



NEWS RELEASE

Earn-in Agreement Signed with Gold Producer \$500,000 Private Placement announced

CALGARY, Canada (December 03, 2021) – Pennine Petroleum Corporation ("Pennine" or "the Corporation") (TSX-V: PNN) announces the signing of an Earn-in Agreement and a Private Placement to raise \$500,000.

Earn-in Agreement

As announced on February 17, 2021, Pennine has been investigating projects in the mining sector. These efforts are based on the reality that there are currently more business opportunities in mining than exist in the junior oil and gas sector. Pennine is therefore pleased to announce it has signed an Earn-in Agreement (the "Agreement") with Techshed Investments (Private) Limited which owns and operates 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 Pennine can almost immediately start earning a return on its investment in operations.

The Agreement, which is subject to financing, 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, which will provide Pennine with a 51% share of increased gold production.

Pennine' Earn-in Interest will accrue in proportion to the cumulative Earn-in Expenditure from time to time in accordance with the following schedule:

Cumulative Expenditure (USD or Equivalent)	Earn-in Period	Cumulative Earn-in Interest
\$ 500,000	First Year	25.50%
\$ 1,000,000	Second Year	51.00%
\$ 2,500,000	Third Year	60.00%
\$ 7,500,000	Fourth & Fifth Year	75.00%

The Corporation will not be paying any finder's fees in respect of this transaction, which does not involve any non-Arm's Length Party or insiders.

Under Policy 5.3 of the TSX the proposed transaction constitutes a Fundamental Acquisition and is therefore a Reviewable Transaction. Accordingly, the Agreement and completion of the transaction remains subject to TSX Venture Exchange review and approval.



Private Placement

As stated above, the Agreement is also subject to financing and Pennine is therefore pleased to announce that the Corporation will be undertaking a non-brokered financing of up to **20 million Units** for proceeds of \$500,000 (the "Offering"). Each Unit is offered at **\$0.025** and comprises one common share ("Common Share") and one common share purchase warrant ("Warrant") with an exercise price of **\$0.05**, exercisable for a period of one year from closing of the Offering.

All Units issued under the Offering will be subject to a four-month and one day hold period from the date of issue (the "Hold Period").

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 TSX Venture 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.

This Offering will allow Pennine to complete the Agreement and immediately start earning into the future gold production of the mine. The proposed use of proceeds can be summarised as follows:

Capital Expansion of the mine	\$ 250,000
Initial Exploration	\$ 100,000
G&A Expenses	\$ 50,000
Transaction Costs	\$ 50,000
Contingencies	<u>\$ 50,000</u>
TOTAL	\$500,000

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

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