

DEFENSE METALS CORP. CLOSES PRIVATE PLACEMENT FINANCING

October 30, 2020

News Release – Vancouver, British Columbia – October 30, 2020: Defense Metals Corp. (“**Defense Metals**” or the “**Company**”) (TSX-V: DEFN/ DFMTF: OTCQB / 35D: FSE) is pleased to announce that further to its news release on October 27, 2020, it has closed a non-brokered private placement of 2,525,000 units (each a “**Unit**”) for gross proceeds of \$505,000 (the “**Private Placement**”). As previously disclosed, each Unit was priced at \$0.20 and is comprised of one common share and one common share purchase warrant (“**Warrant**”). Each Warrant is exercisable to purchase one common share of the Company at a price of \$0.25 per share for a period of 12 months from the date of closing the Private Placement.

The Company also announces that it has closed a non-brokered private placement of 405,000 flow-through common shares (“**FT Shares**”) at a price of \$0.25 per FT Share for gross proceeds of \$101,250 (the “**FT Private Placement**”).

Craig Taylor, CEO comments:

“With our highly successful flotation pilot plant now complete yielding 1,200 kilograms of high-grade REE mineral concentrate, this current round of funding will allow us to work towards completion of a preliminary economic assessment (PEA) for the Wicheeda REE Project which we hope to complete by the end of Q1 2021. We would like to thank all our supporters who continue to help Defense Metals de-risk and further develop the Wicheeda REE Project.”

The Company paid cash finder’s fees of \$7,087.50 and issued 28,350 non-transferable finder warrants to certain brokers on a portion of the private placements. The finder warrants otherwise have the same terms as the Warrants.

Three directors of the Company participated in the private placement. Participation by insiders of the Company in the private placements constitutes a “related party transaction” as defined under Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). Because the Company’s shares trade on the TSX Venture Exchange (“**TSXV**”), the issuance of securities are exempt from the formal valuation requirements of section 5.4 of MI 61-101 pursuant to subsection 5.5(b) of MI 61-101 and exempt from the minority approval requirements of section 5.6 of MI 61-101 pursuant to subsection 5.7(1)(a) and (b) of MI 61-101.

All securities issued in connection with the private placements are subject to a four month hold period from the closing date in accordance with applicable securities laws.

The proceeds from these private placements will be used on the Company’s Wicheeda rare earth element project located in Prince George, British Columbia and for general working capital purposes.

Wicheeda REE Project

The Wicheeda REE project has indicated mineral resources of 4,890,000 tonnes averaging 3.02% LREO (Light Rare Earth Elements) and inferred mineral resources of 12,100,000 tonnes averaging 2.90% LREO[1].

Qualified Person

The scientific and technical information contained in this news release as it relates to the Wicheeda REE Property has been reviewed and approved by Kristopher J. Raffle, P.Geo. (BC) Principal and Consultant of APEX Geoscience Ltd. of Edmonton, AB, a director of Defense Metals and a “Qualified Person” as defined in National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*.

About Defense Metals Corp.

Defense Metals Corp. is a mineral exploration company focused on the acquisition of mineral deposits containing metals and elements commonly used in the electric power market, military, national security and the production of “GREEN” energy technologies, such as, high strength alloys and rare earth magnets. Defense Metals has an option to acquire 100% of the 1,708 hectare Wicheeda Rare Earth Element Property located near Prince George, British Columbia, Canada. Defense Metals Corp. trades in Canada under the symbol “DEFN” on the TSX Venture Exchange, in the United States, under “DFMTF” on the OTCQB and in Germany on the Frankfurt Exchange under “35D”.

For further information, please visit <https://defensemetals.com/> **or contact:**

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This news release does not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of any of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful, including any of the securities in the United States of America. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**1933 Act**”) or any state securities laws and may not be offered or sold within the United States or to, or for account or benefit of, U.S. Persons (as defined in

Regulation S under the 1933 Act) unless registered under the 1933 Act and applicable state securities laws, or an exemption from such registration requirements is available.

Cautionary Statement Regarding Forward Looking Information

This news release contains “forward-looking information or statements” within the meaning of applicable securities laws, which may include, without limitation, statements relating to the Company’s plans for its Wicheeda project, use of funds, completion of a PEA, the technical, financial and business prospects of the Company, its project and other matters. All statements in this news release, other than statements of historical facts, that address events or developments that the Company expects to occur, are forward-looking statements. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results may differ materially from those in the forward-looking statements. Such statements and information are based on numerous assumptions regarding present and future business strategies and the environment in which the Company will operate in the future, including the price of rare earth elements, the ability to achieve its goals, that general business and economic conditions will not change in a material adverse manner, that financing will be available if and when needed and on reasonable terms. Such forward-looking information reflects the Company’s views with respect to future events and is subject to risks, uncertainties and assumptions, including those filed under the Company’s profile on SEDAR at www.sedar.com. Factors that could cause actual results to differ materially from those in forward looking statements include, but are not limited to, continued availability of capital and financing and general economic, market or business conditions, adverse weather conditions, failure to maintain all necessary government permits, approvals and authorizations, failure to maintain community acceptance (including First Nations), decrease in the price of rare earth elements, the impact of Covid-19 or other viruses and diseases on the Company’s ability to operate increase in costs, litigation, and failure of counterparties to perform their contractual obligations. The Company does not undertake to update forward-looking statements or forward-looking information, except as required by law.

[1] Technical Report on the Wicheeda Property, British Columbia, effective June 27, 2020 and prepared by APEX Geoscience Ltd. (Steven J. Nicholls, B.A. Sc., MAIG and Kristopher J. Raffle, B.Sc., P.Geo) is available under Defense Metals Corp.’s profile on SEDAR (www.sedar.com)