



NEWS RELEASE

Pennine Closes \$515,000 Unit Private Placement and Fundamental Acquisition

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April 28, 2022, CALGARY, Canada – Pennine Petroleum Corporation ("**Pennine**" or the "**Corporation**") (TSX-V: PNN) is pleased to announce that it has closed its non-brokered private placement (the "**Offering**"), originally announced on December 3, 2021, through the issuance of 20,602,740 units (each, a "**Unit**") at a price of \$0.025 per Unit, generating aggregate gross proceeds of \$515,068.50. The Offering was oversubscribed by \$15,000. Each Unit comprises one common share in the capital of the Corporation (a "**Common Share**") and one common share purchase warrant (a "**Warrant**"). Each Warrant entitles the holder to purchase one Common Share at a price of \$0.05 per share for a period of twelve (12) months from the date of issue.

The Corporation has paid cash finders' fees totaling \$40,357.48 and has issued an aggregate of 1,614,299 finders' warrants to eligible parties. Each finder's warrant entitles the finder to purchase one Common Share at a price of \$0.05 for a period of 36 months from the date of issuance.

The Offering is subject to all necessary regulatory approvals including acceptance from the TSX Venture Exchange (the "Exchange"). All Units issued in connection with the Offering will be subject to a four-month and one day hold period from the closing date under applicable Canadian securities laws (the "**Hold Period**"), in addition to such other restrictions as may apply under applicable securities laws of jurisdictions outside Canada.

If, on any ten (10) consecutive trading days occurring after the Hold Period has elapsed, the closing sales price of the Common Shares (or the closing bid, if no sales were reported on a trading day) as quoted on the Exchange is greater than **\$0.07** per Common Share, the Corporation may provide written notice to the holders of the Warrants by the issuance of a news release advising that the expiry date of the Finder's Warrants will be accelerated to the 10th day after the date of such notice.

The Exchange has granted final approval of the previously announced Fundamental Acquisition and the Offering.

Fundamental Acquisition

Pursuant to the term of an Earn-in Agreement (the "**Agreement**") with Techshed Investments (Private) Limited ("**TSI**") dated November 26, 2021, the Corporation has closed the purchase of an earn-in interest of TSI ownership of the Happy Valley C mining claim, which is a producing gold mine, in Zimbabwe. The mine, located 15km from the city of Bulawayo, has installed capacity to process 40 tonnes of ore per day but, due to capital constraints, is currently processing less than half that amount. By addressing those capital constraints, the Corporation can almost immediately start earning a return on its investment in operations.

The net proceeds of the Offering will be used to fund the expenditures under the Agreement. Full details of the terms and conditions of the Agreement are summarized in the Corporation's news release issued on December 3, 2021.

The proposed use of proceeds can be summarised as follows:

Capital Expansion of the Happy Valley mine	\$200,000.00
Initial Exploration	\$100,000.00
G&A Expenses	\$115,068.50
Transaction Costs	\$50,000.00
Contingencies	<u>\$50,000.00</u>
TOTAL	\$515,068.50

The Agreement allows the Corporation to earn up to 75% of the increased future production of the mine by investing US\$7.5million in capital expansion and development (including exploration) over the next five years. The minimum expenditure commitment is US\$1 million over the next two years, including a minimum of US\$200,000 on exploration on or before the 1st anniversary dated of closing, which will provide the Corporation with a 51% share of increased gold production.



The participation of certain directors in the Offering constitutes a "related party transaction" within the meaning of Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**") and the policies of the Exchange. The Corporation is relying upon the exemptions from the formal valuation and minority shareholder approval requirements pursuant to sections 5.5(b) and 5.7(1)(a), respectively, of MI 61-101 on the basis that the Corporation is not listed on a specified stock exchange and, at the time the Offering was agreed to, neither the fair market value of the subject matter of, nor the fair market value of the consideration for, the transaction insofar as it involves an interested party (within the meaning of MI 61-101) in the Offering, exceeds 25% of the Corporation's market capitalization calculated in accordance with MI 61-101.

It is expected that the Corporation's common shares will resume trading on the Exchange on May 3, 2022 under the symbol "PNN".

The Corporation's National Instrument 43-101 Technical Report dated March 30, 2022 for the Happy Valley Mine is available for review on www.sedar.com.

CEO Jon Harris commented: *"Although it has taken much longer than originally anticipated to close both the Fundamental Acquisition and the Offering, the fact that we have finally managed to do so confirms both management resilience and strong investor support for the proposed move from oil & gas to mining. The patience and support of Techshed Investments Ltd as we worked through getting Final Approval of the Fundamental Acquisition reflects their commitment to the Agreement and I look forward to working with them as we take Pennine forward into the mining sector."*

About Pennine Petroleum Corporation: Pennine Petroleum Corporation is a natural resources exploration and development company (www.penninepetroleum.ca) currently active in province of Alberta and soon to be active in Zimbabwe.

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Neither 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.

Caution Regarding Forward-Looking Information Forward-looking statements - Certain information set forth in this news release may contain forward-looking statements that involve substantial known and unknown risks and uncertainties. Forward-looking statements are often, but not always, identified by words such as "believes", "may", "likely", "plans", or similar words. Forward-looking statements included in this news release include statements with respect to work to be done on the Happy Valley mine in Zimbabwe. These forward-looking statements are subject to numerous risks and uncertainties, certain of which are beyond the control of the Corporation, including, but not limited to the impact of general economic conditions, industry conditions, currency fluctuations, and dependence upon regulatory approvals. The Corporation does not assume any obligation to update the forward-looking statements to reflect changes in assumptions or circumstances other than as required by applicable law.