



NAMIBIA CRITICAL METALS INC.

Press Release

Namibia Critical Metals Secures \$5 Million Discretionary Financing and Accelerates Gold Exploration in Central Namibia

- **Namibia Critical Metals has entered into an agreement for a draw-down equity financing facility with Alumina Partners (Ontario) Ltd. to provide the Company with up to CD\$5,000,000 over a 24-month period**
- **Draw-downs are at the Company's discretion in increments of up to CD\$250,000**
- **The Company has completed a first draw-down of \$100,000 which will be directed towards acceleration of the Company's gold exploration programs and provides for the immediate analysis of 5,000 soil samples that have already been collected**

Halifax, Nova Scotia August 24, 2020 – Namibia Critical Metals Inc. ("Namibia Critical Metals" or the "Company") (TSXV:NMI) today announced that it has entered into a draw-down equity financing facility ("Investment Agreement or Alumina facility") with Alumina Partners (Ontario) Ltd. ("Alumina"), an affiliate of New York-based private equity firm Alumina Partners, LLC., that is structured to provide Namibia Critical Metals with timely access to private placement financing as and when required. Under the terms of the Investment Agreement, the Company has the right to draw down on the CD\$5,000,000 facility, at its sole discretion, through equity private placement tranches of up to CD\$250,000 each. Each tranche will be a placement of units (each a "Unit"), with each Unit comprising one common share (a "Share") and one-half of one common share purchase warrant (each whole common share purchase warrant referred to as a "Warrant"). The Units will be priced at a discount of 15% to 25% from the then most recent closing price of the Shares on the TSX Venture Exchange at the time of the applicable Company draw-down notice to Alumina. The Warrants will be issued at a 40% premium over the market price of the Shares and will have a term of 24 months. There are no standby charges or other upfront fees associated with the Investment Agreement or any penalties for not drawing the full facility. Each tranche of Units issued under the Investment Agreement will be subject to the acceptance of the TSX Venture Exchange, and the securities issued will be subject to the customary 4-month hold period.

A first tranche draw-down of \$100,000 was completed concurrent with the execution of the Investment Agreement. The Company issued 555,555 units ("Units") at a price of \$0.18 per unit for gross proceeds of \$100,000. Each Warrant in this tranche is exercisable into one additional common share at a price of \$0.336.

The proceeds from the first draw-down will be used to accelerate gold exploration over the 1,638 square kilometer Grootfontein project area. A total of 5,000 samples over many of the principal target areas have already been collected and will now be submitted for gold analyses.

Don Burton, President of Namibia Critical Metals stated *"The Alumina facility will provide the Company with the flexibility to accelerate high priority exploration programs outside of the Lofdal Heavy Rare Earth joint venture which is already fully funded by our joint venture partner, Japan Oil, Gas and Metals National Corporation (JOGMEC). Exploration of our 2,000 square kilometer land package in the emerging Navachab-Otjikoto gold belt of central Namibia can now be accelerated with the objective of identifying gold targets using systematic soil geochemical surveys, in a manner similar to what has been utilized by Osino Resources. This approach led to the discovery of Twin Hills and other important gold anomalies. Management is no stranger to large scale gold exploration, having previously conducted similar programs with Etruscan Resources throughout West Africa from 1996-2010 which led to the development of the Samira Hill, Tabakaroni, Youga and Agbaou gold mines."*

"Alumina is thrilled to support Namibia Critical Metals as they prepare to dramatically ramp up exploration," said Adi Nahmani, Managing Member of Alumina Partners. *"The two areas of resource focus that present the greatest value proposition right now are rare earth elements and counter-inflationary precious metals... And investing in Namibia now will allow us to get exposure to both. We look forward very much to seeing this veteran management team execute against plan and hit key milestones even sooner than previously expected."*

The Company's Gold Portfolio

The immediate priority for the Company outside of the Lofdal Heavy Rare Earth joint venture with JOGMEC, is to accelerate exploration programs over its gold project portfolio in central Namibia. The portfolio comprises three project areas covering a total of 2,002 km² (Figure 1). All project areas have the potential for the discovery of orogenic gold deposits similar to known occurrences within the Navachab-Otjikoto gold belt which is being explored by Osino Resources Corp ("Osino"), B2 Gold, Antler Gold and others. The Erongo project (295 km²) is located 20 kilometers north of the Navachab Gold Mine operated by QKR and 10 kilometers northwest of the Twin Hills discovery of Osino. The Otjiwarongo project (69 km²) is located 70 kilometers southwest of B2 Gold's Otjikoto Gold Mine and Grootfontein (1,638 km²) is situated 85 kilometers to the northeast of Otjikoto and is contiguous with ground held by B2 Gold.

The Company has already initiated regional geochemical soil surveys on all three areas and collected over 10,000 samples. An initial batch of 2,500 samples collected over Erongo has been re-submitted for check analyses. An evaluation of available airborne magnetic and radiometric geophysical survey data from the Geological Survey of Namibia was undertaken by Earthmaps Consulting to provide structural and lithological interpretations of the Erongo and Grootfontein areas. The study has identified a number of gold targets and has confirmed the position and extent of favourable structures that vary in strike length from 14 to 53 km across the project areas. Similar structural context is linked to the Navachab, Otjikoto and Osino gold occurrences. The study has also confirmed targets for base metals of the Berg Aukas type and within the Grootfontein mafic complex for magmatic copper, nickel, cobalt and PGM targets.

The Company will utilize this tranche of \$100,000 to analyse the first 5,000 samples over favourable target areas at Grootfontein covering over 30 kilometers of strike length proximal to first order structures. Samples will be submitted for ultra low detection limits on gold. The initial objective is to identify large-scale gold anomalies that can indicate proximity to mineralized systems based on a sampling density of 400 meters x 100 meters. Once these areas are identified, more closely spaced soil sampling can confirm the extent of the anomaly and priorities can be made for drill targets.

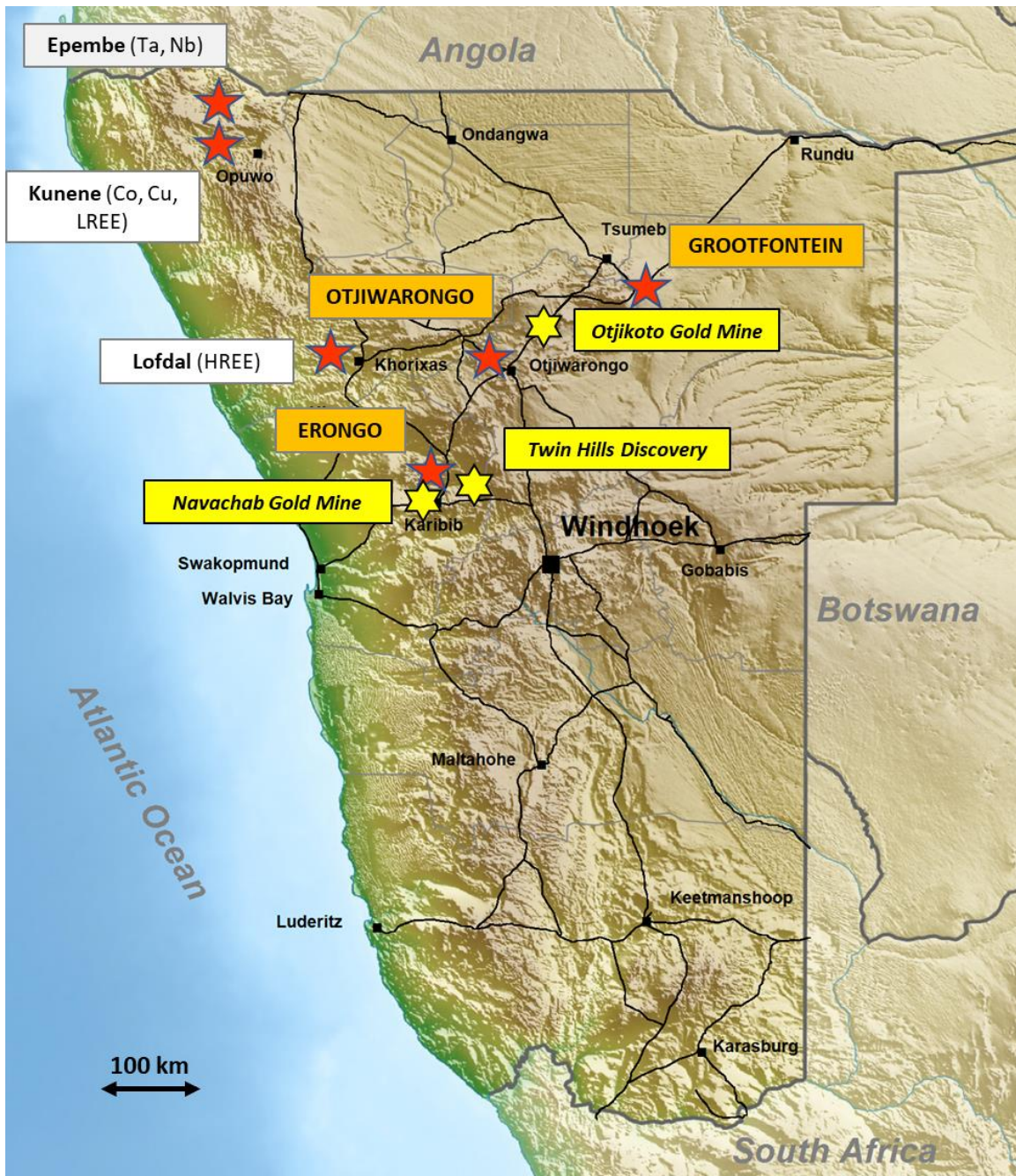


Figure 1 – Location of Namibia Critical Metals’ projects highlighting position of gold projects (Erongo, Otjiwarongo and Grootfontein) in relation to important gold projects within the Navachab-Otjikoto gold belt

Donald M. Burton, P.Geo. and President of Namibia Critical Metals Inc., is the Company’s Qualified Person and has reviewed and approved this press release.

About Namibia Critical Metals Inc.

Namibia Critical Metals Inc. holds a diversified portfolio of exploration and advanced stage projects in the country of Namibia focused on the development of sustainable and ethical sources of metals for the battery, electric vehicle and associated industries. The Company also has significant land positions in areas favourable for gold mineralization.

The **Lofdal Heavy Rare Earth Project** is the Company's most advanced project having completed a Preliminary Economic Assessment in 2014 and full Environmental Impact Assessment in 2017. An application has been made for a mining licence at Lofdal. The project is now in joint venture with Japan Oil, Gas and Metals National Corporation ("JOGMEC") who are funding the current \$3,000,000 drilling and metallurgical program with the objective of doubling the resource size and optimization of the process flow sheet.

At the **Erongo Gold Project**, stratigraphic equivalents to the sediments hosting the recent Osino gold discovery at Twin Hills have been identified but not yet sampled. Detailed soil surveys are planned over this highly prospective area.

The **Grootfontein Project** has potential for magmatic Cu-Ni mineralization, Mississippi Valley-type Zn-Pb-V mineralization and Otjikoto-style gold mineralization. Detailed soil surveys are planned over this highly prospective area.

The **Epembe Tantalum-Niobium Project** is also at an advanced stage with a well-defined, 10 km long carbonatite dyke that has been delineated by detailed mapping with over 11,000 meters of drilling. Preliminary mineralogical and metallurgical studies including sorting tests (XRT), indicate the potential for significant physical upgrading. Further work will be undertaken to advance the project to a preliminary economic assessment stage.

The **Kunene Cobalt-Copper Project** comprises a very large area of favorable stratigraphy ("the DOF") along strike to the west of the Opuwo Co-Cu-Zn deposit. Secondary copper mineralization over a wide area points to preliminary evidence of a regional-scale hydrothermal system. Exploration targets on EPLs held in the Kunene project comprise direct extensions of the DOF style mineralization to the west, sediment-hosted cobalt and copper and stratabound Mn and Zn-Pb mineralization.

The common shares of Namibia Critical Metals Inc. trade on the TSX Venture Exchange under the symbol "NMI".

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.

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The foregoing information may contain forward-looking information relating to the future performance of Namibia Rare Earths Inc. Forward-looking information, specifically, that concerning future performance, is subject to certain risks and uncertainties, and actual results may differ materially. These risks and uncertainties are detailed from time to time in the Company's filings with the appropriate securities commissions.