

SAMA RESOURCES ANNOUNCES ARRANGEMENT FOR THE SPINOUT OF SRQ RESOURCES, ITS QUEBEC NICKEL SUBSIDIARY

Sama Resources Inc. have announced on May 25, 2023 that it has entered into an arrangement agreement with SRQ Resources Inc. (“SRQ”), a wholly-owned subsidiary of Sama Resources Inc., pursuant to which the parties intend to complete a spin-out transaction (the “Spin-Out”) of the SRQ common shares (the “SRQ Shares”).

The Spin-Out will be completed by way of a court approved plan of arrangement under the Canada Business Corporations Act (the “**PoA**”). Upon completion of the PoA, holders of common shares of Sama (“**Sama Shares**”) are to receive:

- one new share in the reorganized capital of Sama (“**New Sama Share**”) for every one Sama Share held at the effective time of the PoA (the “**Effective Time**”); and
- one SRQ Share for every ten Sama Shares held at the Effective Time.

Further to the completion of the PoA, Sama shareholders will see their shareholding in Sama unchanged while obtaining the same pro rata proportions in SRQ as their Sama Shares.

The Effective Time for determining the Sama shareholders who will be eligible to receive New Sama Shares will be announced by the Company in due course. For more details relating to the terms of the PoA, refer to the Arrangement Agreement which will be available on the Company's SEDAR profile.

The board of directors of Sama has determined that carrying out the PoA is in the best interests of Sama for numerous reasons, including the following:

- The Sama shareholders will hold shares in two separate public companies.
- At the moment, the capital markets value the SRQ Business together with the Sama Business. By completing the Spin-Out, Sama believes that the capital markets will value the SRQ Business separately and independently of the Sama, which should create additional value for Sama shareholders.
- Sama and SRQ will have separate boards of directors and the composition of management of each company will differ and include members with specialized skills to focus on the growth and the advancement of the Sama Business and the SRQ Business, respectively.
- The separation of Sama and SRQ is expected to expand the potential shareholder base of both companies and to allow them to access development capital from investors focused on owning mining assets located in either Africa or Canada.

Sama intends to apply for a listing of the SRQ Shares on the TSX Venture Exchange (the “TSX-V”). Any such listing will be subject to SRQ fulfilling all of the requirements of the TSX-V.

Prior to the Spin-Out and as part of the PoA, Sama has funded SRQ with a cash injection of \$2M. This capital injection allows SRQ to execute on its exploration objectives and meet the working capital listing requirement of the TSX-V. As such, SRQ will be fully funded for the first phase of exploration and the completion of a public offering of SRQ Shares concurrently with the listing or immediately thereafter will not be necessary.

The PoA remains subject to customary conditions, including, among other things, the approval by the TSX-V, approval by an affirmative vote of two thirds of Sama shareholders in attendance at Sama's Annual and Special Shareholders meeting (the “**Meeting**”), and approval of the Superior Court of Québec. There can be no assurance that such approvals will be obtained or that the PoA will be completed on the terms contemplated, or at all.

Additional details of the PoA will be included in the information circular to be mailed to shareholders of Sama in connection with the Meeting which will be available on the Company's SEDAR profile. The Meeting is scheduled to be held in person, at the Company's offices, on June 29, 2023, at 10:00 AM (EDT).

The securities to be issued under the PoA have not been and will not be registered under the U.S. Securities Act of 1933 and may not be offered or sold in the United States absent registration or applicable exemption from registration requirements. It is anticipated that any securities to be issued under the PoA will be offered and issued in reliance upon the exemption from the registration requirements of the U.S. Securities Act of 1933 provided by Section 3(a)(10) thereof.