

## ScoZinc Announces Debt Settlement

COOKS BROOK, Nova Scotia, May 03, 2019 -- ScoZinc Mining Ltd. (TSX-V: SZM) (“ScoZinc” or the “Company”) is pleased to announce that it has entered into debt settlement agreements with four creditors of the Company (the “Creditors”) and pursuant thereto will, subject to receipt of approval of the TSX Venture Exchange, issue an aggregate of 391,666 common shares in the capital of the Company, at a deemed price of \$0.40 per common share, in consideration for the settlement of a total of \$156,666 in accrued liabilities owing to the Creditors (the “Debt Settlement”). The Company expects that the proposed Debt Settlement will assist the Company in preserving its cash for working capital.

Three of the Creditors are insiders of the Company (“Insiders”), and accordingly, the issuance of common shares to Insiders in connection with the Debt Settlement is considered a “related party transaction” within the meaning of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transaction* (“MI 61-101”). The Company is relying on the exemption from the requirement for valuation under MI 61-101 on the basis of the exemption contained in section 5.5(b) of MI 61-101 as the Company’s shares are not listed on a specified market, and on the exemption from the requirement for minority shareholder approval under MI 61-101 on the basis of the exemption contained in section 5.7(a) of MI 61-101 as that the fair market value of the consideration of the shares to be issued to the Insiders in connection with the Debt Settlement does not exceed 25% of the Company’s market capitalization.

All securities to be issued pursuant to the Debt Settlement will be subject to a four month and one day statutory hold period from the closing date. The Debt Settlement is subject to all necessary regulatory approvals including from the TSX Venture Exchange.

### **About ScoZinc Mining Ltd.**

ScoZinc is an established Canadian-based zinc and lead exploration and development company that owns the ScoZinc Mine and related facilities near Halifax, Nova Scotia which is currently on care and maintenance. The Company intends to restart operations as soon as possible. The Company has a strong working capital position and no debt. The Company’s common shares are traded on the TSX Venture Exchange under the symbol “SZM”.

### **For more information, please contact:**

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Neither 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.

### **CAUTIONARY STATEMENTS**

This News Release includes certain forward-looking statements which are not comprised of historical facts. Forward-looking statements include estimates and statements that describe the Company’s future plans, objectives or goals, including words to the effect that the Company or management expects a stated condition or result to occur. Forward-looking statements may be identified by such terms as “believes”, “anticipates”, “expects”, “estimates”, “may”, “could”, “would”, “will”, or “plan”. Since forward-looking statements are based on assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties. Although these statements are based on information currently available to the Company, the Company provides no assurance that actual results will meet management’s expectations. Risks, uncertainties and other factors involved with forward-looking information could cause actual events, results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking information. Forward looking information in this news release includes, but is not limited to, the Company’s objectives, goals or future plans, statements, potential mineralization, exploration and development results, the estimation of mineral resources, exploration and mine development plans, timing of the commencement of operations and estimates of market conditions. In particular, the Company has not made a production decision with respect to the ScoZinc Mine. The Company has not completed a feasibility study or established the economic viability of the Project or proposed operations on the ScoZinc Mine, and no mineral reserves have been established for the ScoZinc Mine that would support a production decision. Mineral exploration projects which are put into production without first establishing mineral reserves and completing a feasibility study have historically had a higher risk of economic or technical failure. There can be no assurance that forward-looking statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from ScoZinc’s expectations include, among others, the ability of ScoZinc to receive the necessary regulatory approvals to complete the Offering, availability and costs of financing needed in the future, changes in equity markets, risks related to international operations, the actual results of current exploration activities, delays in the development of projects, conclusions of economic evaluations and changes in project parameters as plans continue to be refined as well as future prices of metals, as well as those factors discussed in the section entitled “Risk Factors” in ScoZinc’s Management’s Discussion and Analysis. Although ScoZinc has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.