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BTU COMMENCES GEOPHYSICAL SURVEYS IN ADVANCE OF LATE SUMMER DRILL PROGRAM

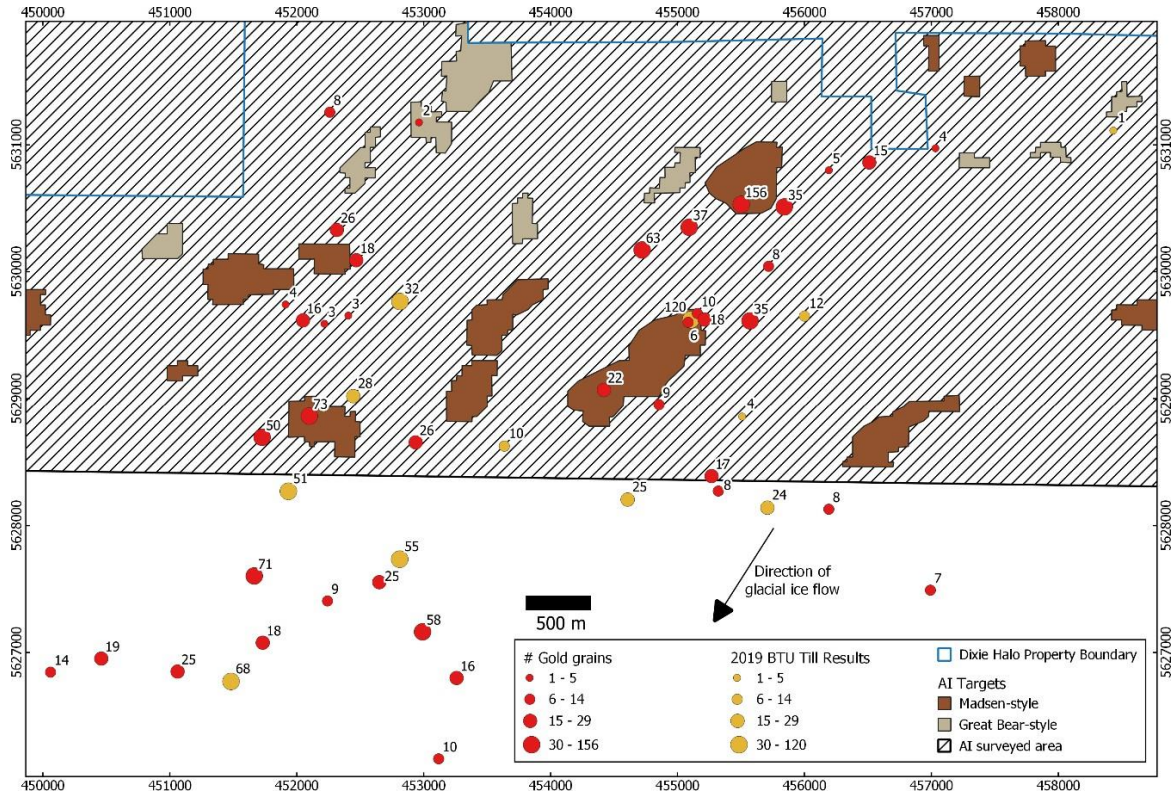
August 26, 2020, Vancouver, BC, Canada – BTU METALS CORP. ("BTU" or the "Company") (BTU-TSX:V) has commenced an induced polarization – resistivity (IP) survey program to help refine drill targets at its flagship Dixie Halo property. The current IP survey program is focused on an area of the property along the south-west to north-east geological and structural trend that mirrors some of the rock sequences on the Great Bear 'LP' area and where the Company announced high gold in till results on August 10. The gold in till sampling results highlighted one sample that contained 156 total gold grains, including 115 pristine gold grains proximal to an artificial intelligence ("AI") target from ongoing AI investigations. Gold in till results continue to show anomalous gold grain counts across the entirety of the surveyed area (Figure 1). The property shares a 35-kilometre border with Great Bear Resources Ltd.'s ("Great Bear") Dixie property.

Paul Wood, BTU CEO, said, "Work is continuing in preparation for a late summer drill program we anticipate starting mid-September. We have commenced more geophysical surveying and we are re-starting till sampling now that the fire evacuation order for the Red Lake area has been lifted. We are happy the fire risk has dropped significantly, and we are ramping up our field operations again. We also expect to have more till sample results available by the time we re-start drilling."

Highlights

- Archean gold mineralization almost always is associated with increased sulphide mineralization, usually pyrite or even base metal sulphide minerals
- IP – resistivity surveys are uniquely capable of defining higher concentrations of sulphide minerals that are often associated with gold and are also useful techniques for mapping out potentially stronger alteration such as silicification or shearing, both key metrics associated with elevated gold content
- Several recently identified high gold grain counts in till samples are directly associated with, or are immediately down-ice from, some of the 35 AI targets recently identified. AI screening to date has only been completed on a portion of the property
- Several high gold grain counts occur on areas of the property not yet assessed with AI targeting, and where AI targeting work is ongoing
- Fully funded drill program scheduled for late summer to test new priority gold targets

Figure 1: Total # of gold grains from 2019 and 2020 BTU till sampling programs



Tracing of high gold in till sample results back to their source, as a way to vector in on new areas of gold mineralization under overburden, has been proven to be a valid and powerful way to discover new gold deposits. In glaciated terrains, many significant gold discoveries have resulted from careful use of this technique over the past 40 years across Canada and elsewhere. Gold mines in eastern Canada discovered in similar terrain using gold grain tracing include Casa Berardi, Quebec (INCO), Bell Creek, Ontario (Rosario Resources) and Rainy River, Ontario (Rainy River Resources).

Thirty-five AI target areas were identified on the portion of the property that was evaluated to date (Press release July 21, 2020). The most recent gold in till results, as well as other geological, geochemical, and geophysical data, are being used by the Company to evaluate and prioritize these AI target areas for drill testing for the upcoming drill program.

A number of highly anomalous gold in till results occur on, or immediately down-ice from various AI target areas. A few of these targets also contain high pristine gold grain counts which usually signify that the malleable grains have not been transported far. More information about till sampling is available at <https://www.btumetals.com/?tillsurvey>.

The Company’s exploration work at its Red Lake, Ontario projects remains largely on schedule with no major disruption due to the COVID-19 pandemic and the current government guidelines. The Company continues to monitor this situation, continues to be careful to conduct all work in compliance with COVID-19 guidelines and will adjust its activities and timelines as deemed appropriate.

Bruce Durham, P. Geo., a qualified person as defined by National Instrument 43-101 has reviewed and approved the technical information in this press release.

ON BEHALF OF THE BOARD

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