



## **NUBIAN RECEIVES FIRB APPROVAL AND FINALIZES DEFINITIVE DOCUMENTS FOR ACQUISITION OF YANDOIT ADVANCED GOLD PROJECT IN VICTORIA, AUSTRALIA**

**Toronto, Ontario, October 27, 2020** – Nubian Resources Ltd. (TSX-V:NBR) (“Nubian” or the “Company”) is pleased to announce that, further to its news releases dated May 28, 2020 and August 25, 2020, the Company has entered into a definitive subscription agreement (the “Subscription Agreement”) and has settled on definitive agreements to acquire a 60% interest and the right to acquire the remaining 40% interest in the Yandoit Gold Project (the “Project”), situated in the historic Daylesford gold corridor of central Victoria, Australia. The Project consists of approximately 38 square kilometres (3,800 ha) of property interest held under one Mining Licence and two Exploration Licences, containing six historic gold mines.

Martin Walter, President & CEO of Nubian, commented, “We are very pleased to have settled the definitive agreements and to have entered into the Subscription Agreement to acquire the Yandoit Gold Project. The process to finalize structure and documentation in Australia and regulatory approval in Canada required the Company to seek FIRB (Foreign Investment Review Board) approval for the Company’s investment into Australia. We’re pleased to confirm that Nubian has now received FIRB approval for all its acquisitions including the Yandoit Gold Project and the Fosterville East Project, both located in Victoria, Australia and the Lefroy and Mathinna projects located in Tasmania, Australia (see press release of July 15<sup>th</sup>). With FIRB approval having been received, Nubian is progressing to complete the transactions.”

The Company, through its wholly-owned subsidiary Blackwood Prospecting Pty Ltd (“Blackwood”), entered into the Subscription Agreement to acquire its initial interest in the Project by purchasing 60% of the shareholdings of Ballarat Investment Management Pty Ltd (“BIPM”) from the existing shareholders of BIPM (the “BIPM Shareholders”). BIPM is a privately held corporation incorporated pursuant to the laws of Victoria, Australia and is the owner or has rights to the licenses comprising the Project.

Under the Subscription Agreement, the consideration for the 60% equity interest in BIPM, Blackwood: (a) will pay on closing to the BIPM Shareholders A\$370,000 in cash; (b) will deliver to the BIPM Shareholders an aggregate of 4,361,760 common shares in the capital of the Company at a deemed price of C\$0.15 per share, and subject to adjustment of the Australian and Canadian foreign exchange rate on the date of closing; and (c) will issue to the BIPM Shareholders a promissory note, redeemable at the expiration of 18 months from the closing date for, at the sole election of Blackwood, one of the following: (i) the payment of AUD\$750,000 in cash; or (ii) the issuance to the BIPM Shareholders of a number of common shares in the capital of the Company equal to the quotient obtained by dividing the Canadian dollar equivalent of AUD\$750,000, by the volume weighted average price of the Company’s common shares traded on the TSX Venture Exchange for the 20 trading days immediately preceding the redemption date; or (iii) by transferring to the BIPM Shareholders a number of shares of BIPM equivalent to 35% of the issued capital of BIPM (thereby reducing the Company’s indirect holdings in BIPM to 25% of the issued capital of BIPM). The Subscription Agreement contains representations, warranties and covenants customary for a transaction of this nature.

On closing, Blackwood and the BIPM Shareholders will enter into a shareholders agreement (the “Shareholders Agreement”) with respect to the ownership of the shares of BIPM and the governance of BIPM which Shareholders Agreement provides the Company (through Blackwood) to acquire the remaining 40% of the share of BIPM from the BIPM Shareholders at any time before the date which is the earlier of the date that is 60 days following: (i) the



date that is 24 months from the closing date, and (ii) the date that the closing price of the Company's common shares on the TSX Venture Exchange is C\$1.20 or greater for a period of 60 consecutive days. Within seven days of exercising its right to acquire the remaining 40% of the shares of BIPM, Blackwood must deliver to the BIPM Shareholders a number of common shares in the capital of the Company equal to the quotient obtained by dividing the Canadian dollar equivalent of AUD\$3,500,000, by the volume weighted average price of the Company's common shares traded on the TSX Venture Exchange for the 20 trading days immediately preceding the date on which the option is exercised. The Shareholders Agreement contains an adjustment mechanism for the option price in the event that certain license transfers to BIPM are not effected. In the event that Blackwood does not exercise the option to acquire the remaining 40% of the shares of BIPM, then it will transfer 1,000 shares of BIPM to the BIPM Shareholders, reducing its holdings to not less than 25% of the issued capital of BIPM.

Under the terms of the Shareholders Agreement, Blackwood is required to solely fund the expenses of BIPM for a period of two years after the closing date to a maximum amount of AUD\$1,000,000. The Shareholders Agreement also provides that two of the three initial directors of BIPM shall be nominees of Blackwood and contains other provisions typical of an agreement of this nature including, restrictions on the transfer of BIPM shares and drag-along provisions. In connection with the transaction, the BIPM Shareholders will also be entitled to a 2% net smelter return royalty, which can be purchased by the Company for AUD\$250,000 at any time after 36 months from the agreement date. The completion of the transaction is subject to obtaining the approval of the TSX Venture Exchange.

## **ABOUT NUBIAN**

Nubian Resources Ltd. is a public traded precious and base metals exploration company listed on the TSX Venture Exchange. The Company is managed by a team of experienced mining and geological professionals. In May 2020, Nubian entered into an agreement to acquire and develop the Yandoit Gold Project in central Victoria, Australia and in July 2020, Nubian entered into an agreement to acquire Stavely Mineral Limited's Fosterville East project and its Lefroy and Mathinna projects in Tasmania. Nubian's main asset is the Esquilache Silver Project located within the Tintaya porphyry copper belt of southern Peru.

For further information, please contact Martin Walter, Chief Executive Officer, Nubian Resources Ltd., at +1-416-389-5692 or [martin@nubianr.com](mailto:martin@nubianr.com).

*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.*

## **Caution Regarding Forward Looking Statements**

Certain statements contained in this press release constitute forward-looking information. These statements relate to future events or future performance. The use of any of the words "could", "intend", "expect", "believe", "will", "projected", "estimated" and similar expressions and statements relating to matters that are not historical facts are intended to identify forward-looking information and are based on Nubian's current belief or assumptions as to the outcome and timing of such future events. Actual future results may differ materially. In particular, this release contains forward looking information relating to, among other things, statements with respect to the completion of the acquisition, the terms and conditions of the acquisition and the potential benefits of the acquisition and the Project. Various assumptions or factors are typically applied in drawing conclusions or



making the forecasts or projections set out in forward-looking information. Those assumptions and factors are based on information currently available to Nubian. Although such statements are based on reasonable assumptions of Nubian's management, there can be no assurance that any conclusions or forecasts will prove to be accurate.

Forward-looking information contained in this news release is based on certain factors and assumptions regarding, among other things, the Project, the Acquisition and the Private Placement, and other similar matters. While Nubian considers these assumptions to be reasonable based on information currently available to them, they may prove to be incorrect. Forward looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Such factors include risks inherent in the exploration and development of mineral deposits, including risks relating to changes in project parameters as plans continue to be redefined, risks relating to variations in grade or recovery rates, risks relating to changes in mineral prices and the worldwide demand for and supply of minerals, risks related to the COVID-19 pandemic and current global financial conditions, increased competition, access and supply risks, reliance on key personnel, operational risks regulatory risks, including risks relating to the acquisition of the necessary licenses and permits, financing, capitalization and liquidity risks, title and environmental risks and risks relating to delay or failure to satisfy the closing conditions to the Acquisition and the Private Placement.

The forward-looking information contained in this release is made as of the date hereof, and Nubian is not obligated to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws.

Because of the risks, uncertainties and assumptions contained herein, investors should not place undue reliance on forward-looking information. The foregoing statements expressly qualify any forward-looking information contained herein.