

## Bunker Closes \$1.7M Non-Brokered Private Placement of Units and Updates on Subsequent \$1.5M Non-Brokered Private Placement of Common Shares

*Not For Distribution To United States Newswire Services Or For Dissemination In The United States*

TORONTO, Aug. 01, 2019 -- **Bunker Hill Mining Corporation** (the "**Company**") (CSE:BNKR) is pleased to announce that it has closed the second and final tranche ("**Tranche Two**") of the non-brokered private placement of 34,665,800 units of the Company ("**Units**") at \$0.05 per Unit for gross proceeds of C\$1,733,290 (the "**Unit Offering**") that was previously announced in the Company's June 24, 2019, June 28, 2019 and July 18, 2019 news releases, and the first tranche of which, consisting of the sale of 11,660,000 Units, closed on June 28, 2019.

Each Unit sold under the Unit Offering consists of one common share of the Company (a "**Common Share**") and one Common Share purchase warrant (a "**Warrant**"). Each whole Warrant entitles the holder to acquire one Common Share at a price of C\$0.25 per Common Share for a period of two years.

Tranche Two consisted of the sale of 23,005,800 Units, of which 6,006,666 Units were issued in satisfaction of indebtedness owed to directors of the Company for services rendered by them to the Company and another 9,562,840 Units were issued to arm's-length parties in satisfaction of \$478,142 in indebtedness owed to these arm's-length parties who provided financial and service support to the Company over the past 18 months.

### Related party Transaction

Pursuant to the Tranche Two, John Patrick Ryan, a director of the Company, has acquired 1,266,666 Units, Wayne Parsons, a director of the Company, has acquired 4,740,000 Units. Prior to the Tranche Two, Mr. Ryan had beneficial ownership over 140,000 Common Shares (or approximately 0.88% of the then issued and outstanding Common Shares) on a partially diluted basis and Mr. Parsons held beneficial ownership over 66,666 Common Shares (or approximately 0.42% of the then issued and outstanding Common Shares) on a partially diluted basis. In addition to and in connection with the issuance of the 23,005,800 Units pursuant to the Tranche Two, the Company has issued 763,200 Units to Sebastian Marr, a Control Person of the Company, in consideration for advising services rendered by Sebastian Marr to the Company. Prior to the closing of Tranche Two, Mr. Marr had beneficial ownership over 16,000,000 Common Shares (or approximately 67.19% of the then issued and outstanding Common Shares). Following the completion of the Tranche Two, Mr. Ryan has beneficial ownership over 2,673,332 Common Shares (or approximately 6.52% of the issued and outstanding Common Shares), Mr. Parsons has beneficial ownership over 9,546,666 Common Shares (or approximately 21.51% of the issued and outstanding Common Shares), and Mr. Marr has beneficial ownership over 16,763,200 Common Shares (or approximately 34.68% of the issued and outstanding Common Shares), calculated on a partially diluted basis.

This issuance of Units to Messrs. Ryan, Parsons, and Marr (collectively the "**Insiders**") in connection with the Tranche Two is considered a "related party transaction" as such term is defined under Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). The Company is relying on exemptions from the formal valuation and minority shareholder approval requirements provided under MI 61-101 on the basis that the issuance of the Units to insiders in connection with the Tranche Two does not exceed 25% of the fair market value of the Company's market capitalization.

The Issuance of Units under the Unit Offering, including the issuance of Units in satisfaction of indebtedness to insiders and the issuance of the Units in satisfaction of Mr. Marr's advisory fees has been approved by the Board of Directors of the Company who considered the insiders' interests in the Tranche Two and the best interests of the Corporation. The Company did not file a material change report disclosing the related party transaction more than 21 days before the expected closing date of the Tranche Two as the details of the Tranche Two and the participation therein by each insider of the Company were not settled until shortly prior to the closing of the Tranche Two.

### Early Warning Reports

In addition to the acquisition of Units by Messrs. Parsons and Marr, each of whom following the completion of Tranche Two has beneficial ownership over 10% of the issued and outstanding Common Shares, pursuant to the Tranche Two Valuestone Global Resources Fund I LP (the "**Valuestone**"), through its special purpose vehicle and wholly owned subsidiary, Gemstone 102 Ltd., who immediately prior to closing of Tranche Two had beneficial ownership over 720,814 Common Shares (or approximately 4.5% of the then issued and outstanding Common Shares) on a partially diluted basis, has acquired 4,665,800 Units, and Mr. Amir Bem, who immediately prior to closing of Tranche Two had beneficial ownership over 62,500 Common Shares (or approximately 0.39% of the then issued and outstanding Common Shares) on a partially diluted basis, has acquired 7,200,000 Units.

Following the completion of the Tranche Two, Valuestone has beneficial ownership over 10,052,414 Common Shares or approximately 22.36% of the issued and outstanding Common Shares and Mr. Bem has beneficial ownership over 14,462,500 Common Shares or approximately 30.87 % of the issued and outstanding Common Shares.

ownerships, control or direction over securities of the Company through market transactions, private agreements, or otherwise. For the purposes of this notice, the address of Valuestone is 103 South Church Street, P.O. Box 10240, Grand Cayman KY1-1002, Cayman Island, the address of Mr. Marr is 59 Studdridge Street, London, SW6 3SL United Kingdom, the address of Mr. Bem is 25 Sable Street, Toronto, ON, N M6M 3K8 and the address of Mr. Parsons is 82 Richmond Street East Toronto, ON M5C 1P1.

In satisfaction of the requirements of the National Instrument 62-104 - *Take-Over Bids And Issuer Bids* and National Instrument 62-103 - *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues*, early warning reports respecting the acquisition of Units by Messrs. Parsons, Marr and Bem and by Valuestone will be filed under the Company's SEDAR Profile at [www.sedar.com](http://www.sedar.com).

### **Subsequent Offering**

The Company is also pleased to provide an update on the previously announced in the Company's July 18, 2019 news release a subsequent non-brokered equity financing consisting of an offering of Common Shares of the Company at \$0.05 per Common Share for gross proceeds of C\$1,500,000, subject to the option of the Company to offer up to additional 4,665,800 Common Shares (the "**Subsequent Offering**"). The Company has received encouraging expressions of interest in the Subsequent Offering and expect to close it in the coming weeks.

The net proceeds from the Unit Offering and from the Subsequent Offering (collectively the "**Offerings**") shall be primarily used for lease and other payments required to keep the Company's option interest in Bunker Hill Mine in good standing, for further development of the Bunker Hill Mine, and for general corporate and working capital purposes.

The Subsequent Offering will be subject to receipt of all necessary regulatory approvals. The securities issued in connection with the Unit Offering are, and the securities issued in connection with the Subsequent Offering will be, subject to a customary four month and a day hold period in accordance with applicable Canadian securities laws and to a concurrent six month hold period in accordance with applicable U.S. securities laws.

This news release does not constitute an offer of securities for sale in the United States. The securities being offered have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and such securities may not be offered or sold within the United States absent U.S. registration or an applicable exemption from U.S. registration requirements.

### **About Bunker Hill Mining Corp.**

Bunker Hill Mining Corp. has an option to acquire 100% of the Bunker Hill Mine. Information about the Company is available on its website, [www.bunkerhillmining.com](http://www.bunkerhillmining.com), or within the SEDAR and EDGAR databases.

For additional information contact:

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### **Cautionary Statements**

*Certain statements in this news release are forward-looking and involve a number of risks and uncertainties. Such forward-looking statements are within the meaning of that term in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, as well as within the meaning of the phrase 'forward-looking information' in the Canadian Securities Administrators' National Instrument 51-102 – Continuous Disclosure Obligations. The forward looking statements made herein are based on information currently available to the Company and the Company provides no assurance that actual results will meet management's expectations or assumptions with respect to, among other things, the ability of the Company to successfully complete the Subsequent Offering on the terms as announce, the ability of the Company to complete payments pursuant to the terms of the agreement to acquire the Bunker Hill Mine Complex, the Company's present and future financial condition, the Company's ability to secure financing, and the state of financial markets. 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", and may include statements regarding, among other things, the terms of the Subsequent Offering and funding of the acquisition. Since forward-looking statements are based on assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results relating to, among other things, results of exploration, project development, and the Company's financial condition and prospects, could differ materially from those currently anticipated in such statements for many reasons such as: the inability of the Company to successfully complete the Subsequent Offering; the inability of the Company to budget and manage its liquidity in light of the failure to obtain additional financing, including the ability of the Company to complete the payments pursuant to the terms of the agreement to acquire the Bunker Hill Mine Complex; the inability of the Company to develop or sustain an active public market for its securities; development of changes in general economic conditions and conditions in the financial markets; changes in demand and prices for precious metals; litigation, legislative, environmental and other judicial, regulatory, political and competitive developments; operational difficulties encountered in connection with the activities of the Company; and other*

*undertake to update any forward-looking statement that may be made from time to time by the Company or on its behalf, except in accordance with applicable securities laws.*