registered under the 1933 Act and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the 1933 Act, as amended, and application state securities laws.

About Arizona Metals Corp

Arizona Metals Corp owns 100% of the Kay Mine Property in Yavapai County, which is located on a combination of patented and BLM claims totaling 1,300 acres that are not subject to any royalties. An historic estimate by Exxon Minerals in 1982 reported a "proven and probable reserve of 6.4 million short tons at a grade of 2.2% copper, 2.8 g/t gold, 3.03% zinc, and 55 g/t silver." The historic estimate at the Kay Mine was reported by Exxon Minerals in 1982. (Fellows, M.L., 1982, Kay Mine massive sulphide deposit: Internal report prepared for Exxon Minerals Company)

*The Kay Mine historic estimate has not been verified as a current mineral resource. None of the key assumptions, parameters, and methods used to prepare the historic estimate were reported, and no resource categories were used. Significant data compilation, re-drilling and data verification may be required by a Qualified Person before the historic estimate can be verified and upgraded to be a current mineral resource. A Qualified Person has not done sufficient work to classify it as a current mineral resource, and Arizona Metals is not treating the historic estimate as a current mineral resource.

The Kay Mine is a steeply dipping VMS deposit that has been defined from a depth of 60 m to at least 900 m. It is open for expansion on strike and at depth.

The Company also owns 100% of the Sugarloaf Peak Property, in La Paz County, which is located on 4,400 acres of BLM claims. Sugarloaf is a heap-leach, open-pit target and has a historic estimate



of “100 million tons containing 1.5 million ounces gold” at a grade of 0.5 g/t (Dausinger, N.E., 1983, Phase 1 Drill Program and Evaluation of Gold-Silver Potential, Sugarloaf Peak Project, Quartzsite, Arizona: Report for Westworld Inc.)

The historic estimate at the Sugarloaf Peak Property was reported by Westworld Resources in 1983. The historic estimate has not been verified as a current mineral resource. None of the key assumptions, parameters, and methods used to prepare the historic estimate were reported, and no resource categories were used. Significant data compilation, re-drilling and data verification may be required by a Qualified Person before the historic estimate can be verified and upgraded to a current mineral resource. A Qualified Person has not done sufficient work to classify it as a current mineral resource, and Arizona Metals is not treating the historic estimate as a current mineral resource.

The Qualified Person who reviewed and approved the technical disclosure in this release is David Smith, CPG.

This press release contains statements that constitute “forward-looking information” (collectively, “forward-looking statements”) within the meaning of the applicable Canadian securities legislation, Forward-looking statements contained in this press release, include, without limitation, statements regarding the completion of the Company’s previously-announced acquisition, use of proceeds from the Offering, and drilling and exploration activity at the Company’s properties. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Any statement that discusses predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as “expects”, or “does not expect”, “is expected”, “anticipates” or “does not anticipate”, “plans”, “budget”, “scheduled”, “forecasts”, “estimates”, “believes” or “intends” or variations of such words and phrases or stating that certain actions, events or results “may” or “could”, “would”, “might” or “will” be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements. Forward-looking statements contained in this press release include, without limitation, statements regarding the acquisition of the Property, including completion of due diligence and the satisfaction of the Company’s payment obligations under the Purchase Agreement, and the completion of the Offering. In making the forward- looking statements contained in this press release, the Company has made certain assumptions. Although the Company believes that the expectations reflected in forward-looking statements are reasonable, it can give no assurance that the expectations of any forward-looking statements will prove to be correct. Known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to: availability of financing; delay or failure to receive required permits or regulatory approvals; and general business, economic, competitive, political and social uncertainties. Accordingly, readers should not place undue reliance on the forward-looking statements and information contained in this press release. Except as required by law, the Company disclaims any intention and assumes no obligation to update or revise any forward-looking statements to reflect actual results, whether as a result of new information, future events, changes in assumptions, changes in factors affecting such forward- looking statements or otherwise.

NEITHER THE TSX VENTURE EXCHANGE (NOR ITS REGULATORY SERVICE PROVIDER) ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE

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