



News Release

MURCHISON CLOSES OVERSUBSCRIBED FLOW-THROUGH PRIVATE PLACEMENT

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December 31, 2020 (Toronto, Ontario): Murchison Minerals Ltd. (“**Murchison**” or the “**Company**”) (TSXV: MUR) is pleased to announce that further to its press release dated December 12, 2020, the Company has closed an oversubscribed non-brokered private placement (the “**Private Placement**”) through the issuance of 15,986,889 common shares of the Company issued on a flow-through basis (each, a “**FT Share**”) at a price of \$0.095 per FT Share for gross proceeds of \$1,518,754.

The FT Shares qualify as a “flow-through share” for purposes of the *Income Tax Act* (Canada)(the “**Tax Act**”). In connection with the Private Placement, the Company paid an aggregate cash finders’ fees of \$73,410 and issued an aggregate of 502,733 finders’ warrants. Each finder’s warrant entitles the holder to acquire one common share of the Company at a price of \$0.12 per share until December 31, 2021. The Private Placement is subject to final approval from the TSX Venture Exchange. All securities issued pursuant to the Private Placement are subject to a four month hold period from the date of issue in accordance with applicable securities laws. The Company will incur “Canadian exploration expenses” as defined in subsection 66.1(6) of the Tax Act in an amount equal to the gross proceeds from the issuance of the FT Shares on its Brabant Lake VMS project in Saskatchewan.

A director of the Company subscribed for 4,500,000 FT Shares pursuant to the Private Placement, which participation constituted a “related party transaction” as defined under Multilateral Instrument 61-101 (“**MI 61-101**”). The Company is relying on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101, as the fair market value of the participation in the Private Placement by the director does not exceed 25% of the market capitalization of the Company, as determined in accordance with MI 61-101. The Company did not file a material change report in respect of the related party transaction at least 21 days before the closing of the Private Placement, which the Company deems reasonable in the circumstances in order to complete the Private placement in an expeditious manner. The Private Placement was approved by all independent directors of the Company.

Also, the Company announces that it has granted an aggregate of 3,700,000 options to purchase common shares of the Company exercisable at a price of \$0.095 per share for a period of 5 years and vest immediately, to directors and officers of the Company, in accordance with the terms of the Company’s stock option plan.

About Murchison Minerals Ltd.

Murchison is a Canadian-based exploration company focused on the exploration and development of the 100%-owned Brabant-McKenzie zinc-copper-silver deposit and surrounding land package in north-central Saskatchewan. The Company also has a 100% interest in the HPM nickel-copper-cobalt project in Quebec. Following the Private Placement, the Company now has 98.9 million shares issued and outstanding.

Additional information about Murchison and its exploration projects can be found on the Company's website at www.murchisonminerals.com.

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Forward-Looking Information

Certain information set forth in this news release may contain forward-looking information that involves substantial known and unknown risks and uncertainties. This forward-looking information is subject to numerous risks and uncertainties, certain of which are beyond the control of the Company, including, but not limited to, the impact of general economic conditions, industry conditions, and dependence upon regulatory approvals. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking information. The parties undertake no obligation to update forward-looking information except as otherwise may be required by applicable securities law.

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