

BMEX Closes Second Tranche of Financing

Vancouver, British Columbia--(Newsfile Corp. - October 23, 2020) - BMEX Gold Inc. (TSXV: **BMEX**) (FSE: **8M0**) ("**BMEX**" or the "**Company**") is pleased to announce that further to its press release of October 7, 2020, it has closed the second and final tranche of its private placement through the issuance of an aggregate of 6,666,666 flow-through units (a "**FT Unit**") of the Company at a price of \$0.5325 per FT Unit for gross proceeds of \$3,550,000 (the "**Offering**"). Pursuant to the first and second tranche of the Offering, the Company has raised aggregate gross proceeds of \$6,703,000. The FT Units issued in connection with the second tranche of the Offering were issued and sold pursuant to the terms of an agency agreement dated October 6, 2020, among the Company and Stephen Avenue Securities Inc. (the "**Agent**"), as sole agent and sole bookrunner.

Amrik Virk, President and CEO of BMEX Gold commented, "With the closing of our financing we have added long term supportive shareholders and we are very well capitalized to move forward with an aggressive exploration program on the King Tut and the Dunlop Bay properties. In addition, we are getting active in our marketing program to create awareness of the Company. I look forward to updating our shareholders on our progress."

Each FT Unit consists of one common share (a "**Common Share**") of the Company and one-half of one Common Share purchase warrant (each whole warrant, a "**Warrant**"), with each Warrant entitling the holder thereof to acquire one additional Common Share at a price of \$0.50 for a period of eighteen (18) months from the closing date of the Offering.

In connection with the closing of the second tranche of the Offering, the Agent received a cash commission of \$248,500 and an aggregate of 466,667 broker warrants (a "**Broker Warrant**"). Each Broker Warrant entitles the holder thereof to acquire one Common Share at a price of \$0.30 for a period of eighteen (18) months from the closing date of the Offering.

All securities issued in connection with the second tranche of the Offering are subject to a statutory hold period, expiring February 24, 2021. The gross proceeds from the second tranche of the Offering will be used by the Company to incur eligible "Canadian exploration expenses" that will qualify as "flow-through expenditures" as such terms are defined in the *Income Tax Act* (Canada) (the "**Qualifying Expenditures**") related to the Company's King Tut and Dunlop Bay projects located in Quebec, Canada. All Qualifying Expenditures will be renounced in favour of the subscribers of the FT Units effective December 31, 2020.

A portion of the Offering constituted a "related party transaction" within the meaning of Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**") as a member of management and a member of the Board of Directors has each subscribed for 100,000 Units pursuant to the Offering. Such related party transactions are exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as neither the fair market value of securities being issued to the related parties nor the consideration being paid by the related parties exceeded 25% of the Company's market capitalization. The participants in the Offering and the extent of such participation were not finalized until shortly prior to the completion of the Offering. Accordingly, it was not possible to publicly disclose details of the nature and extent of related party participation in the Offering pursuant to a material change report filed at least 21 days prior to the completion of the Offering.

In addition, an Officer of BMEX Gold Inc. has been granted 50,000 options, exercisable at \$0.71 for 5 years.

The securities have not been and will not be registered under the *United States Securities Act of 1933*, as amended (the "**U.S. Securities Act**") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

The Offering remains subject to receipt of all necessary regulatory and other approvals, including the final approval of the TSX Venture Exchange.

About BMEX Gold Inc.

BMEX Gold Inc. is a junior Canadian mining exploration company with the primary objective to acquire, explore, and develop viable gold and base metal projects in the mining-friendly jurisdictions of Quebec, Canada. BMEX is currently fully focused on earning 100% interest in its two projects, both located in the prolific Abitibi greenstone belt:

- **King Tut Project** consists of 120 contiguous claims on 5,206 hectares
- **Dunlop Bay Project** consists of 76 mineral claims that cover 4,226 hectares

BMEX common shares trade under the symbol "BMEX" on the TSX-V and under the symbol 8M0 on the Frankfurt Exchange.

For further information please contact:

Stephen Avenue Securities Inc.

402- 217 Queen Street West

Toronto, Ontario M5V 0R2

Tel 416 479 4478 Toll Free 1 844 540 2018

Fax 416 866 4141

Email: dcappuccitti@stephenavenue.com

BMEX Gold Inc.

Amrik Virk, Chief Executive Officer & Director

Tel: (604) 423-4499 or (604) 765-9640

Email: info@bmexgold.com

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.

Forward-looking statements:

This news release contains forward-looking statements. All statements, other than of historical facts, that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future including, without limitation, the completion of the Offering as described herein are forward-looking statements. Forward-looking statements are generally identifiable by use of the words "will", "should", "continue", "expect", "anticipate", "estimate", "believe", "intend", "to earn", "to have", "plan" or "project" or the negative of these words or other variations on these words or comparable terminology. Forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond the Company's ability to control or predict, that may cause the actual results of the Company to differ materially from those discussed in the forward-looking statements. Factors that could cause actual results or events to differ materially from current expectations include, among other things, failure to obtain any necessary regulatory approvals, the termination of any agreement governing the Offering, general business and economic conditions, changes in world gold markets, sufficient labour and equipment being available, changes in laws and permitting requirements, unanticipated weather changes, title disputes and claims, environmental risks as well as those risks identified in the Company's annual Management's Discussion and Analysis. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results may vary materially from those described and accordingly, readers should not place undue reliance on forward-looking statements. Although the Company has attempted to identify important risks, uncertainties and factors which could cause actual results to differ materially, there may be others that

cause results not to be as anticipated, estimated or intended. The Company does not intend, and does not assume any obligation, to update these forward-looking statements except as otherwise required by applicable law.

Not for Distribution to United States Newswire Services or for Dissemination in the United States



To view the source version of this press release, please visit
<https://www.newsfilecorp.com/release/66752>