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BTU METALS CLOSES NON-BROKERED PRIVATE PLACEMENT FOR \$2 MILLION WITH STRATEGIC INVESTOR

October 8, 2020, Vancouver, BC, Canada – BTU METALS CORP. ("BTU" or the "Company") (TSX:V-BTU) (OTC:BTUMF) is pleased to announce it has closed its previously announced non-brokered flow-through private placement (see PR dated September 21, 2020) for aggregate proceeds of \$2,062,500 consisting of 7,500,000 flow-through units. Each flow-through unit is comprised of one common share of the company issued on a flow-through basis and one-half of one common share purchase warrant to be issued on a non-flow-through basis. Each whole warrant shall entitle the holder thereof to acquire one common share of BTU at a price of \$0.30 for a period of 36 months following the closing of the offering. The flow-through shares will qualify as flow-through shares (within the meaning of Subsection 66(15) of the Income Tax Act (Canada) and Section 359.1 of the Taxation Act (Quebec). The warrants issued with the units sold are subject to an acceleration provision. After four months have elapsed from closing, if BTU's shares trade above \$1.00 for 10 consecutive trading days, the Company has the option to provide notice to the warrant holder that their warrants will expire if they are not exercised within 30 days.

The Company is pleased to welcome SSI Asset Management Ltd ("SSI"), an independent asset management firm with an emphasis on precious metals and mining, as a long-term shareholder of BTU Metals.

The gross proceeds of the Offered Securities will be used for exploration including core drilling programs at the Company's highly prospective Dixie Halo project in Red Lake, Ontario.

The securities issued under the offering, and any Shares that may be issuable on exercise of any such securities, will be subject to a statutory hold period expiring four months and one day from the date of issuance of such securities. A finder's fee of \$40,000 is payable by way of 200,000 common shares of the Company at a deemed price of \$0.20 per share.

Closing of the offering is subject to final approval of the TSX Venture Exchange.

About BTU

BTU is pursuing both high-grade gold targets and copper-dominant massive sulfide targets on its 200 square kilometre property that shares a 35 kilometre border with GBR. The property is 25 kilometres southeast of Red Lake, Ontario in an area with excellent access and infrastructure. The property is adjacent to and wraps around a significant portion of the GBR Dixie property. A substantial drill program is currently underway.

The Company's exploration work at its Red Lake, Ontario projects remains largely on schedule with no major disruption due to the COVID-19 government guidelines. The Company continues to monitor the situation, continues to be careful, 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

"Paul Wood"

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Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

FORWARD-LOOKING STATEMENTS: *This news release contains forward-looking statements, which relate to future events or future performance and reflect management's current expectations and assumptions. Such forward-looking statements reflect management's current beliefs and are based on assumptions made by and using information currently available to the Company. Investors are cautioned that these forward-looking statements are neither promises nor guarantees, and they are subject to risks and uncertainties that may cause future results to differ materially from those expected. These forward-looking statements are made as of the date hereof and, except as required under applicable securities legislation, the Company does not assume any obligation to update or revise them to reflect new events or circumstances. All forward-looking statements made in this press release are qualified by these cautionary statements and by those made in our filings with SEDAR in Canada (available at WWW.SEDAR.COM).*