

**ArcWest Exploration Inc.**  
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**ArcWest Exploration Inc. Signs Todd Creek Earn-In Agreement with Central Timmins Exploration Corp.**

*July 9th, 2020*  
*Vancouver, BC*

ArcWest Exploration Ltd. ("ArcWest" or the "Company") (TSX.V:AWX) is pleased to announce that Central Timmins Exploration Corp. ("CTEC") has entered into an agreement to explore ArcWest's Todd Creek property (the "Property") in northern British Columbia. The Todd Creek property is located in BC's Golden Triangle, approximately 35 kilometers southeast of Pretivm Resources Inc.'s Brucejack mine, and Seabridge Gold's giant KSM-Iron Cap porphyry copper-gold deposits.

CTEC can earn an initial 51% interest ("First Option") in the Property by funding over a five-year period cumulative exploration expenditures of \$15,000,000 and staged payments of \$1,150,000. A minimum exploration expenditure of \$500,000 is required before December 31<sup>st</sup>, 2020, which includes a mandatory minimum of 1,000 meters of diamond drilling.

Payments to ArcWest can be made as cash or CTEC shares or a combination of 50% cash and 50% CTEC shares at ArcWest's election.

Tyler Ruks, President and CEO of ArcWest commented: "ArcWest is pleased to join with CTEC in advancing our Todd Creek property which is host to some of the most compelling porphyry copper-gold and volcanogenic massive sulfide exploration targets in British Columbia. Joe Ovsenek and the team at CTEC have a track record of exploration success and mine construction in British Columbia, having most recently played critical roles in the construction of Pretivm's Brucejack Mine and the transformation of Pretivm into a multi-billion dollar company. This agreement with CTEC is consistent with ArcWest's goal of attracting partners to successfully explore and develop base and precious metals exploration opportunities while minimizing shareholder dilution.

Explorers in BC's Golden Triangle are currently undergoing a surge in investment and a significant appreciation in share price. ArcWest has recently received multiple expressions of interest in its Oweege Dome porphyry copper-gold exploration project, located due east of Seabridge Gold's giant KSM-Iron Cap porphyry copper-gold system and Tudor Gold's Treaty Creek project.

ArcWest's porphyry copper-gold projects will undergo at least \$1.5 million in mandatory minimum partner funded exploration in 2020, including first phase drill programs at its Teeta Creek and Todd Creek projects, funded by Teck Resources and CTEC respectively. Subject to COVID19 health and safety protocol, drilling at Todd Creek is scheduled to commence in August, and drilling at Teeta Creek is tentatively scheduled for the fall. Geological mapping, geochemical sampling and geophysical surveys will be conducted this summer and fall at ArcWest's Oxide Peak and NVI projects, funded by Locrian Resources and Teck Resources, respectively. Discussions with potential joint venture partners for ArcWest's additional projects are ongoing."

CTEC may achieve the First Option by fulfilling the following:

- (a) paying to ArcWest \$1,150,000 as follows:
  - (i) \$100,000 on signing of the agreement;
  - (ii) \$150,000 on the first anniversary of the date of the agreement;
  - (iii) \$200,000 on the second anniversary of the date of the agreement;
  - (iv) \$200,000 on the third anniversary of the date of the agreement;
  - (v) \$250,000 on the fourth anniversary of the date of the agreement;
  - (vi) \$250,000 on the fifth anniversary of the date of the agreement;
- (b) issuing to ArcWest 200,000 common shares on receipt of acceptance for filing of the agreement by the Exchange
- (c) incurring \$15,000,000 in exploration expenditures on the Property as follows:
  - (i) not less than \$500,000 on or before December 31, which shall include a minimum of 1,000 meters of drilling;
  - (ii) cumulative exploration expenditures of not less than \$3,000,000 on or before the second anniversary of the date of the agreement;
  - (iii) cumulative exploration expenditures of not less than \$6,500,000 on or before the third anniversary of the date of the agreement;

- (iv) cumulative exploration expenditures of not less than \$10,000,000 on or before the fourth anniversary of the date of the agreement;
- (v) cumulative exploration expenditures of not less than \$15,000,000 on or before the fifth anniversary of the date of the agreement.

Upon completion of the First Option and receipt of the Initial Interest Notice from CTEC, CTEC will have a 60 day period to elect to earn an additional 19% interest, for an aggregate 70% interest ("Second Option"), or form a Joint Venture ("JV"). The Second Option can be attained by completing and delivering to ArcWest a Feasibility Study on or before the third anniversary of the Initial Interest Notice. In order to keep the Second Option in good standing, CTEC will be obligated to pay to ArcWest \$250,000 on each anniversary of the delivery of the Initial Interest Notice until such time that the Feasibility Study has been completed and delivered to ArcWest. Following the exercise or lapse of the Second Option, the parties will form a JV to hold and operate the properties, and each party will proportionately fund or dilute. In the event a production decision is made by the Joint Venture to place the property into production, CTEC shall arrange project financing for the Joint Venture, the repayment of which shall be made out of cash flows from the property. Should CTEC or ArcWest's interest be diluted to less than 10%, then that interest will convert to a 2% Net Smelter Return Royalty, one percent of which may be purchased by the other party for \$5,000,000 at any time.

ArcWest's 100% owned Todd Creek project is located 30 km northeast of Stewart and 45 km southeast of the giant KSM-Iron Cap porphyry copper-gold deposits (Seabridge Gold) in B.C.'s Golden Triangle. The project is also located 35 km southeast of Pretium's Brucejack mine (ArcWest's and Pretium's claims are contiguous) and is proximal to the Brucejack mine road.

The 32,133 hectare Todd Creek property is underlain by a nearly complete section of the Hazelton Group assemblage. The Todd Creek valley hosts the Todd Creek fault, a significant structure that is possibly analogous to the Sulphurets fault. In the KSM-Iron Cap camp, the Sulphurets fault is an important control on the distribution of porphyry copper-gold mineralization.

Altered, highly gossanous and variably Cu-Au mineralized Early Jurassic volcanic-intrusive rocks and widespread associated breccias form a 12 km north-south corridor on the west side of the Todd Creek valley. This zone contains widespread, altered and Cu-Au mineralized porphyritic intrusions of KSM-Iron Cap age which include the Yellow Bowl Zone, part of a 4 kilometer long segment of the corridor which has never been drill tested. Exploration in 2019 within this undrilled portion of the system identified intensely silica-sulfide altered breccias containing high-grade Cu-Au-Ag mineralization (up to 3.43% Cu, 2.77 g/t Au and 23.8 g/t Ag; ArcWest press release Nov. 27th, 2019). Shallow historic drill holes at the north end of this corridor (Ice Creek zone) by Noranda and others returned numerous shallow Cu and Au intervals, including 0.643% Cu and

2.02 g/t Au over 18 meters in NTC-88-047 (31.7-49.7m) and 1.36 g/t Au over 15.35 meters in NTC90-055 (49.8-65.15m). Recently recognized porphyry copper-gold style alteration and veining in these holes (Ice Creek and Orange Mountain zones) supports the interpretation that the corridor represents one of the largest underexplored porphyry copper-gold systems in the province.

On the east side of Todd Creek valley, volcanic and sedimentary rocks of inferred mid-Jurassic in age host multiple zones of recently discovered outcropping volcanogenic massive sulfide occurrences with significant polymetallic grades. These zones are prospective for Eskay Creek-like precious metal enriched VMS deposits (ArcWest press release Oct. 1<sup>st</sup>, 2019). Individual assays from the VMS East zone returned values up to 1.98% Cu, 9.15% Zn, 0.392 g/t Au and 112 g/t Ag. Samples from the recently discovered VMS West zone returned assays up to 2.05 g/t Au and 1.21% Cu. This highly prospective area remains completely untested by diamond drilling.

At lower elevations on the west side of Todd Creek valley, an enigmatic epithermal Cu-Au system is present at the South and Fall Creek Zones. Drilling by Noranda in the 1980's was used to support a historical estimate for the South zone of 207,000 tonnes grading 5.48 g/t Au (Hemlo Gold Mines Inc., 1988 Annual Report). Five kilometers to the north of South zone, grab samples from Fall Creek returned assays up to 37.7 g/t Au and 5.3% Cu (ArcWest press release Dec. 12<sup>th</sup>, 2018). Both the South and Fall Creek zones are open for expansion in multiple directions, with the area between the two zones at low elevations remaining virtually unexplored.

A 2018 induced polarization (IP) geophysical survey along a 6 km section of the Todd Creek corridor indicates that a significant chargeability anomaly underlies the Yellow Bowl and South Zone target areas (ArcWest press release Nov. 27<sup>th</sup>, 2019). This prominent geophysical anomaly underlies multiple zones of significant Cu-Au occurrences and remains untested by drilling. Further information regarding the geology and exploration potential of the Todd Creek property is available in previous ArcWest press releases and the current technical presentation on the ArcWest website:

[https://arcwestexploration.com/wp-content/uploads/2020/01/AWX\\_Tech\\_Presentation\\_Jan2020.pdf](https://arcwestexploration.com/wp-content/uploads/2020/01/AWX_Tech_Presentation_Jan2020.pdf)

### **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.

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*Investors are cautioned that ArcWest Exploration Inc. has not verified the data from the Brucejack, KSM-Iron Cap 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.*