

Mich Resources Announces Revised Agreements to Consolidate the Pecoy Copper Project and \$21 Million Financing, Including Strategic Investment by Two Senior Canadian Mining Companies

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- Conclusion of long-term multi-party effort to consolidate 100% ownership of the large-scale Pecoy copper porphyry project in Peru
- The Pecoy project contains a NI 43-101 inferred mineral resource estimate of 865 million tonnes at a grade of 0.34% Cu, 0.012% Mo, 1.33 g/t Ag and 0.05 g/t Au
- Near-term expansion potential at Pecoy, building upon historic drilling and exploration work completed by previous operators
- Additional Tororume project to the north of Pecoy under option to a major Canadian mining company
- Lead investors in the concurrent financing include two senior Canadian mining companies, including the Tororume option partner

VANCOUVER, British Columbia, June 27, 2022 – **Mich Resources Ltd. (CSE: MICH)** (“**Mich**” or the “**Company**”) is pleased to announce that it has entered into updated definitive agreements with Pembroke Copper Corp. (“**Pembroke**”), Minera Andina de Exploraciones SAA (“**MinAndex**”) and Carlos Mauricio Carlessi Vargas (“**Carlessi**” and together with Pembroke and MinAndex, the “**Vendors**”) pursuant to which a total of 142,700,000 pre-Consolidation (as defined below) common shares of the Company plus approximately US\$4.5 million in cash will be issued to the Vendors (the “**Consideration**”) to acquire and consolidate 100% of the Pecoy Copper Project (“**Pecoy**”), a large-scale copper porphyry project located on-trend with numerous prolific copper deposits in Southern Peru (the “**Transaction**”). Concurrent with completion of the Transaction, it is anticipated that the Company will complete a 5 for 1 share consolidation (the “**Consolidation**”) and change its name to Miko Copper Corp.

The Transaction will result in the Company holding 100% of Pecoy, which is host to an inferred mineral resource estimate of 865 million tonnes at a grade of 0.34% Cu, 0.012% Mo, 1.33 g/t Ag and 0.05 g/t Au (as more fully described in Table 1 below). The Company will additionally hold the highly prospective Tororume claims (“**Tororume**”) located to the North of Pecoy, which is currently under option to a major Canadian mining company (the “**Major**”) with anticipated expenditures by the Major of C\$2.9 million in 2022.

David Suda, CEO & Director of the Company, stated: “We are grateful to our partners in Peru and Canada who have worked tirelessly with us to finalize the terms of a multi-party transaction and financing to consolidate 100% ownership of the Pecoy copper project. Pecoy boasts a large-scale existing mineral resource within a prolific mining region in Southern Peru, with abundant upside potential to continue expanding resources alongside exciting exploration at our Tororume claims to the North which are under option with a major Canadian mining company. We are excited to welcome two new strategic investors into the story, including our option partner at Tororume, through our concurrently announced financing and look forward to working diligently towards closing of the Transaction in due course.”

Pecoy Copper Project

Pecoy is an advanced copper exploration project located 177 km northwest of Arequipa within the Cretaceous copper porphyry belt of Peru, host to the Zafranal copper porphyry property (Teck Resources Ltd. and Mitsubishi Materials Corp.) located approximately 100 km to the southeast of Pecoy.

Pecoy is located within the Peruvian coastal desert region which grades into the Atacama desert further south in Chile. Topography within the project area ranges from 700 m at the Rio Ocona, to slightly more than 4,000 m at the highest ridges. Within the area of mineralization, the relief ranges from 1,650 m to 2,200 m. There is no infrastructure in the immediate project area, but water is available from the Rio Ocona delta approximately eight km to the west, and power is available from the national grid 100 km from site. The site also has excellent road access to a number of nearby seaports for shipping of concentrates.

The combined Pecoy project area consists of approximately 13,300 hectares. Exploration on the property dates back to 2009, and consists of 48,500 m of diamond drilling in 121 drill holes completed by previous operators including Pembrook. The project database includes 1,222 downhole surveys and 23,210 assays. The average drill spacing is about 118 m in the main mineralized zone on the Pembrook side of the property, and 80 m on the MinADEX side. The project database also includes quality control data including blanks, standards and duplicates.

The Pecoy project to be acquired by the Company comprises all rights and title to Pecoy currently held by the Vendors. Additionally, MinADEX is the owner of certain lands adjoining Pecoy which will be optioned to the Company concurrent with the closing of the Transaction and others that will be subject to an agreement of purchase and sale in favour of the Company.

Tororume Copper Project

In addition to the principal Pecoy project being acquired, the Company will also hold ownership of the Tororume copper project ("**Tororume**"), located to the north of Pecoy, which is currently under option to the Major with anticipated expenditures of C\$2.9 million in 2022. Under the terms of the option agreement dated May 28, 2021, the Major has a five (5) year option (the "**First Option Period**") to acquire a 50% interest in Torion Mining S.A.C (a wholly owned subsidiary of Pembrook) by spending C\$5 million, of which C\$2 million is committed and must be spent in the first two (2) years. Pembrook is operator during the First Option Period. Upon completion of the earn-in during the First Option Period, a joint venture ("**JV**") will be formed and the Major will have the right to acquire an additional 26% interest (for 76% ownership in total) by spending C\$25 million in the first five (5) years of the JV.

Transaction Details

The Transaction will constitute a reverse takeover of Mich when completed. The Company will seek approval for the listing of the Company's shares on the TSX Venture Exchange (the "**Exchange**") and concurrent voluntary delisting of the Company's shares from the Canadian Securities Exchange. The Transaction is subject to a number of conditions, including but not limited to: (i) the approval of all regulatory bodies having jurisdiction in connection with the Transaction (including Exchange approval); (ii) completion of the Offering (as defined below); and (iii) approval of the shareholders of Pembrook and, if required, the Company's shareholders.

As part of the Transaction, a total of 4,150,000 pre-Consolidation common shares of Mich will be cancelled.

Trading of the common shares of the Company will remain halted until closing of the Transaction, which is currently targeted for Q3 2022.

Equity Financing

Concurrently, the Company has entered into an agreement with Haywood Securities Inc., on behalf of a syndicate of agents (collectively, the “**Agents**”), pursuant to which the Agents have agreed to sell, on a commercially reasonable efforts private placement basis, up to 84,000,000 subscription receipts (the “**Subscription Receipts**”) at a price of C\$0.25 per Subscription Receipt on a pre-Consolidation basis (the “**Issue Price**”) for gross proceeds to the Company of up to C\$21,000,000 (the “**Offering**”). As part of the Offering, the Major and another senior Canadian mining company (collectively, the “**Strategic Investors**”) have agreed to participate in the Offering in an amount totaling C\$9,000,000, subject to certain conditions that the Company expects will be satisfied upon closing of the Transaction.

The Company has additionally granted the Agents an over-allotment option exercisable, in whole or in part, at the sole discretion of the Agents, to purchase up to an additional number of Subscription Receipts equal to 15% of the Subscription Receipts sold pursuant to the Offering at the Issue Price for a period of up to 48 hours prior to the closing of the Offering.

The net proceeds of the Offering are anticipated to be used to fund the cash portion of the Consideration, repay certain indebtedness of the Vendors, exploration and development work at Pecoy, and for general working capital purposes.

The Subscription Receipts will be issued pursuant to a subscription receipt agreement (the “**Subscription Receipt Agreement**”) to be entered into by the Company, Haywood, on behalf of the Agents, and a licensed Canadian trust company as subscription receipt agent (the “**Escrow Agent**”) to be agreed upon. Pursuant to the Subscription Receipt Agreement, the gross proceeds from the Offering (less 50% of the Agents’ cash commission, other than commissions payable on orders by the Strategic Investors, and all of the Agents’ expenses) (the “**Escrowed Funds**”) will be held in escrow pending satisfaction of certain conditions, including, among others, (a) the satisfaction or waiver of each of the conditions precedent to the Transaction, and (b) the receipt of all required regulatory approvals in connection with the Transactions and the Offering, including the conditional approval of the Exchange (collectively, the “**Escrow Release Conditions**”).

Upon the satisfaction of the Escrow Release Conditions, each of the Subscription Receipts will automatically convert into one common share (a “**Common Share**”) of the Company. If the Escrow Release Conditions have not been satisfied on or prior to the date that is 90 days after the closing date of the Offering, the Escrow Agent shall return the Escrowed Funds, including any interest earned thereon, to the holders of Subscription Receipts on a *pro rata* basis.

Closing of the Offering is expected to occur on or about July 19, 2022 and is subject to certain customary conditions, including, but not limited to, the receipt of all necessary regulatory approvals and acceptance of the Exchange.

The Subscription Receipts to be issued under the Offering will be offered by way of private placement in all of the provinces of Canada, and in the United States on a private placement basis pursuant to exemptions from the registration requirements of the United States *Securities Act of 1933*, as amended.

Following completion of the Offering and the Transaction, the Vendors will hold approximately 52.5% and the Strategic Investors will hold approximately 13.2% of the shares of the Company on an outstanding basis.

Minvisory Corp. advised Mich with respect to the Strategic Investors.

Qualified Person

Dr. David Stone, P.Eng, Chief Operating Officer of the Company, is a Qualified Person as defined in NI 43-101 and has reviewed and approved the technical content in this news release.

About Mich Resources Ltd.

The Company is a British Columbia public company with a registered office at 25th Floor, 700 West Georgia St., Vancouver, B.C., V7Y 1C3. The Company's common shares are currently listed on the Canadian Securities Exchange under the trading symbol MICH and is a reporting issuer in each of British Columbia and Ontario. The Company is principally engaged in the acquisition and exploration of mineral properties.

Technical Disclosure

Table 1. Pecoy NI 43-101 mineral resource estimate – effective as of October 31, 2021.

Resource Category	Zone	Tonnes (Mt)	Cu (%)	Mo (%)	Ag (g/t)	Au (g/t)	Cu (Mlbs)	Mo (Mlbs)	Ag (Moz)	Au (Moz)
Inferred	Leached	2.8	0.28	0.010	1.4	0.04	17	0.6	0.1	0.00
	Copper Oxide	23.8	0.38	0.007	1.3	0.03	197	3.8	1.0	0.02
	Supergene	40.2	0.27	0.011	1.2	0.03	242	9.8	1.6	0.04
	Enriched	90.3	0.44	0.009	1.1	0.03	884	18.4	3.2	0.09
	Transitional	22.8	0.31	0.007	0.9	0.02	157	3.6	0.7	0.01
	Primary	684.8	0.33	0.013	1.4	0.05	4,954	191.7	30.4	1.21
Inferred	Total	864.7	0.34	0.012	1.33	0.05	6,451	228	37	1.38

Source: NI 43-101 Technical Report, Mineral Resource Estimate – Pecoy Project, Condesuyos Province, Arequipa – Peru, prepared for Mich Resources Ltd., November 23, 2021, authored by Mining Plus.

Notes for the Pecoy Mineral Resource Estimate (MRE):

1. Mineral Resources are not Mineral Reserves and have not demonstrated economic viability.
2. The MRE has been categorized in accordance with the CIM Definition Standards (CIM, 2014).
3. All figures are rounded to reflect the relative accuracy of the estimates. Minor discrepancies may occur due to rounding to appropriate significant figures.
4. The Mineral resource was estimated by Ms Muñoz QP(Geo) of Mining Plus, an Independent Qualified Person under NI 43-101.

5. The effective date of the Mineral Resource Estimate is 31 October 2021.
6. The Mineral resource is reported inside a whittle pit shell with a cut-off grade of 0.23% copper, estimated using a copper price of US\$3.25/lb.
7. Mining Plus is not aware of any legal, political, environmental, or other risks that could materially affect the potential development of the Mineral Resource Estimate.

On behalf of the Board of Directors
MICH RESOURCES LTD.
David Suda, Chief Executive Officer

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.

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Forward Looking Information

Except for the statements of historical fact, this news release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws (collectively, “forward-looking information”). Such forward-looking information include but are not limited to information with respect to: the proposed Transaction, Consolidation and Offering, and the satisfaction of the conditions thereon and closing; the NI 43-101 mineral resource estimate; the potential for long term growth; and business goals and objectives.

Forward-looking information by their nature are based on assumptions and involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. These factors include, but are not limited to: the Transaction, Consolidation and Offering may not close on the terms or timelines set forth herein, or at all; risks relating to the receipt of all requisite approvals for the Transaction, Consolidation and Offering, including the approval of the exchange; the approval of Pembroke shareholders; business and economic conditions in the mining industry generally; the need for additional financing, and the risk that such financing may not be available on terms satisfactory to the Company, or at all; no mineral resources may be economically mined on the Company’s properties; the Company may not operate profitably in the near term, or at all; a decline in commodity prices or other market factors may have a significant negative impact on the Company’s operations; the volatility of commodity prices; changes in general economic conditions or conditions in the financial markets; changes in laws (including regulations respecting mining concessions); risks related to the direct and indirect impact of COVID-19 and ongoing international conflicts; and other risk factors as detailed from time to time.

The forward-looking information in this news release reflects the current expectations, assumptions and/or beliefs of the Company based on information currently available to the Company. In connection with the forward-looking information contained in this news release, the Company has made assumptions about the Company’s ability to complete the Transaction, Consolidation and Offering (including receipt of required approvals); profitable use of the Company’s assets going forward; the Company’s ongoing partnerships with third parties; and ongoing challenges related to the COVID-19 pandemic. The Company has also assumed that no significant events occur outside of the Company’s normal course of business. Although the Company believes that the assumptions inherent in the forward-

looking information are reasonable, forward-looking information is not a guarantee of future performance and accordingly undue reliance should not be put on such information due to the inherent uncertainty therein.

Any forward-looking information in the news release speaks only as of the date on which it is made and, except as may be required by applicable laws, the Company disclaims any intent or obligation to update any forward-looking information, whether as a result of new information, future events or results or otherwise.

Reader Advisory

Investors are cautioned that, except as disclosed in the filing statement to be prepared in connection with the Transaction, Consolidation or Offering, any information released or received with respect to the Transaction, Consolidation or Offering may not be accurate or complete and should not be relied upon. Trading in the securities of the Company and resulting issuer should be considered highly speculative.

Neither the Canadian Securities Exchange or the Exchange have passed upon the merits of the proposed Transaction, Consolidation or Offering and has neither approved nor disapproved the contents of this press release.

*This news release does not constitute an offer to sell, or a solicitation of an offer to buy, any 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 (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 (as defined under the U.S. Securities Act) unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.*