
Buchans Resources Announces Group Reorganisation

Subsidiaries to be ‘spun out’ to Shareholders under Plan of Arrangement

Toronto, November 4, 2019 – Buchans Resources Limited (the “**Company**” or “**Buchans**”), a Canadian base metal mineral exploration and development company, announces a proposed group restructuring under a “**Plan of Arrangement**” whereby the shares of two of its wholly-owned subsidiaries will be distributed to Buchans Shareholders and both will become stand-alone, public companies.

Under the proposed Plan of Arrangement, if approved, shareholders will retain their existing shares of Buchans and Buchans will distribute to its shareholders, pro rata, (i) all of the shares of Canadian Manganese Company Inc. (“**Canadian Manganese**”) on the basis of one share of Canadian Manganese for each share of Buchans held; and (ii) exchangeable warrants entitling shareholders to receive one share of Minco Exploration Limited (“**Minco Exploration**”) or 0.25 additional shares of Buchans, at their option, for each share of Buchans held. Any exchangeable warrants which remain unexercised on the first anniversary of the date that the Plan of Arrangement becomes effective will be automatically exchanged for shares of Minco Exploration.

Buchans, directly or through wholly owned subsidiaries, is currently engaged in exploring for and developing zinc and other base metals deposits in several locations in Canada and Ireland. Geographically and geologically, these projects comprise three areas of activity, namely:

- Several base metals deposits and projects in central Newfoundland near the town of Buchans, (the “**Buchans Projects**”) and in Labrador, Province of Newfoundland and Labrador, Canada, operated by Buchans’ wholly-owned subsidiary, Buchans Minerals Corporation;
- A manganese deposit (the “**Woodstock Manganese Project**”) located west of the town of Woodstock, New Brunswick, Canada, operated by Buchans’ wholly-owned subsidiary, Canadian Manganese; and
- Zinc-lead exploration licences in the Republic of Ireland operated by Buchans’ wholly-owned subsidiary, Minco Exploration, and its wholly-owned subsidiaries, either alone or in joint ventures (the “**Ireland Project**”).

The Board of Buchans has determined that future financing opportunities will be enhanced if the unique aspects and geographical diversity of the Buchans Projects, the Woodstock Manganese Project and the Ireland Project are held in three public companies, with focussed management teams, which can offer direct investment opportunities to shareholders and potential equity investors.

As a consequence, upon the Plan of Arrangement becoming effective, the mineral exploration business and projects now owned and operated by Buchans will be held by three separate public companies, namely:

1. **Buchans Resources** which will retain the base and precious metals projects in the Province of Newfoundland and Labrador and its investment in base metal and silver projects in Mexico through an approximately 22% shareholding in Xtierra Inc;
2. **Canadian Manganese** which will hold the Woodstock Manganese Project in the Province of New Brunswick; and
3. **Minco Exploration** which will hold the exploration projects in Ireland.

Buchans Resources Limited

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Following approval and adoption of the Arrangement, each of the Companies plans to take steps to apply for separate stock exchange listings, subject to market and trading conditions and obtaining any necessary approvals, Buchans on the TSXV or the Canadian Securities Exchange (CSE); Canadian Manganese on the CSE; and Minco Exploration on the Irish Stock Exchange.

Completion of the Plan of Arrangement is subject to a number of conditions including, but not limited to, approval by the shareholders of Buchans by way of a special resolution passed by a two-thirds majority of the votes cast at a meeting of shareholders and approval by the **Ontario Superior Court of Justice** (the “**Court**”).

On November 4, 2019, the Court made an Interim Order directing the calling and holding of a Special Meeting of Shareholders to be held on Tuesday, December 10, 2019 and other procedural matters, and directing that upon approval by the Buchans Shareholders, the Company may apply to the Court for final approval of the Arrangement.

An **Annual and Special Meeting of Shareholders** of Buchans will be held in Toronto on Tuesday December 10, 2019. The Record Date for entitlement to notice and voting has been fixed as November 8, 2019. The Notice of Meeting and Management Information Circular providing full details of the proposed Arrangement will be mailed to shareholders on or about November 8, or soon thereafter.

The Board of Directors of Buchans has reviewed the terms and conditions of the proposed Arrangement and has concluded that the Arrangement is fair and reasonable to shareholders and is in the best interest of Buchans and unanimously recommends that shareholders vote for approval of the Arrangement.

ABOUT BUCHANS:

Buchans is incorporated under the laws of the Province of Ontario, Canada and is a “reporting issuer” in the Provinces of Alberta, British Columbia, Nova Scotia and Newfoundland and Labrador.

Buchans has interests in zinc-lead-silver properties located in Canada, Ireland and the United Kingdom; gold properties in Newfoundland and in Labrador; nickel-copper-cobalt properties in Labrador and a manganese project in New Brunswick; and, indirectly through its 22% shareholding in Xtierra Inc. (TSXV: “XAG”), in base metal and silver projects in Mexico.

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Additional information is available on the Company’s website at www.BuchansResources.com.