

# GENERATION MINING

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## **Generation Mining enters into binding agreement to become 100% owner of Marathon Project**

### **Sibanye-Stillwater to become largest shareholder of Generation Mining**

**Toronto, Ontario – December 8th 2021** – Generation Mining Limited (TSX: GENM; OTCQB: GENMF) (“Gen Mining” or the “Company”) is pleased to announce that it has entered into a binding acquisition agreement (the “Acquisition Agreement”) with Stillwater Canada Inc. (“Stillwater”) a subsidiary of Sibanye Stillwater Limited (“Sibanye-Stillwater”) and the Company’s wholly-owned subsidiary Generation PGM Inc. (“Gen Subco”), pursuant to which Gen Subco will acquire Stillwater’s remaining 16.5% interest in the Marathon Palladium Copper project in Northwestern Ontario (the “Marathon Project”) (the “Transaction”).

Sibanye-Stillwater (including its affiliates) currently owns 11,053,795 common shares of Gen Mining, and on closing of the Transaction will own 32,813,127 common shares, representing approximately 19.1% of the outstanding Gen Mining common shares. Gen Mining will acquire Sibanye-Stillwater’s remaining stake in the Marathon Project through the issuance to Stillwater of 21,759,332 common shares of Gen Mining, at a price of \$0.69 per share (which represents the

closing price of Gen Mining's common shares on December 7, 2021). The Transaction will increase Gen Subco's interest in the Marathon Project to 100%. Upon completion of the Transaction, Stillwater will hold no direct interest in the Marathon Project and the joint venture agreement, dated July 10, 2019, between Stillwater and Gen Subco will be terminated. The Transaction is subject to customary closing conditions and approval by the Toronto Stock Exchange.

"Sibanye-Stillwater has proven itself to be an exceptional joint venture partner in the Marathon Project. We are happy that one of the world's largest Platinum Group Metal producers will continue as Generation Mining's largest shareholder as we advance the Marathon Project through the next phase of development," said Jamie Levy, Gen Mining President and CEO. "We have long aspired to own 100% of this incredible project. The Transaction gives us greater flexibility in all aspects of financing and developing the project plus a larger exposure to the potential profits flowing from Marathon."

Neal Froneman, CEO of Sibanye-Stillwater commenting on the Transaction, said "We believe that the exchange of our direct participation interest for an increased shareholding in Generation Mining is a positive step in providing Generation Mining with more flexibility at project level while allowing us to retain exposure to the Project as it advances to development."

The 21,759,332 shares to be issued pursuant to the Transaction shall be subject to a statutory hold period in Canada of four months and one day, as well as certain contractual lock-up and resale restrictions for a period of 18 months.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any issuance of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. This press release does not constitute an offer of securities for sale in the United States. The securities being offered have not been, nor will they be, registered under the *United States Securities Act of 1933*, as amended, and such securities may not be offered or sold within the United States absent registration under U.S. federal and state securities laws or an applicable exemption from such U.S. registration requirements.

### **Qualified Person**

The scientific and technical content of this news release was reviewed, verified, and approved by Drew Anwyll, P.Eng., M.Eng, Chief Operating Officer of the Company, and a Qualified Person

as defined by Canadian Securities Administrators National Instrument 43-101 - *Standards of Disclosure for Mineral Projects*.

## **About the Company**

Gen Mining's focus is the development of the Marathon Project, a large undeveloped platinum group metal mineral deposit in Northwestern Ontario. The Company released the results of the Feasibility Study on March 3, 2021 and published the NI43-101 Technical Report dated March 25, 2021. The Marathon property covers a land package of approximately 22,000 hectares, or 220 square kilometres. Upon closing of the Transaction noted above, Gen Mining will own a 100% interest in the Marathon Project.

The Feasibility Study in respect of the Marathon Project estimated that at US\$1725/oz palladium, and US\$3.20/lb copper, Marathon's Net Present Value (at 6% discount rate) is approximately C\$1.07 billion with a payback of 2.3 years and an Internal Rate of Return of 30%. Up front capital costs were estimated at C\$665 million. The mine would produce an estimated 245,000 palladium equivalent ounces per year over a 13-year mine life at an All-In Sustaining Cost of US\$809 per palladium-equivalent ounce. For more information, please review the detailed Feasibility Study dated March 25, 2021, filed under the Company's profile at SEDAR.com.

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## **Forward-Looking Information**

*This news release contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). Forward-looking statements reflect current expectations or beliefs regarding future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "Projects", "predicts", "intends", "anticipates", "targets" or "believes", or variations of, or the negatives of, such words and phrases or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved, including statements relating to completion of the Transaction, satisfaction of the conditions precedent to closing the Transaction including obtaining regulatory approval, the Company acquiring a 100% interest in the Marathon Project, or advancing the Marathon*

*Project to bring it into production. All forward-looking statements, including those herein are qualified by this cautionary statement.*

*Although the Company believes that the expectations expressed in such statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the statements. There are certain factors that could cause actual results to differ materially from those in the forward-looking information. These include commodity price volatility, continued availability of capital and financing, uncertainties involved in interpreting geological data, increases in costs, environmental compliance and changes in environmental legislation and regulation, the Company's relationships with First Nations communities, exploration successes, and general economic, market or business conditions, as well as those risk factors set out in the Company's annual information form for the year ended December 31, 2020, and in the continuous disclosure documents filed by the Company on SEDAR at [www.sedar.com](http://www.sedar.com). Readers are cautioned that the foregoing list of factors is not exhaustive of the factors that may affect forward-looking statements. Accordingly, readers should not place undue reliance on forward-looking statements. The forward-looking statements in this news release speak only as of the date of this news release or as of the date or dates specified in such statements.*

*Forward-looking statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions relating to: the availability of financing for the Company's operations; operating and capital costs; results of operations; the mine development and production schedule and related costs; the supply and demand for, and the level and volatility of commodity prices; timing of the receipt of regulatory and governmental approvals for development Projects and other operations; the accuracy of Mineral Reserve and Mineral Resource Estimates, production estimates and capital and operating cost estimates; and general business and economic conditions.*

*Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking information. For more information on the Company, investors are encouraged to review the Company's public filings on SEDAR at [www.sedar.com](http://www.sedar.com). The Company disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, other than as required by law.*