

Valhalla Metals Completes Reverse Takeover, Private Placement with Strategic Investment by Marubeni Corporation

VANCOUVER, British Columbia, September 19, 2022 -- Valhalla Metals Inc. (formerly, SolidusGold Inc.) (TSXV: SDC) ("**Valhalla**" or the "**Company**") is pleased to announce the completion of its previously announced reverse takeover transaction (the "**Transaction**"). Pursuant to the Transaction, a subsidiary of the Company merged with the target (formerly, Valhalla Metals, Inc.) (the "**Target**") and securityholders of the Target received securities in the capital of the Company, as further described below. The Transaction constituted a 'reverse takeover' of the Company pursuant to Policy 5.2 of the TSX Venture Exchange (the "**TSXV**").

Rick Van Nieuwenhuysen Chairman of the Board stated: *"In a time when the United States is working to secure domestic sources of critical minerals, we are happy that we could successfully complete the transaction to acquire two high-grade copper-zinc and precious metal rich massive sulfide projects, in northwestern Alaska – Sun and Smucker. We successfully raised significant funds, which in today's markets is a testament to the experience and expertise of the Valhalla Management and Board. We look forward to continuing to establish good relationships with local communities and work together to achieve a domestic source of critical minerals for the United States. The historic work completed at Sun to date represents a good start with established resources, but we believe we can greatly expand and advance the Sun deposit by drilling down-dip and along strike. A detailed VTEM conductor plate model of the area shows several other newly identified high-quality targets leaving plenty of work to be done. We will bring the most up-to-date exploration techniques to bear on these exciting, but under-explored VMS deposits with focussed exploration programs over the next several years with the support of our strategic investor - Marubeni - who brings a vast amount of knowledge in the downstream copper business. We are confident that the exploration and development of our projects will greatly help the green-energy transition by providing a secure source for strategic and critical minerals that the US desperately needs to achieve the net-zero goals by 2050. We are excited to get exploration underway - Welcome to Valhalla!"*

Transaction Summary

In connection with the Transaction: (i) the Company effected a consolidation of its outstanding common shares ("**Common Shares**") on a five-for-one basis; (ii) the Company changed its name to "Valhalla Metals Inc."; and (iii) the notice of articles and articles of the Company were altered to re-designate the Common Shares as subordinate voting shares of the Company (the "**Subordinate Voting Shares**") and to create a new class of multiple voting shares of the Company ("**Multiple Voting Shares**") which were issued to U.S. resident holders of the Target shares under the Transaction.

Strategic Investment and Concurrent Financing

The Company completed its private placement with Marubeni Metals & Minerals (Canada) Inc. ("**Marubeni**") whereby Marubeni made a strategic equity investment of approximately \$8,290,000 for 16,580,000 Subordinate Voting Shares at a price of \$0.50 per share on a post-consolidated basis. The Company also completed a subscription receipt financing for gross proceeds of \$1,940,380.50 (the "**Concurrent Private Placement**"). Each subscription receipt was converted into a common share of a newly incorporated company and subsequently exchanged into Subordinate Voting Shares for an aggregate of 3,880,761 Subordinate Voting Shares. On an aggregate basis, the Company completed financings for an aggregate of \$10,230,380.50 and issued a total of 20,460,761 Subordinate Voting Shares.

Escrow

In connection with the Transaction, certain principals of the Company have entered into a Tier 2 Value Escrow Agreement (the "**Escrow Agreements**") with Computershare Investor Services, Inc. as escrow agent, in respect of 4,586,539 Subordinate Voting Shares and 367,299.20 Multiple Voting Shares. Under

the terms of the Escrow Agreements, 10% of such escrowed securities will be released upon the date of the exchange bulletin from the TSXV (the “**Exchange Bulletin**”), with the balance to be released in six tranches of 15% every six months thereafter.

Information for Shareholders

The Company’s transfer agent, Computershare Investor Services Inc., will be mailing a letter of transmittal (a “**Letter of Transmittal**”) and, subject to the provisions of the Letter of Transmittal, a Direct Registration System Statement (“**DRS Advice**”) to all shareholders of the Company (other than for those that are required to be in certificated form) setting out each holder’s shareholdings. Shareholders wishing to receive a physical share certificate should contact Computershare Investor Services Inc. for information on how to obtain physical shares certificates in place of a DRS Advice. The CUSIP number for Subordinate Voting Shares is 91914U107.

More information regarding the above matters can be found in the Circular, available on the Company’s profile on SEDAR at www.sedar.com.

Early Warning Report Disclosure

Marubeni has acquired 16,580,000 Subordinate Voting Shares and now holds an aggregate of 16,580,000 Subordinate voting shares. In aggregate, Marubeni directly or indirectly controls approximately 19.99% of the outstanding Subordinate Voting Shares on a partially diluted basis assuming the conversion of all Multiple Voting Shares into Subordinate Voting Shares.

Valhalla Mining, LLC has acquired Multiple Voting Shares and now holds an aggregate of 367,299.20 Multiple Voting Shares. In aggregate, Valhalla Mining, LLC directly or indirectly controls approximately 44.28% of the outstanding Subordinate Voting Shares on a partially diluted basis assuming the conversion of all Multiple Voting Shares into Subordinate Voting Shares.

Pursuant to the requirements of National Instrument 62-103 - The Early Warning System and Related Take-Over Bid and Insider Reporting Issues and applicable Canadian securities legislation, Early warning reports will be filed by Marubeni and Valhalla Mining, LLC. Copies of the early warning reports will be available under the Company’s SEDAR profile at www.sedar.com and available on request from Sorin Posescu c/o Valhalla Metals Inc., 10th Floor, 595 Howe Street, Vancouver, BC V6C 2T5.

Warrant Extension

The Company intends to extend the exercise period of a total of 1,333,422 post-consolidated common share purchase warrants, all of which are exercisable at \$0.60 per share (collectively, the “**Warrants**”) by two additional years. The Warrants were issued pursuant to a private placement which closed on October 8, 2020.

All other terms and conditions of the Warrants will remain unchanged. The Warrant extension will be subject to acceptance by the TSXV.

Trading Halt

The Company expects to resume trading on the TSXV shortly under ticker “VMXX” once all conditions to the TSXV’s acceptance of the transaction have been satisfied.

Forward-Looking Statements:

This news release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. The use of any of the words “expect”, “anticipate”, “continue”, “estimate”, “objective”, “ongoing”, “may”, “will”, “project”, “should”, “believe”, “plans”, “intends” and similar expressions are intended to identify forward-looking information or statements. In particular, this news release contains forward-looking information relating to the receipt of the Exchange Bulletin, the restriction and release of

Subordinate Voting Shares and Multiple Voting Shares pursuant to the Escrow Agreements, the extension of the Warrants, the Trading Halt and other related information. The forward-looking statements and information are based on certain key expectations and assumptions made by the Company, including the factors discussed in the Information Circular of the Company dated May 13, 2022, which are incorporated herein by reference and available under the Company's SEDAR profile at www.sedar.com. Although the Company believes that the expectations and assumptions on which such forward-looking statements and information are based, are reasonable, undue reliance should not be placed on the forward-looking statements and information because the Company can give no assurance that they will prove to be correct.

Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. Such factors which could materially affect such forward-looking information are described in the risk factors in the Company's Circular that is available on the Company's profile on SEDAR at www.sedar.com. Readers are cautioned that the foregoing list of factors is not exhaustive. The forward-looking statements included in this news release are expressly qualified by this cautionary statement. The forward-looking statements and information contained in this news release are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

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

Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of the Company should be considered highly speculative.

The securities described in this release have not been and will not be registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States except in reliance upon exemptions from such registration requirements.

For more information on the Company, please contact Valhalla Metals Inc.

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