



# STUHINI EXPLORATION LTD

## NEWS RELEASE

### **Stuhini Provides Additional Disclosure For Ruby Creek Option Agreement**

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*Vancouver, Canada* – November 20<sup>th</sup>, 2019 - Stuhini Exploration Ltd. (“**Stuhini**” or the “**Company**”) (TSX-V:STU) wishes to provide certain additional disclosures to supplement its information circular (the “Circular”) dated October 23, 2019 in connection with the annual general meeting of shareholders of the Company (the “Meeting”) to be held on November 28, 2019. At the Meeting, the shareholders of the Company will be asked to approve, amongst other things, the Ruby Creek Option Agreement (the “Option Agreement”), whereby the Company can acquire a 100% interest in the Ruby Creek Property (the “Option”) from Global Drilling Solutions Inc. (“Global Drilling”). The Option is exercisable by making cash payments and issuing shares over a four-year term as set out in the Circular, which may be accelerated at the Company’s election.

As background to the transaction, the Company first expressed interest in the Ruby Creek Property in June 2019. David O’Brien, CEO of the Company, and Mr. Hanslit, on behalf of Global Drilling, entered into formal negotiations in mid-June 2019. The Company and Global Drilling negotiated the terms of the Option Agreement in July and signed the Option Agreement on July 29, 2019. The board of directors approved the Option Agreement by directors’ resolution on July 29, 2019. The Company did not convene a special committee to review the transaction as Mr. Hanslit was not a director and all of the members of the Board were independent of Global Drilling. The Company considered it within the purview of the all of the directors to review and approve the Option Agreement.

There are no known prior valuations in respect of the Company that relate to the Ruby Creek transaction that have been made within the 24 months prior to the date of the Circular. No offers have been made for the Ruby Creek Property within the 24 months prior to the date of the Agreement which would constitute a “bona fide prior offer”.

Mr. Barry Hanslit is the sole shareholder of Global Drilling and currently holds 9.85% of the issued and outstanding shares of the Company. However, at the time the Company entered into the Option Agreement, the transaction constituted a “related party transaction” as Mr. Hanslit held more than 10% of the issued and outstanding shares of the Company. Pursuant to Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions (“MI 61-101”), the Company is required to obtain a formal valuation and minority shareholder approval for a “related party transaction” unless certain exemptions apply. The Company is relying on the exemption from the formal valuation requirement contained in section 5.5(b) of MI 61-101 as the Company is listed on the TSX Venture Exchange (and not on any specified market). Pursuant to TSX Venture Exchange Policy 5.3 (“Policy 5.3”), the Company will be seeking minority shareholder approval for the Option Agreement, and the creation of a new

control person, at the Meeting. The Company will also be relying on the minority shareholder approval obtained in satisfaction of Policy 5.3 to fulfil the minority shareholder approval requirement under MI 61-101.

The transaction is considered ordinary course of business for the Company and management does not consider it to be a material change for the Issuer.

**About Stuhini Exploration Ltd.:** Stuhini is a mineral exploration company focused on the exploration and development of precious and base metals properties with its primary focus on the Metla Property located in northwestern British Columbia, Canada, approximately 150 kilometres south of the town of Atlin.

### **Forward-Looking Statements**

This release contains "forward-looking information " within the meaning of Canadian securities laws, which may include, but are not limited to statements relating to the Option, the exercise of the Option and obtaining regulatory and shareholder approvals. All statements in this release, other than statements of historical facts, that address events or developments that the Company expects to occur, are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results may differ materially from those in the forward-looking statements. Factors that could cause the actual results to differ materially from those in forward-looking statements include regulatory actions, fluctuations in metal and commodity prices, market prices, failure to obtain permits, and continued availability of capital and financing, and general economic, market or business conditions. In particular, there is no guarantee that the Option will be exercised. Such forward-looking information reflects the Company's views with respect to future events and is subject to risks, uncertainties and assumptions, including those set out in the Company's prospectus. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. There can be no assurance that any forward-looking statements or information will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements or information. Accordingly, readers should not place undue reliance on forward-looking statements or information. Except as required by applicable securities laws, the Company undertakes no obligation to update these forward-looking statements in the event that management's beliefs, estimates or opinions, or other factors, should change.

*Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*

For further information please contact:  
David O'Brien  
President & Chief Executive Officer  
Telephone: (604) 418-4019  
Email: [dobrien@stuhini.com](mailto:dobrien@stuhini.com)