



FOR IMMEDIATE RELEASE

TSX-V: **AZR**

AZARGA METALS AND SABRE GOLD MINES RE-STRUCTURE AGREEMENT

January 8, 2024 – Vancouver, B.C. – AZARGA METALS CORP. ("Azarga Metals" or the "Company") (TSX-V:AZR) is pleased to announce that it has reached terms with Sabre Gold Mines Corp. ("Sabre") to restructure the terms of the Marg Project acquisition located in Central Yukon.

Marg Project Agreement

Sabre and Azarga Metals are parties to an asset purchase agreement (the "APA") made November 8, 2021, in respect of the Marg Project, on terms announced November 9, 2021. Sabre and Azarga Metals have agreed to amend the APA to an option to purchase agreement whereby if Azarga Metals does not complete the option maintenance payments and exercise the option to purchase the Marg Project (see below), the option to purchase will expire and the title to the Marg Property will be transferred by Azarga Metals to Sabre.

In consideration of Sabre's debt forgiveness, Azarga Metals has agreed to increase the net smelter returns royalty (the "NSR") from 1% to 2%, with 1% continuing to be subject to buy back for cash consideration of \$1,500,000.

Option maintenance payments:

- Subject to the approval of the TSX Venture Exchange, Azarga Metals will immediately issue 2,866,666 common shares at a deemed price of \$0.075 per share and a total value of \$215,000 that will satisfy in full the outstanding amount that was due for payment by Azarga Metals to Sabre on December 6, 2022. The shares issued to Sabre will bear a legend restricting trading for a period of eighteen months from the date of issue.
- On December 1, 2024, Azarga Metals will pay Sabre \$33,500 in cash or shares at the option of Azarga Metals.
- If Azarga Metals has not exercised its option to purchase, on or before December 1, 2024, Azarga Metals will pay Sabre \$33,500 in cash or shares, at the option of Azarga Metals on December 1, 2025.

To exercise the option to purchase, on or before December 1, 2025, Azarga Metals will pay Sabre a cash payment of \$335,000, after which Azarga Metals will own the Marg Project free and clear, subject only to the NSR and Sabre will immediately thereafter discharge its security charge registered on the Marg Project.

Security Based Compensation

On January 5, 2024, a total of 1,200,000 restricted stock units (“RSUs”) were granted to the three directors of the Company under the Company’s Equity Incentive Plan. The RSUs vest on the first anniversary of the grant date. A portion of these grants represent compensation to the directors for their service to the Company in 2023. The Company does not currently pay cash to its independent directors.

In addition, a total of 800,000 stock options were granted to certain officers of the Company. The stock options are granted pursuant to the Company’s Stock Option Plan and grant the holder the right to purchase one common share at a purchase price of \$0.07 per common share for a period of 5 years from the date of grant.

AZARGA METALS CORP.

Gordon Tainton,
President and Chief Executive Officer

For further information please contact: Doris Meyer, at +1 604 536-2711 ext. 3 or visit www.azargametals.com. The address of the head office of Azarga Metals is Unit 1 - 15782 Marine Drive, White Rock, BC V4B 1E6, British Columbia, Canada.

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.

Cautionary Statement:

This news release contains forward looking statements within the meaning of applicable securities laws. The use of any of the words “ambition”, “estimate”, “concluded”, “offers”, “objective”, “may”, “will”, “should”, “potential” and similar expressions are intended to identify forward looking statements, but not limited to the approval of the TSX Venture Exchange of the amended terms. Although the Company believes that the expectations and assumptions on which the forward looking statements are based are reasonable, undue reliance should not be placed on the forward looking statements because the Company cannot give any assurance that they will prove correct. Since forward looking statements address future events and conditions, they involve inherent assumptions, risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of assumptions, factors and risks. These assumptions and risks include, but are not limited to, receiving approval of the TSX Venture Exchange to issue the shares and amend the agreement, to Sabre, assumptions and risks associated with the state of equity financing markets and results of future exploration activities by the Company. Management has provided the above summary of risks and assumptions related to forward looking statements in this news release in order to provide readers with a more comprehensive perspective on the Company’s future operations. The Company’s actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward looking statements and, accordingly, no assurance can be given that any of the events anticipated by the forward looking statements will transpire or occur, or if any of them do so, what benefits the Company will derive from them. These forward looking statements are made as of the date of this news release, and, other than as required by applicable securities laws, the Company disclaims any intent or

obligation to update publicly any forward looking statements, whether as a result of new information, future events or results or otherwise.