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**Press release**

**June 4, 2018**

## **Canada Strategic Metals and Matamec file joint circular regarding annual and special meetings for shareholder votes on business combination**

**Montréal, June 4, 2018 – Canada Strategic Metals Inc.** (“Canada Strategic” or “the Company”) (TSX.V: CJC; FSE: YXEN; OTC-BB: CJCFF) and **Matamec Explorations Inc. (TSX-V: MAT, OTC-QX: MHREF)** are pleased to announce that they have filed their joint management information circular (the “**Joint Circular**”) and related proxy materials with the Canadian securities regulators in advance of their annual and special shareholders meetings. The Joint Circular is now being mailed to shareholders of Canada Strategic and Matamec.

As announced on April 26, 2018, Canada Strategic and Matamec have agreed to a proposed business combination by way of a court approved plan of arrangement (the “Arrangement”) to create a new James Bay-focused gold exploration company (to be named Quebec Precious Metals Corporation). The Joint Circular updates information about the companies and provides information about the Arrangement. Shareholders of record of Canada Strategic on May 10, 2018 and of Matamec on May 14, 2018 will receive notice of and be entitled to vote at their respective annual and special meeting.

On May 10, 2018, Matamec has obtained an interim order from the Superior Court of Québec authorizing, among other things, Matamec to hold an annual and special meeting of shareholders of Matamec relating to the Arrangement.

### **CANADA STRATEGIC SHARES FOR DEBT**

In connection with the Goldcorp Investment, and as a condition thereof, all amounts owed to insiders of Canada Strategic must be settled and paid in Canada Strategic Shares immediately following the completion of the Arrangement and prior to the completion of the Goldcorp Investment. Therefore, Canada Strategic agreed to enter into the following agreement:

- (a) shares for debt agreement between Canada Strategic and Consul-Teck Exploration Minière Inc. for the issuance of 400,000 Canada Strategic Shares at a price of \$0.61 per share in payment of a debt of \$244,000 owed to such company in connection with the conduct of exploration programs on the Sakami Project. Jean-Sébastien Lavallée, an officer and director of Canada Strategic, is also an officer and shareholder of Consul-Teck Exploration Minière Inc. The debt was incurred in the regular course of business of Canada Strategic;

At the Canada Strategic Meeting, as required by the TSX-V in accordance with its policies, Canada Strategic Shareholders will be called upon to vote on the resolution annexed to the Circular as Schedule “A” - *Resolutions to be Approved at the Canada Strategic Meeting* (the “Canada Strategic Shares For Debt Resolution”), approving the issuance of 400,000 Canada Strategic Shares by Canada Strategic in settlement of the above mentioned debt. The Canada Strategic Shares for Debt Resolution must be approved, with or without variation, by a simple majority of the disinterested votes cast by Canada Strategic Shareholders present in person or represented by proxy at the Canada Strategic Meeting. Canada Strategic has been advised by Jean-Sébastien Lavallée that he and his associates exercise control or direction over an aggregate of 13,786,562 Canada Strategic Shares. Consequently, the votes attached to those shares will not be included for the purposes of approving the Canada Strategic Shares For Debt Resolution. In the event that the Canada Strategic Shares For Debt Resolution is not approved at the Canada Strategic Meeting, Canada Strategic will not issue the 400,000 Canada Strategic Shares to Consul-Teck Exploration Minière Inc. The complete text of the Canada Strategic Shares for Debt Resolution to be presented to

the Canada Strategic Meeting is set forth in Schedule "A" - *Resolutions to be Approved at the Canada Strategic Meeting* to the Circular.

The approval of the Canada Strategic Shares for Debt Resolution is a condition precedent to the completion of the Goldcorp Investment, which itself is a condition precedent to the completion of the Arrangement.

**The Canada Strategic Board and management, as applicable, recommend that Canada Strategic Shareholders VOTE FOR the Canada Strategic Shares for Debt Resolution. In the absence of instructions to the contrary, the persons whose names appear in the Canada Strategic Proxy intend to VOTE FOR the Canada Strategic Shares for Debt Resolution.**

### **MATAMEC SHARES FOR DEBT**

In connection with the Goldcorp Investment, and as a condition thereof, all amounts owed to certain directors and other creditors of Matamec must be settled and paid in Matamec Shares immediately following the completion of the Arrangement and prior to the completion of the Goldcorp Investment. A total of 2,107,991 Matamec Shares will be issued in settlement of \$309,104.53 in outstanding debts. As up to an amount of \$112,338.98 involves certain insiders of Matamec, Matamec intends, as per the policy

4.3 of the TSX-V, to obtain disinterested shareholders' approval at the Matamec Meeting. Disinterested Matamec Shareholders will be called upon to vote on the resolution annexed to the Circular as *Schedule "B" - Resolutions to be Approved at the Matamec Meeting* (the "Matamec Shares For Debt Resolution") in order to approve:

(a) a shares for debt agreement between Matamec and Marcel Bergeron Consultant Inc. (a company owned by Marcel Bergeron, an officer and director of Matamec) for the issuance of 538,061 Matamec Shares at a price of \$0.1466 per Matamec Share (or the equivalent of 129,311 Canada Strategic Shares at \$0.61 per Canada Strategic Share on a post-Arrangement basis) in payment of an amount of \$78,879.84 owed to Marcel Bergeron Consultant Inc. by Matamec. Marcel Bergeron, an officer and director of Matamec, is also a director and the sole shareholder of Marcel Bergeron Consultant Inc.; and

(b) a shares for debt agreement between Matamec and François Biron (as officer and director of Matamec) for the issuance of 228,234 Matamec Shares at a price of \$0.1466 per Matamec Share (or the equivalent of 54,851 Canada Strategic Shares at \$0.61 per Canada Strategic Share on a post-Arrangement basis) in payment of an amount of \$33,459.14 owed to Mr. Biron by Matamec and in payment of director's fees.

The Matamec Shares for Debt Resolution must be approved, with or without variation, by a simple majority of the disinterested votes cast by Matamec Shareholders present in person or represented by proxy at the Matamec Meeting. Matamec has been advised by Marcel Bergeron and François Biron they exercise control or direction over an aggregate of 135,000 Matamec Shares. Consequently, the votes attached to those shares will not be included for the purposes of approving the Matamec Shares For Debt Resolution. In the event that the Matamec Shares For Debt Resolution is not approved at the Matamec Meeting, Matamec will not issue the 766,295 Matamec Shares to the insiders of Matamec. The complete text of the Matamec Shares for Debt Resolution to be presented to the Matamec Meeting is set forth in *Schedule "B" - Resolutions to be Approved at the Matamec Meeting* to the Circular.

**The Matamec Board and management, as applicable, recommend that Matamec Shareholders VOTE FOR the Matamec Shares for Debt Resolution. In the absence of instructions to the contrary, the persons whose names appear in the Matamec Proxy intend to VOTE FOR the Matamec Shares for Debt Resolution.**

### **CANADA STRATEGIC ANNUAL AND SPECIAL MEETING**

The annual and special meeting of shareholders of Canada Strategic is scheduled to be held at **9:00 a.m.** (Eastern Standard Time) on **Thursday, June 14, 2018** at the offices of Fasken Martineau DuMoulin LLP, Suite 3700, Stock Exchange Tower, 800 Place Victoria, Montreal, Québec, Canada H4Z 1E9.

## **MATAMEC ANNUAL AND SPECIAL MEETING**

The annual and special meeting of shareholders of Matamec is scheduled to be held at **10:00 a.m.** (Eastern Standard Time) on **Thursday, June 14, 2018** at the offices of Fasken Martineau DuMoulin LLP, Suite 3700, Stock Exchange Tower, 800 Place Victoria, Montreal, Québec, Canada H4Z 1E9.

**Your vote is important regardless of the number of shares you own.** Canada Strategic and Matamec encourage shareholders to read the meeting materials in detail. An electronic copy of the Joint Circular is available on Canada Strategic's website at [www.csmetals.ca](http://www.csmetals.ca) and on Matamec's website at [www.matamec.com](http://www.matamec.com). It will also be available under the issuer profile of both companies on SEDAR at [www.sedar.com](http://www.sedar.com).

### **YOUR VOTE IS IMPORTANT - PLEASE VOTE TODAY**

**The Board of Directors of Canada Strategic and Matamec UNANIMOUSLY recommend that shareholders vote IN FAVOUR of the Arrangement**

## **HOW TO VOTE**

**Due to essence of time, shareholders are encouraged to vote today using the internet or telephone.**

### **Registered shareholders of Canada Strategic and Matamec**

Registered shareholders may vote by:

- **Internet:** [www.investorvote.com](http://www.investorvote.com)
- **Telephone:** 1-866-732-8683 (North American Toll Free)
- Mail
- Attending the meeting in person

### **Non-registered shareholders of Canada Strategic and Matamec**

Shareholders who hold shares of Canada Strategic or Matamec through a bank or other intermediary will have different voting instructions and should carefully follow the voting instructions provided to them. In most cases, non-registered shareholders will receive a voting instruction form as part of the meeting materials. Non-registered shareholders are encouraged to complete, sign and return the voting instruction form in accordance with the instructions on the form.

### **About Canada Strategic Metals Inc.**

Canada Strategic Metals Inc. is an emerging company focused on the exploration and development of a number of projects covering over 57,084 hectares in Quebec. With broad management experience in green technology and junior resource exploration and development, Canada Strategic Metals is well positioned to aggressively advance this promising property portfolio for its shareholders.

### **About Matamec Explorations Inc.**

Located in Montreal (Québec), Matamec Explorations Inc. is a junior mining exploration company in which primary activities are oriented on the development of gold assets. Matamec's main focus is on the SAKAMI gold property (50%), in proximity to the Éléonore Mine (in James Bay, QC); Opinaca Gold West (100%), located in the Quebec Plan Nord region in similar geological settings as established gold-producing mines; and the Casa-Detour property (100%), located east of the Burntbush property of Detour Gold Corp. Matamec has two other gold projects in Ontario, Matheson JV (50%) and Pelangio (100%) located near the Hoyle Pond Mine in Timmins. Matamec's other mining projects include key elements for technologies related to energy containing, among others, lithium (Tansim-under option), Cobalt (Fabre-100% owned), nickel (Vulcain-100% owned) and rare earths (Kipawa-72% owned by Matamec). The Kipawa Heavy Rare Earth Elements (HREE) project is a joint venture owned at 72% by Matamec and 28% by Ressources Québec (acting as agent of the Government of Québec). Toyota Tsusho Corp. of Nagoya, Japan holds a 10% royalty on net profit from the deposit.

For more information on the Company, please visit [www.csmetals.ca](http://www.csmetals.ca).

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#### **Forward-looking statements**

*This news release contains "forward-looking information" and "forward-looking statements" (collectively, "forward-looking statements") within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements. In this news release, forward-looking statements relate, among other things, to: the anticipated benefits of the Arrangement to Canada Strategic and Canada Strategic shareholders; the anticipated benefits of the Arrangement to Matamec and Matamec shareholders; the exchange ratio and value of the Canada Strategic Shares being delivered as arrangement consideration; the market capitalization of Canada Strategic following the completion of the Arrangement; the timing and receipt of the required shareholder, court, stock exchange and regulatory approvals for the Arrangement; the timing and ability of Canada Strategic and Matamec to satisfy the conditions precedent to completing the Arrangement; the closing of the Arrangement; the timing and receipt of the required stock exchange and regulatory approvals for the Arrangement; the length of the current market cycle and requirements for an issuer to survive in the current market cycle; future growth potential of Canada Strategic and their respective business; and future exploration plans.*

*These forward-looking statements are based on reasonable assumptions and estimates of management of Canada Strategic and Matamec, as the case may be, at the time such statements were made. Actual future results may differ materially as forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Canada Strategic or Matamec, as the case may be, to materially differ from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors, among other things, include: satisfaction or waiver of all applicable conditions to closing of the Arrangement (including receipt of all necessary shareholder, court, stock exchange and regulatory approvals or consents and the absence of material changes with respect to the parties and their respective businesses, all as more particularly set forth in the Arrangement agreement); the synergies expected from the Arrangement not being realized; business integration risks; fluctuations in general macroeconomic conditions; fluctuations in securities markets and the market price of Canada Strategic and Matamec Shares; the satisfaction or waiver of all applicable conditions to closing of the transaction (including receipt of all necessary stock exchange and regulatory approvals or consents); fluctuations in spot and forward prices of gold, silver, base metals or certain other commodities; fluctuations in currency markets (such as the Canadian dollar to United States dollar exchange rate); change in national and local government, legislation, taxation, controls, regulations and political or economic developments; risks and hazards associated with the business of mineral exploration; inability to obtain adequate insurance to cover risks and hazards; the presence of laws and regulations that may impose restrictions on mining; employee relations; relationships with and claims by local communities and indigenous populations; availability of increasing costs associated with mining inputs and labour; the speculative nature of mineral exploration (including the risks of obtaining necessary licenses, permits and approvals from government authorities); and title to properties or projects. In addition, the failure of a party to comply with the terms of the Arrangement agreement may result in that party being required to pay a non-completion or other fee to the other party, the result of which could have a material adverse effect on the paying party's financial position and results of operations and its ability to fund growth prospects and current operations. Although the forward-looking statements contained in this news release are based upon what management of Canada Strategic or/and Matamec, as the case may be, believes, or believed at the time, to be reasonable assumptions, Canada Strategic or/and Matamec, as the case may be, cannot assure shareholders that actual results will be consistent with such forward-looking statements, as there may be other factors that cause results not to be as anticipated, estimated or intended.*

*Readers should not place undue reliance on the forward-looking statements and information contained in this news release. Except as required by law, Canada Strategic and Matamec assume no obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change, except as required by law. 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.*