
Buchans Resources Reports Second Quarter 2024 Results

Toronto, Canada. August 28, 2024 – Buchans Resources Limited (“**Buchans**” or the “**Company**”), a Canadian mineral exploration and development company, reports its financial results and results of operations for the three and six months ended June 30, 2024.

This news release should be read in conjunction with the Company’s condensed interim financial statements and the associated management’s discussion and analysis (MD&A) for the three and six months ended June 30, 2024 which are available on the Company’s website at www.BuchansResources.com or under the Company’s profile at www.sedarplus.ca.

DISTRIBUTION OF CANTERRA MINERALS CORPORATION SHARES

On June 28, 2024, Buchans distributed to Buchans shareholders of 113,243,613 common shares of Canterra Minerals Corporation (“**Canterra**”) (TSXV:CTM; OTCQB:CTMCF) (the “**Distribution**”) at a ratio of 1.75 Canterra Shares for each common share of Buchans held as of March 28, 2024. The effective price of the Canterra Shares distributed was \$0.055, based on the closing price of the Canterra Shares on June 27, 2024, giving a total value of the distribution of \$6,228,399 (the equivalent of \$0.096 per Buchans share).

The Distribution was made as a return-of-capital for Canadian tax purposes. At the Annual and Special Meeting of Buchans held on May 9, 2024, shareholders approved a reduction of the stated capital account, for the purpose of distributing shares of Canterra to Buchans shareholders. On June 28, 2024, the stated capital of the Company was reduced by \$6,228,399.

At June 30, 2024, Buchans held 35,501,054 common shares of Canterra.

The combined effect of the Canterra transaction and the Distribution was that Buchans shareholders received a distribution of Canterra shares, retained their shareholding in Buchans, with funding available to advance exploration on Buchans’ nickel, copper, cobalt and gold exploration assets in Labrador, with the ultimate goal of a sale or go-public transaction in respect of those assets, and at the same time retained indirect exposure to exploration in the world renowned Buchans camp through the shares in Canterra distributed.

Buchans’ transaction with Canterra consolidated the highly prospective base metals district in Central Newfoundland, centered on the famous Buchans mine and former Duck Pond mine, with a large mineral resource inventory across multiple deposits that ranks favourably in terms of tonnage and grade amongst the peer group, including the past producing Buchans Mine, a prolific polymetallic massive sulfide mine that was operated by ASARCO (and others) for over 50 years producing zinc and copper concentrate from high-grade ore, and Teck’s former Duck Pond Mine, a substantial copper and zinc producer. Canterra is strongly positioned to unveil the next mineral discovery in central Newfoundland.

COMPANY OVERVIEW

Buchans holds nickel, copper, cobalt and gold exploration properties in Labrador, and plans to advance exploration on these long-overlooked but promising critical minerals assets over the course of the next two years. Buchans' South Voisey's Bay Ni/Cu/Co project has high-priority, drill-ready targets in a confirmed Voisey Bay Deposit-style environment, while its Tasiuyak Gold Project is believed to represent an orogenic, iron formation-hosted gold environment, comparable to the geology of the renowned former Homestake gold mine in South Dakota.

In addition to its exploration properties in Labrador, Buchans holds 35,501,054 common shares of Canterra, and mineral exploration interests in Ireland through its shareholding in Minco Exploration PLC.

At June 30, 2024, the Company also held 28,000,003 shares of Royalties Inc. with a quoted market value as at that date of \$840,000.

FINANCIAL RESULTS

Buchans recorded no revenue in the six months ended June 30, 2024 or June 30, 2023.

On June 28, 2024, Buchans distributed to its shareholders, as a return of capital, 113,243,613 Canterra shares at a ratio of 1.75 Canterra Shares for each common share of Buchans held as of March 28, 2024. The effective price of the Canterra Shares distributed was \$0.055, based on the closing price of the Canterra Shares on June 27, 2024, giving a total value of the distribution of \$6,228,399, the equivalent of \$0.096 per Buchans share.

For the three months ended June 30, 2024, the Company recorded a loss of \$4,242,432. The loss included a reduction in fair value of marketable securities of \$1,909,443 and a loss on the distribution of marketable securities to shareholders in the amount of \$2,264,872.

For the six months ended June 30, 2024, the Company recorded a loss of \$6,530,606. The loss included a reduction in fair value of marketable securities of \$4,136,243 and a loss on the distribution of marketable securities to shareholders in the amount of \$2,264,872.

For the three months ended June 30, 2023, the Company recorded income of \$2,711,454. These results included a reversal of impairment in the amount of \$2,330,663 and a gain in fair value of marketable securities of \$464,338.

For the six months ended June 30, 2023, the Company recorded income of \$2,632,310. This income included a reversal of impairment in the amount of \$2,330,663 and a gain in fair value of marketable securities of \$464,338.

For the twelve months ended December 31, 2023, the Company recorded income of \$5,610,921. This income included a gain on disposal of exploration and evaluation assets of \$1,612,194, a reversal of impairment on exploration and evaluation assets of \$64,223, a gain on reclassification of investment in associate to marketable securities of \$2,795,000, a gain in fair value of marketable securities of \$1,854,972, and a loss on disposal of marketable securities of (\$100,000).

During the six months ended June 30, 2024, Buchans invested \$36,897 (net of a government refund of \$6,100) (2023 - \$213,828) on exploration expenditures on its mineral properties.

DEATH OF DIRECTOR – DANESH KUMAR VARMA

It is with regret that we report the sudden death of Danesh Varma, Director and Chief Financial Officer of Buchans Resources Limited, on August 8, 2024.

He had been a director of Buchans since its formation in 2017 and of its former parent company, Minco Plc, since 2003.

“Danesh was a man of great integrity, high moral character, with a deep sense of loyalty, a true gentleman and a good friend. He will be sorely missed.” said **John Kearney, Chairman and Chief Executive of Buchans.**

“On behalf of the Board of Directors and all his colleagues in Buchans, we offer our sympathy and condolences to his wife and family.”

Qualified Person:

Paul Moore, M.Sc., P.Geo., (NL), Vice President Exploration of Buchans Resources Limited and a Qualified Person as defined by National Instrument 43-101, has approved the scientific and technical disclosure in this News Release.

ABOUT BUCHANS RESOURCES

Buchans Resources holds interests in nickel, copper, cobalt, and gold properties in Labrador; and, indirectly, through its investment in **Canterra Minerals Corporation** (TSXV:CTM), in base and precious metals projects in Newfoundland, including the Buchans base metals district, and, through its investment in **Royalties Inc.** (CSE:RI), base metal and silver projects in Mexico and, through its investment in **Minco Exploration PLC**, base metal exploration licences in Ireland.

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Please follow us on X (@BuchansResLtd) and on LinkedIn.

Additional information available at www.BuchansResources.com.

FORWARD-LOOKING STATEMENTS

This news release contains certain forward-looking statements relating to, but not limited to, the Company's expectations, intentions, plans and beliefs. Forward-looking information can often be identified by forward-looking words such as “anticipate”, “believe”, “expect”, “goal”, “plan”, “intend”, “estimate”, “may” and “will” or similar words suggesting future outcomes, or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. Forward-looking information may include reserve and resource estimates, estimates of future production, unit costs, costs of capital projects and timing of commencement of operations, and is based on current expectations that involve a number of business risks and uncertainties. Factors that could cause actual results to differ materially from any forward-looking statement include, but are not limited to, failure to establish estimated resources and reserves the grade and recovery of ore which is mined varying from estimates, capital and operating costs varying significantly from estimates, delays in obtaining or failures to obtain required governmental, environmental or other project approvals, delays in the development of projects changes in exchange rates, fluctuations in commodity prices, inflation and other factors. Forward-looking

statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from expected results. Shareholders and prospective investors should be aware that these statements are subject to known and unknown risks uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. Shareholders are cautioned not to place undue reliance on forward-looking information. By its nature, forward-looking information involves numerous assumptions, inherent risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and various future events will not occur. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking information whether as a result of new information, future events or other such factors which affect this information, except as required by law.