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CLEAN AIR METALS ANNOUNCES \$10 MILLION BOUGHT DEAL PRIVATE PLACEMENT

Thunder Bay, ON, February 1, 2021 – Clean Air Metals Inc. ("**Clean Air Metals**" or the "**Company**") (TSXV: AIR) (FRA: CKU) (OTCQB: CLRMF) is pleased to announce that it has entered into an agreement with Paradigm Capital Inc. on behalf of a syndicate of underwriters (collectively, the "**Underwriters**"), in connection with a bought deal private placement financing (the "**Offering**") for total proceeds of \$10 million, consisting (i) 11,904,800 flow-through shares ("**FT Shares**") at a price of \$0.42 per FT Share (the "**FT Share Issue Price**") and (ii) 9,804,000 flow-through units (the "**FT Units**", and together with the FT Shares, the "**Offered Securities**") at a price of \$0.51 per FT Unit (the "**FT Unit Issue Price**").

Each FT Unit will consist of one common share of the Company and one-half of one common share purchase warrant (each whole common share purchase warrant a "**Warrant**") that will each qualify as a flow-through share (within the meaning of subsection 66(15) of the Income Tax Act (Canada)).

Each Warrant will entitle the holder thereof to acquire one common share of the Company at a price of \$0.55 for a period of 2 years following the closing of the Offering.

In addition, the Company will grant the Underwriters an option (the "**Underwriters' Option**") to purchase that number of additional FT Shares at the FT Share Issue Price and/or FT Units at the FT Unit Issue Price, for additional aggregate gross proceeds of up to \$1.5 million exercisable 48 hours prior to the Closing Date.

Abraham Drost, P.Geo., CEO of Clean Air Metals commented, "The bought deal flow-through financing will allow the Company to execute with a strong follow-up exploration program for 2021 in light of the new resource statement released on January 20, 2021. We are grateful to Paradigm Capital and syndicate partners for their support in these volatile markets."

The Company will use an amount equal to the gross proceeds received by the Company from the sale of the FT Shares and the FT Units to incur eligible "Canadian exploration expenses" that will qualify as "flow-through mining expenditures" as such terms are defined in the *Income Tax Act* (Canada) (the "**Qualifying Expenditures**") related to the Company's projects in Canada. All Qualifying Expenditures will be renounced in favour of the subscribers of the FT Shares and FT Units effective December 31, 2021.

The Underwriters will receive a cash fee of 6% of the gross proceeds from the sale of the Offered Securities, other than in respect of sales to subscribers on the President's List, in which case the cash commission will be reduced to 3%.

The Underwriter will also receive compensation options (the "**Compensation Options**") entitling the Underwriter, from time to time for a period of two years from the closing date of the Offering, to acquire that number of common shares of the Company that is equal to 5% of the number of Offered Securities issued pursuant to the Offering (other than any Offered Securities issued to subscribers on the President's List in which case it will be reduced to 2.5%), at an exercise price equal to the FT Share Issue Price.

The Offering is expected to close on or about February 23, 2021 and is subject to certain closing conditions including, but not limited to, the receipt of all necessary approvals including the

conditional listing approval of the TSX Venture Exchange and the applicable securities regulatory authorities.

The Offered Securities and the shares issuable upon the exercise of the Compensation Options will be subject to a four month hold period under applicable Canadian securities laws.

The securities offered have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any State in which such offer, solicitation or sale would be unlawful.

About Clean Air Metals Inc.

Clean Air Metals' flagship asset is the Thunder Bay North Project, a platinum, palladium, copper, nickel project located near the City of Thunder Bay, Ontario and the Lac des Iles Mine owned by Impala Platinum Holdings. The Clean Air Metals project hosts the Current Lake Deposit and magma conduit and the Company is actively exploring the Escape Lake Deposit, a twin structure to the Current Lake Deposit. Executive Chairman Jim Gallagher, P.Eng. and CEO Abraham Drost, P.Geol. lead an experienced team of geologists and engineers who are using the Norilsk magma conduit stratigraphic and mineral deposit model to guide ongoing exploration and development studies. As the former CEO of North American Palladium Ltd. which owned the Lac des Iles Mine prior to the sale to Impala Platinum in December, 2019, Jim Gallagher and team are credited with the mine turnaround and creation of significant value for shareholders.

For further information, please contact:

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Neither 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.

Cautionary Note Regarding Forward-Looking Information

The information contained herein contains "forward-looking statements" within the meaning of applicable securities legislation. Forward-looking statements relate to information that is based on assumptions of management, forecasts of future results, and estimates of amounts not yet determinable. Any statements that express predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance are not statements of historical fact and may be "forward-looking statements." Forward-looking statements in this press release include statements related to the TSXV approval, use of proceeds of the Offering, tax treatment of the flow-through shares and flow-through units, and renunciation of the Qualifying Expenditures are subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking statements, including, without limitation: risks related to, risk related

to the failure to obtain adequate financing on a timely basis and on acceptable terms; risks related to the outcome of legal proceedings; political and regulatory risks associated with mining and exploration; risks related to the maintenance of stock exchange listings; risks related to environmental regulation and liability; the potential for delays in exploration or development activities or the completion of feasibility studies; the uncertainty of profitability; risks and uncertainties relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits; risks related to the inherent uncertainty of production and cost estimates and the potential for unexpected costs and expenses; results of prefeasibility and feasibility studies, and the possibility that future exploration, development or mining results will not be consistent with the Company's expectations; risks related to commodity price fluctuations; and other risks and uncertainties related to the Company's prospects, properties and business detailed elsewhere in the Company's disclosure record. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements. Investors are cautioned against attributing undue certainty to forward-looking statements. These forward-looking statements are made as of the date hereof and the Company does not assume any obligation to update or revise them to reflect new events or circumstances, except in accordance with applicable securities laws. Actual events or results could differ materially from the Company's expectations or projections.