

## **Mangazeya Mining Ltd. Completes Compulsory Share Redemption**

June 03, 2022 – Road Town, Tortola, British Virgin Islands. Mangazeya Mining Ltd. (the “**Company**”) (NEX: MGZ.H) announces that, further to its announcement on May 16, 2022, it has redeemed all shares held by minority shareholders of the Company (the “**Minority Shareholders**”) in accordance with the provisions of section 176 of the BVI Business Companies Act, 2004 (as amended) (the “**Act**”) on May 25, 2022 (the “**Redemption Date**”). Following the Redemption Date, Minority Shareholders are no longer shareholders of the Company but have a claim for a debt owned by the Company equal to the redemption price of CAD\$0.045 per redeemed share (the “**Redemption Price**”) payable according to the terms of the redemption.

Pursuant to the provisions of section 176 of the Act, upon receipt of the direction on May 16, 2022 from Group Mangazeya LLC and Sezaria Limited, acting jointly and in concert (collectively, the “**Majority Shareholders**”), that they have acquired more than 90% of the issued shares of the Company, the Company was required to act on the instructions of the Majority Shareholders and to redeem the shares held by the Minority Shareholders, irrespective of whether the shares are by their terms redeemable. The Redemption Price was determined by the board of directors of the Company to constitute the fair market value of the Company’s shares based on a valuation obtained from FBK.

Pursuant to section 179 of the Act, Minority Shareholders had the right to dissent from the compulsory redemption of shares under section 176 of the Act. Dissenting shareholders may contest the determination of the Redemption Price as representing the fair market value of their shares but cannot prevent the compulsory redemption. As of the close of business on May 25, 2022, the Company had received dissent notices from certain shareholders purporting to hold 59,862,680 common shares (the “**Dissenting Shareholders**”). The Company is reviewing these dissent notices for compliance with the Act.

According to the Act, the Minority Shareholders who did not exercise dissent right are entitled to receive the Redemption Price regardless of the outcome of the negotiations between the Company and the Dissenting Shareholders.

As a result of the redemption, the shares of the Minority Shareholders have been redeemed and cancelled in accordance with the Act.

As a result of the redemption, the Company has applied to de-list its common shares from the NEX Board of the TSX Venture Exchange (“**NEX**”). The Company does not meet the ongoing listing requirements of the NEX.

### **About Mangazeya Mining Ltd.**

Mangazeya Mining Ltd. is a NEX-listed mining and exploration company, focused on the development of mineral resources in the Russian Federation.

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### **Caution Concerning Forward-Looking Information**

This news release contains forward looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995 and forward-looking information within the meaning of applicable Canadian securities laws (collectively, "forward-looking statements") relating, but not limited to, the Company's expectations, intentions and beliefs, the Company's financial position, financial alternatives and the Company's ability to continue operations. Words such as "may", "will", "should", "anticipate", "plan", "expect", "believe", "estimate" and similar terminology are used to identify forward-looking statements. Such statements are based on assumptions, estimates, opinions and analysis made by the management of the Company in light of their experience, current conditions and their expectations of future developments as well as other factors which they believe to be reasonable and relevant. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those expressed or implied in the forward-looking statements. Risks and uncertainties that may cause actual results to vary include but are not limited to: the Company's ability to obtain additional financing on acceptable terms or at all; the Company's ability to demonstrate compliance with NEX listing requirements; changes in equity and debt markets; inflation; uncertainties relating to the availability and costs of financing needed to complete exploration, development and production activities; failure to establish estimated mineral resources or mineral reserves (the Company's mineral resource and mineral reserve figures are estimates and no assurances can be given that the indicated levels of gold will be produced); exploration costs varying significantly from estimates; delays in the exploration and development of, and/or commercial production from, the properties in which the Company has an interest; unexpected geological or hydrological conditions; the speculative nature of mineral exploration and development, including the uncertainty of reserve and resource estimates; operational and technical difficulties, including the failure of major mining and/or milling equipment; the ability of the Company to service its existing debt facilities; fluctuations in gold and other commodity prices; the existence of undetected or unregistered interests or claims, whether in contract or in tort, over the property of the Company; success of future exploration and development initiatives; competition; operating performance of facilities; environmental and safety risks, including increased regulatory burdens, seismic activity, weather and other natural phenomena; inability to, or delays in, obtaining necessary permits and approvals from government authorities; risks relating to labour; and other exploration, development and operating risks; changes to and compliance with applicable laws and regulations, including environmental laws; political, economic and other risks arising from the Company's activities in Russia; fluctuations in foreign exchange rates; and those risks set out in the Company's public documents filed on SEDAR. Although the Company believes that the assumptions and factors used in preparing the forward-looking information are reasonable, undue reliance should not be placed on such information, which only applies as of the date of this news release, and no assurance can be given that such events will occur in the disclosed time frames or at all. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or

otherwise. Although the Company believes that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein. 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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