



Transition Options High Grade Gold Opportunity in Nova Scotia

Sudbury, September 20, 2018 – Transition Metals Corp (XTM – TSX.V) (“Transition”, “the Company”) is pleased to announce that it has entered into an option agreement to acquire a 100% interest in the >45 square kilometre Highland Gold property located in the Cape Breton Highlands of Nova Scotia. The property covers an extensive cluster of high grade gold occurrences that have seen very limited exploration.

CEO Scott McLean commented, *“We think the potential for the area to host large deposits of gold is strongly supported by the historical, highly anomalous results coming from stream sediments, tills, soil and bedrock samples. Rocks of similar age and formation are known to host significant gold deposits in the Carolinas, Newfoundland, Ireland and Scotland. Cape Breton has an overlooked district scale gold potential that should be of interest to major gold producers looking for new opportunities. We plan to initiate exploration work this fall.”*

Transition retains the right and option to earn a 100% interest in the property by completing \$1.5 million of expenditures and issuing \$170,000 in cash and \$175,000 in shares to the Vendor over a 5 year period. If the Company vests its interest, the Vendor would retain a 2% Net Smelter Return royalty (NSR) with Transition retaining the right to buy back 1% NSR for \$1.25 million.

Work planned by the Company this fall includes till and soil sampling, a high resolution airborne magnetic/conductivity survey, and reverse circulation drilling. Additionally, the Nova Scotia Mineral Resources Development Fund will provide up to \$95,000 in exploration funding assistance which will help the Company offset some of its costs. The funding program provided by the government of Nova Scotia is designed to assist prospectors, exploration companies, and researchers in the search for new discoveries, to advance projects closer to production, and to attract investment into the Province.

About The Highland Gold Property

The property is located approximately 60 kilometres northwest of the city of Sydney, Nova Scotia in the Cape Breton Highlands. It consists of staked mining licenses on crown land that covers approximately 4,576 hectares in an area of active forestry operations. The property can be easily accessed by a major road (Highland Road) and network of logging roads that provide truck access to most of this portion of the Cape Breton highlands.

The property straddles the Central Highland Shear that can be traced along a northeast trend across the entirety of Cape Breton Island. The structure separates Ordovician - Silurian rocks of the western Gander terrane from the Neo-Proterozoic rocks of the Avalon terrane to the east. The regional geologic framework is analogous to that hosting First Mining Gold’s Hope Brook deposit in Newfoundland (844,000 ounces of gold grading 4.77 g/t gold in the Indicated Resource category and 110,000 ounces grading 4.11 g/t gold in the Inferred Resource category*) and Oceana Gold’s Haile Mine in South Carolina (3.32 million ounces grading 1.77 g/t gold in the Measured and Indicated Resource category and 0.6 million ounces grading 1.4 g/t gold in the Inferred Resource category)**.

Work to date on the property has led to the identification more than 30 mineralized bedrock occurrences within an approximate 50 square kilometre area of which 9 returned bedrock assays greater than 8 g/t gold and up to 104 g/t gold, and 23 returning higher than 1.7 g/t gold¹ (Figure 1).

The initial discovery of gold-bearing quartz vein, mineralized boulders in the area was made in 1986 by Scominex, a joint venture between Nova Scotia Resources Ltd., Husky Oil and INCO during a follow-up sampling program of gold anomalies in a regional stream sediment sampling program conducted by the Nova Scotia

Department of Natural Resources. A total of 39 diamond drill holes totaling 2,574 metres were completed by Scominex targeting soil anomalies/bedrock occurrences. Seventeen of the holes, totaling 1,137 metres, were put down at the Main Zone where narrow intervals of elevated gold were intersected. Extensive oxidation and weathering near surface however, contributed to poor overall core recoveries during the drill campaign. A composite bulk sample collected by Scominex across a 70 metre section of weathered veining averaged 26.5 g/t gold¹. At Zone 10, drilling intersected a wide shear zone hosting quartz veining and disseminated sulphides where hole 77359-0 intersected 0.8 g/t gold over 8.35 metres including a 1.5 metre section averaging 3.4 g/t gold².

Mining licenses covering the area encompassing the Main Zone were acquired by Lodestone Ltd. in 1995 which engaged in bulk sampling and preliminary gold recovery test work from a 60 metre long by 4 metre deep surface cut. Lodestone reported the average feed grade from a cyanide leach test completed on a 1,000 kilogram representative sample was 23 g/t gold³. Lodestone did not undertake enough exploration or delineation drilling work to establish a resource estimate for Main Zone showing.

Mining licenses surrounding the Main Zone were acquired by award-winning Nova Scotia prospector Joe Richman in 2009 with the Main Zone being acquired in late 2015. Work completed by Richman from 2009 to present highlighted the attractive potential of areas in the central portion of the property and especially around the Scominex Main Zone, 6A-B and Zones 1,2,3 Zones. Channel samples from trenching completed on these zones in 2014 returned 12.8 g/t gold over 3.1 metres, 3.18 g/t gold over 3.3 metres, and 17.1 g/t gold over 0.7 metres⁴.

In 2014, IAMGOLD Ltd undertook a small program of drilling consisting of 7 diamond drill holes totaling 1,059 metres. Results from this drill program included an intersection of 4.95 g/t gold over 3.0 metres at Zone 6B, and up to 2.52 g/t gold over 1.03 metres in a strongly altered pyritic shear zone with quartz veining approximately 2 kilometres to the east of the 6A and 6B Zones near Zones 1, 2 and 3⁴.

Recent grab sampling completed by the Geoscience and Mines Branch, Nova Scotia Department of Energy and Mines Geological Survey, returned values from nil to 71.6 g/t gold at the Main Zone, 0.03 to 28.0 g/t gold at Zone 6A, 0.01 to 80.3 g/t gold and 0.02 to 84.9 g/t gold at Zone 6B⁵. Grab sampling by Transition geologists from the 6A Zone returned assays ranging from nil to 12.1 g/t gold.

The Company views the property as a key gold asset acquisition. The widespread occurrence of gold together with the regional geologic context that is analogous to other significant deposits in Newfoundland and the southeast USA make this overlooked area a prime exploration opportunity for discovery. Under the Transition business model, the Company will undertake sufficient exploration to attract a Partner.

¹ Source: Novascan report AR-ME-1987-204, Report of Exploration on the Cape Breton Highlands Project, Scominex.

² Source: Novascan report AR-ME-1990-161, Exploration Program 1990, The Cape Breton Highlands, Scominex.

³ Source: Novascan report AR-ME-1995-008, Work Report, The McMillan Flowage Gold Project, Lodestone Ltd., 1995.

⁴ Source: Novascan report AR-ME-1020615, Assessment Report on the 2014-2015 Exploration Programs License 50372 held by Joe Richman.

⁵ Source: 2018 Personal Communications, Economic Geologist, Geological Services Division, Nova Scotia Department of Energy and Mine.

*Source: First Mining Gold Website - <https://firstmininggold.com/projects/newfoundland/hope-brook-project/>

*Source: Oceana Gold Media Release dated March 29, 2018

Qualified Person

The technical elements of this press release have been approved by Mr. Greg Collins, P.Geo. (APGO, APGNS), a Qualified Person under National Instrument 43-101. Grab samples are selected samples and are necessarily representative of the mineralization hosted on the property. Historical assay results cited above have not been verified by the Qualified Person. All analytical work performed on grab samples was conducted at Agat Laboratories with analyses completed in Mississauga, Ontario. The quality system used by Agat complies with international standards ISO 9001:2015 and ISO 17025:2005.

Cautionary Note on Forward-Looking Information

Except for statements of historical fact contained herein, the information in this news release constitutes “forward-looking information” within the meaning of Canadian securities law. Such forward-looking information may be identified by words such as “plans”, “proposes”, “estimates”, “intends”, “expects”, “believes”, “may”, “will” and include without limitation, statements regarding estimated capital and operating costs, expected production timeline, benefits of updated development plans, foreign exchange assumptions and regulatory approvals. There can be no assurance that such statements will prove to be accurate; actual results and future events could differ materially from such statements. Factors that could cause actual results to differ materially include, among others, metal prices, competition, risks inherent in the mining industry, and regulatory risks. Most of these factors are outside the control of the Company. Investors are cautioned not to put undue reliance on forward-looking information. Except as otherwise required by applicable securities statutes or regulation, the Company expressly disclaims any intent or obligation to update publicly forward-looking information, whether as a result of new information, future events or otherwise.

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.

Further information is available at www.transitionmetalscorp.com or by contacting:

Scott McLean
President and CEO
Transition Metals Corp.
Tel: (705) 669-1777

Figure 1. Highland Gold – Project Location and Highlights

