



Mistango River Resources Announces \$3 Million Private Placement of Flow-Through Units

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Toronto, Ontario – August 31, 2020 – Mistango River Resources Inc. (“Mistango” or the “Company”) (CSE: MIS) is pleased to announce that it has entered into an agreement with Echelon Wealth Partners Inc. (“Echelon”), that have agreed to sell, on a “best efforts” private placement basis, up to approximately C\$3,000,000 of FT units (the “FT Units”) of the Company (the “Offering”) at a price of C\$0.28 per FT Unit (the “Issue Price”).

Each FT Unit will consist of one common share of the Company (a “FT Unit Share”) and one-half of one common share purchase warrant (each whole warrant a “Warrant”), with each Warrant entitling the holder thereof to acquire one common share of the Company (a “Warrant Share”) at a price C\$0.35 for a period of 2 years following the closing of the Offering.

The Company has also granted Echelon an option to purchase up to an additional 15% of FT Units, in such proportion as the underwriters may determine, exercisable at any time until 48 hours prior to Closing.

The gross proceeds received by the Company from the sale of the FT Units will be used to incur Canadian Exploration Expenses (“CEE”) that are “flow-through mining expenditures” (as such terms are defined in the Income Tax Act (Canada)) on the Company’s properties in Ontario, which will be renounced to the subscribers with an effective date no later than December 31, 2020, in the aggregate amount of not less than the total amount of the gross proceeds raised from the issue of FT Units.

Echelon will receive a cash commission (the “Commission”) equal to 7.0% of the gross proceeds from the Offering, excluding gross proceeds from the issuance of FT Units on a president's list to be agreed upon by the Company and Echelon (the “President's List”) for which a commission of 3.5% of such gross proceeds will be paid by the Company to Echelon. The Company shall issue to Echelon compensation options (the “Compensation Options”) equal to 7.0% of the number of FT Units sold under the Offering excluding the President’s List and 3.5% of the number of FT Units sold under the Offering to subscribers on the President's List. Each Compensation Option shall entitle the holder thereof to subscribe for one unit (the “Unit”) at C\$0.24 for a period of 24 months from the Closing Date. Each Unit will comprise of a common share and one-half of one purchase Warrant.

The Offering is scheduled to close on or about September 22, 2020 and is subject to certain conditions including, but not limited to, the receipt of all necessary regulatory and other approvals including the approval of the Canadian Securities Exchange and the securities regulatory authorities.

The securities to be offered pursuant to the Offering have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”) or any U.S. state

securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, United States persons absent registration or any applicable exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. This news release shall not constitute an offer to sell or the solicitation of an offer to buy securities in the United States, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

About Mistango River Resources Inc.

Mistango is a Canadian -based exploration and development company focused on its Eby-Baldwin and Omega projects in the Kirkland Lake District of Ontario's Abitibi Greenstone Belt.

The Company is listed on the Canadian Securities Exchange (CSE) under the symbol MIS.

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