

**ArcWest Exploration Inc.**  
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Vancouver, British Columbia  
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### **ArcWest Exploration Inc. Signs NVI Earn-In Agreement**

*December 20, 2019*  
*Vancouver, BC*

ArcWest Exploration Ltd ("ArcWest" or the "Company") (AWX.V) is pleased to announce that Teck Resources Limited ("Teck") has entered into an agreement to explore ArcWest's NVI property (the "Property") in northern Vancouver Island, British Columbia. Teck can earn an initial 60% interest ("First Option") in the Property by funding over a four-year period cumulative exploration expenditures of \$2,000,000 and staged cash payments of \$150,000. A minimum exploration expenditure of \$150,000 is required before January 15th, 2021.

Tyler Ruks, President and CEO of ArcWest commented: "ArcWest is pleased to join with Teck in advancing our NVI property, an exciting early stage porphyry copper discovery recently made by our team this August. This agreement is consistent with ArcWest's goal of attracting partners to successfully explore and develop large-scale porphyry copper-gold projects while minimizing shareholder dilution. Discussions with potential joint venture partners for ArcWest's additional porphyry copper-gold projects throughout British Columbia are ongoing."

Teck may achieve the First Option by fulfilling the following terms:

- By January 15<sup>th</sup>, 2021, funding \$150,000 of exploration expenditures on the Property;
- By January 15<sup>th</sup>, 2022, funding cumulative aggregate exploration expenditures of \$650,000 on the Property;
- By January 15<sup>th</sup>, 2023, funding cumulative aggregate exploration expenditures of \$1,000,000 on the Property.
- By January 15<sup>th</sup>, 2024, funding cumulative aggregate exploration expenditures of \$2,000,000 on the Property.

ArcWest's 100% owned, road accessible NVI project is located approximately 16 km southwest of BHP-Billiton's past producing Island Copper porphyry copper-molybdenum-gold mine, and approximately 40 km south of NorthIsle Copper and Gold Inc.'s advanced stage Hushamu porphyry copper-gold project, part of which is currently being explored under an earn-in agreement with Freeport McMoRan. The 6884 hectare NVI property was staked to cover a zone of recently discovered porphyry copper style veining on its west side (NVI showing; see ArcWest August 23<sup>rd</sup> press release), multiple historic copper occurrences on its east side, and a large belt of Miocene volcanic-intrusive centres that have recently been recognized as prospective for porphyry copper-gold mineralization. Similarly aged centres in northern Vancouver Island are host to significant porphyry copper-molybdenum-gold mineralization, including ArcWest's nearby Teeta Creek project, which was optioned to Teck in an earn-in agreement announced on October 15<sup>th</sup>.

On its west side, the NVI property is underlain by a multiphase dioritic intrusive complex that is host to a newly discovered zone of porphyry copper style veining which extends for a length of 115 meters before disappearing under forest cover. The zone of porphyry style stockwork comprises early magnetite-chalcopyrite veins cut by quartz-magnetite-chalcopyrite+/-bornite veins. Chalcopyrite mineralized miarolitic cavities are locally abundant. Historic copper occurrences that have undergone little to no modern exploration are also present on the east side of the property. These include showings that have been described as porphyry copper related by previous workers.

Upon receipt of the First Option Exercise Notice from Teck, ArcWest will have a 90 day period in which it may elect to convert its interest in the Property to a 1.5% Net Smelter Returns Royalty on the Property in lieu of a Joint Venture interest, of which 0.5% of the royalty can be bought back for a \$1,000,000 cash payment at any time. If ArcWest does not make such election, then Teck will hold a second option to earn an additional 20% interest, for an aggregate 80% interest ("Second Option"), by incurring an additional \$6,000,000 in expenditures over three years. Following the exercise or lapse of the Second Option, the parties will form a Joint Venture ("JV") to hold and operate the properties, and each party proportionately fund or dilute. Should Teck or ArcWest's interest be diluted to less than 10%, then that interest will convert to a 5% Net Profits Interest Royalty.

### **Qualified Person**

ArcWest's disclosure of a technical or scientific nature in this news release has been reviewed and approved by Jeff Kyba, PGeo, VP Exploration, who serves as a Qualified Person under the definition of National Instrument 43-101.

For further information please contact: Tyler Ruks, President and CEO at +1 (604) 638 3695.

*Investors are cautioned that ArcWest Exploration Inc. has not verified the data from the Island Copper and Hushamu deposits. Further, the presence and style of mineralization on these properties is not necessarily indicative of similar mineralization on the ArcWest Exploration Inc. property.*

*This news release contains statements about ArcWest's expectations and are forward-looking in nature. As a result, they are subject to certain risks and uncertainties. Although ArcWest believes that the expectations reflected in these forward-looking statements are reasonable, undue reliance should not be placed on them as actual results may differ materially from the forward-looking statements. The forward-looking statements contained in this news release are made as of the date hereof, and ArcWest undertakes no obligation to update publicly or revise any forward-looking statements or information, except as required by law.*