

## MacDonald Mines Announces Closing of Oversubscribed Private Placement

TORONTO, Aug. 05, 2020 -- MacDonald Mines Exploration Ltd. (TSX-V: BMK) ("MacDonald Mines", "MacDonald" or the "Company") announces that it has closed its previously announced non-brokered private placement offering for total gross proceeds of \$4,245,850 consisting of: (i) 9,332,223 "charity flow-through" Units at a price of \$0.135 each (the "**Charity FT Unit Offering**") and (ii) 29,860,000 "flow-through" Units at a price of \$0.10 each (the "**FT Unit Offering**") and, together with the Charity FT Unit Offering, the "**Offering**"). Eventus Capital Corp. acted as a finder in connection with the Offering.

Each Unit is comprised of one Common Share and one-half of one Common Share purchase warrant (each whole warrant, "**Warrant**"). Each Warrant shall be exercisable to acquire one Common Share ("**Warrant Share**") at a price of \$0.20 per Warrant Share for a period of 24 months from the closing of the Offering. If the closing price of the Common Shares is at a price equal to or greater than \$0.35 for a period of 10 consecutive trading days, MacDonald will have the right to accelerate the expiry date of the warrants by giving notice, via a news release, to the holders of the Warrants that the Warrants will expire on the date that is 30 days after the issuance of said news release.

Common Shares issued under the FT Offering and Charity FT Unit Offering qualify as 'flow through shares' ("**Flow Through Shares**"). The gross proceeds from the FT Offering and Charity FT Unit Offering will be used to incur 'Canadian exploration expenses' that will qualify as 'flow through mining expenditures' as those terms are defined in the *Income Tax Act* which will be renounced to the initial purchasers of the Flow Through Shares.

In connection with the closing the Company will pay cash commissions of \$179,850 and issue 1,683,500 finder's warrants pursuant to and in accordance with applicable securities laws and Exchange policy. The finder's warrants have the same terms as the Warrants. Closing of the Offering is subject to approval of the TSX Venture Exchange and the securities issued in the Offering are subject to a statutory four months hold period.

CEO Quentin Yarie states, "*We thank existing shareholders, new investors and the agents for their support of our exploration efforts via this oversubscribed financing. The strong demand for this private placement is a verification of the quality of the SPJ Project and the land package we have assembled over the last 2 years. We will have a continually active exploration program on the ground, with multiple drills turning, ground geophysics as well as mapping and prospecting for the foreseeable future. This equity raise has provided us with a strong cash position for such an aggressive exploration plan which we will provide additional details on shortly. The Company looks forward to keeping our shareholders updated as our exploration program progresses.*"

### **About MacDonald Mines Exploration Ltd.**

MacDonald Mines Exploration Ltd. is a mineral exploration company headquartered in Toronto, Ontario focused on gold exploration in Canada. The Company is focused on developing its large SPJ Project in Northern Ontario.

The Company's common shares trade on the TSX Venture Exchange under the symbol "BMK".

To learn more about MacDonald Mines, please visit [www.macdonaldmines.com](http://www.macdonaldmines.com)

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*Although the Company believes that the assumptions and factors used in preparing the forward-looking information in this news release are reasonable, undue reliance should not be placed on such information, which only applies as of the date of this news release. The Company disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, other than as required by law.*