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FIELD UPDATE – DRILLING UNDERWAY AT DIXIE HALO, RED LAKE, ONTARIO

July 23, 2019, Vancouver, BC, Canada – BTU Metals Corp. (“BTU” or the “Company”) (BTU-TSX:V) announces that core drilling is underway at the Company’s Dixie Halo properties (“DH”), contiguous to the Great Bear Resources Ltd. (“GBR”) Dixie Project near Red Lake Ontario. The Company also announces that other exploration initiatives including additional geophysical surveying are underway. The Company currently plans to complete a minimum of 2,500 meters of core drilling in phase one of the initial program. Mineralized intervals from the first hole are being logged and processed for analysis and drilling is ongoing.

The DH property has been assembled by the Company over the past year and now constitutes an extensive portfolio of relatively unexplored exploration property that covers approximately 13,000 hectares. The properties include long mutual property boundary areas with GBR (Figure 1). Most of the properties are covered with a thin to moderate blanket of glacial debris that has historically hampered early stage prospecting methods except where rare rock outcroppings were located. This layer of overburden also means that no comprehensive gold exploration program has ever been undertaken on the DH property. Given the recent significant gold discoveries and gold zone definition work completed by GBR over the past year, it is becoming very evident the entire area, including the DH property now warrants a comprehensive and methodical exploration effort that will last for several years.

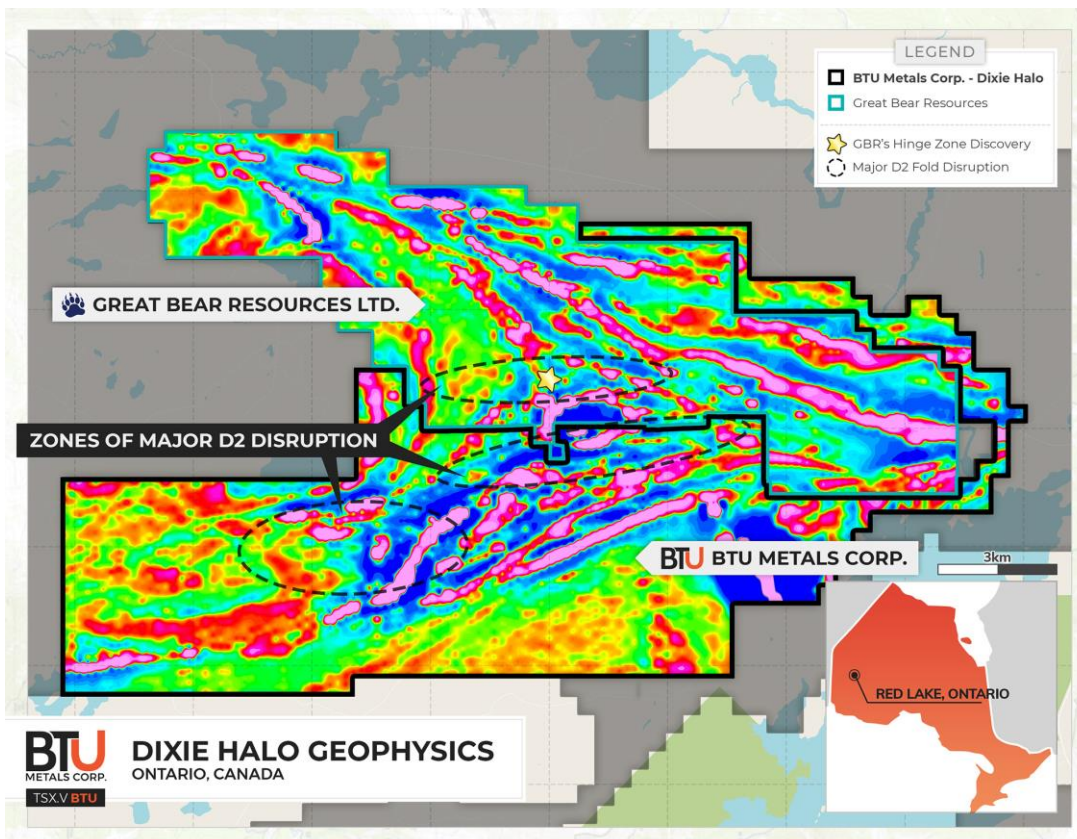


Figure 1 – Dixie Halo Project Location & Geophysics

Historic exploration efforts that did involve core drilling on the areas covered by the DH property were primarily focused on exploration for areas containing base metal mineralization and consequently exploration was focused on different areas of the current DH property than would typically be the focus of gold exploration efforts. In that regard however, work by the BTU technical team has identified geological environments in some of these base metals focused core drilling programs that identified alteration and mineralization similar in many aspects to those recently identified by GBR at their Bear-Rimini and Yuma gold discoveries. The Bear-Rimini/Yuma gold discoveries are located within 3km of the common boundary of the GBR Dixie and DH boundary and the Great Bear Hinge zone is 1.5km from the DH boundary.

“We continue to outline areas on the Dixie Halo property with very similar geological environments to those associated with the recently announced gold discoveries called Bear Rimini and Yuma by Great Bear Resources on the adjacent Dixie Lake property. Our team reports that quartz veins containing sulphides and some intervals of quartz sericite schist containing variable pyrite were intersected in the first hole.” stated Doug Hunter, VP Exploration of BTU.

BTU’s technical team has identified numerous gold exploration target areas via analysis of historic airborne and ground databases in conjunction with information from ongoing geophysical surveys and prospecting work. New mineralized zones prospective for the accumulation of significant gold mineralization have been identified in mafic to ultramafic rocks as well as in association with pyritic sediments, iron formation and felsic tuff and felsic intrusive units. The ongoing efforts of the Company has resulted in the definition of numerous high priority targets being selected for drilling during phase one of the current drill program.

The first target drill tested in this first phase drill program was defined as a short strike length airborne electromagnetic conductive zone as well as a chargeability target using induced polarization surveying. The target is located approximately 2.5 km to the southeast of the Hinge zone drilling of Great Bear Resources Ltd. and 1km to the south of the GBR-DH common boundary.

The technical contents of this release were approved by Mr. Doug Hunter, P. Geo., a qualified person as defined by National Instrument 43-101.

ON BEHALF OF THE BOARD

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