

# Rio2 Prices C\$25 Million Marketed Public Offering and US\$5 Million Non-Brokered Private Placement

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VANCOUVER, July 21, 2021 - [Rio2 Ltd.](#) ("Rio2" or "the Company") (TSXV: RIO; OTCQX: RIOFF; BVL: RIO) is pleased to announce the pricing of its previously announced marketed public offering (the "Offering") of common shares of the Company ("Common Shares") at a price of \$0.65 per Common Share. Additionally, the Company's previously announced non-brokered private placement of Common Shares to [Wheaton Precious Metals Corp.](#) ("Wheaton") will also be conducted at a price of \$0.65 per Common Share (the "Private Placement").

## RIO2 EQUITY OFFERING

Scotiabank, CIBC Capital Markets and Raymond James (collectively, the "Joint Bookrunners"), as joint bookrunners and co-lead underwriters, along with Cantor Fitzgerald Canada Corporation, Sprott Capital Partners LP, and Cormark Securities Inc. (collectively with the Joint Bookrunners, the "Underwriters") will act as the underwriters for the Offering. Pursuant to an underwriting agreement entered into today between the Company and the Underwriters (the "Underwriting Agreement"), the Underwriters have agreed to purchase 38,500,000 Common Shares from the Company for total gross proceeds of approximately \$25 million.

The Company has granted the Underwriters an over-allotment option to purchase up to an additional 15% of the Common Shares issued pursuant to the Offering (the "Over-Allotment Option") on the same terms exercisable in whole or in part, at any time and from time to time, up to 30 days from and including the closing date of the Offering.

Not less than US\$20 million of the net proceeds of the Offering plus the proceeds of the Private Placement (the "Combined Proceeds") will be used to fund development of the Company's Fenix Gold Project and associated mine and camp infrastructure (which, for greater certainty includes development of related infrastructure by Lince S.A., a wholly owned subsidiary of the Company). The remaining Combined Proceeds is expected to be used for general working capital purposes. Any proceeds from the exercise of the Over-Allotment Option will be added to the Company's working capital.

Pursuant to the terms of the Underwriting Agreement, the Underwriters will be paid a cash commission equal to 6.0% of the gross proceeds of the Offering (including any gross proceeds raised on the exercise of the Over-Allotment Option), subject to a reduction to 4% of the gross proceeds of the Offering in respect of certain institutional subscribers and a reduction to 1% of the gross proceeds of the Offering for subscribers from the Company's presidents list.

The Common Shares are being offered (i) to the public in each of the provinces and territories of Canada, except for Quebec, (ii) in the United States, only to "qualified institutional buyers" (as defined in Rule 144A under the United States *Securities Act of 1933*, as amended (the "1933 Act")), in a private placement exempt from the registration requirements of the 1933 Act, and (iii) internationally, as permitted.

The Company expects to file an amended and restated preliminary short form prospectus in connection with the Offering today (the "Prospectus"). The Prospectus will remain subject to completion but contains important detailed information about the Company and the proposed Offering. Prospective investors should read the Prospectus and the other documents the Company has filed before making an investment decision. Following filing of the Prospectus, copies may be obtained from the Underwriters via email at [equityprospectus@scotiabank.com](mailto:equityprospectus@scotiabank.com) or by request to the Company. A copy of the Prospectus will also be available under the corporate profile of the Company on SEDAR at [www.sedar.com](http://www.sedar.com).

The Offering is scheduled to close on or about August 6, 2021 and is subject to customary closing conditions including, but not limited to, the receipt of all necessary regulatory approvals, including the approval of the securities regulatory authorities and the TSX Venture Exchange (the "TSXV"). The completion of the Offering is also subject to the completion of the Private Placement (as described below).

This press release does not constitute an offer to sell or a solicitation of an offer to buy any of the Common Shares in the United States, nor will there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. The Common Shares have not been and will not be registered under the 1933 Act or any state securities laws and may not be offered or sold directly or indirectly in the United States absent registration or an applicable exemption from the registration requirements of the 1933 Act and all applicable state securities laws.

## RIO2 PRIVATE PLACEMENT

As contemplated by the non-binding term sheet announced by the Company yesterday, under the Private Placement, Wheaton has agreed to purchase 9,792,880 Common Shares from treasury at the price of \$0.65 for proceeds of \$6,365,372 (approximately the Canadian dollar equivalent of US\$5 million). The proceeds from the Private Placement will be used to further fund development of the Fenix Gold Project and associated mine and camp infrastructure (which, for greater certainty includes development of related infrastructure by Lince S.A., a wholly owned subsidiary of the Company).

The Private Placement is scheduled to close on or about August 6, 2021 and is subject to customary closing conditions including, but not limited to, the receipt of all necessary regulatory and other approvals including the approval of the TSXV. The completion of the Private Placement is also subject to the concurrent completion of the Offering.

## ADVISORS

DLA Piper (Canada) LLP is acting as legal counsel to Rio2 in respect of the Offering and the Private Placement. Borden Ladner Gervais LLP is acting as legal counsel to the Underwriters in respect of the Offering. McCarthy Tetrault LLP is acting as legal counsel to Wheaton in respect of the Private Placement.

## ABOUT RIO2 LIMITED

Rio2 is a mining company with a focus on development and mining operations with a team that has proven technical skills as well as a successful capital markets track record. Rio2 is focused on taking its Fenix Gold Project in Chile to production in the shortest possible timeframe based on a staged development strategy. In addition to the Fenix Gold Project in development in Chile, [Rio2 Ltd.](#) continues to pursue additional strategic acquisitions where it can deploy its operational excellence and responsible mining practices to build a multi-asset, multi-jurisdiction, precious metals company.

## Forward-Looking Statements

*This news release contains forward-looking statements and forward-looking information (collectively "forward-looking information") within the meaning of applicable securities laws relating to Rio2's planned development of its Fenix Gold Project and other aspects of Rio2's anticipated future operations and plans. In addition, without limiting the generality of the foregoing, this news release contains forward-looking information pertaining to the following: the Offering, the Private Placement, the filing of the Prospectus, the timing and completion of the Offering and the Private Placement, the use of proceeds of the Offering and the Private Placement, the potential development of a mine at the Fenix Gold Project, the timing of construction at the Fenix Gold Project, and other matters ancillary or incidental to the foregoing.*

*All statements included herein, other than statements of historical fact, may be forward-looking information and such information involves various risks and uncertainties. Forward-looking information is often, but not*

*always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe", and similar expressions. The forward-looking information is based on certain key expectations and assumptions made by Rio2's management which may prove to be incorrect, including but not limited to: expectations concerning prevailing commodity prices, general market conditions, exchange rates, interest rates, applicable royalty rates and tax laws; capital efficiencies; legislative and regulatory environment of Chile; future production rates and estimates of capital and operating costs; estimates of reserves and resources; anticipated timing and results of capital expenditures; the sufficiency of capital expenditures in carrying out planned activities; performance; the availability and cost of financing, labor and services; and Rio2's ability to access capital on satisfactory terms.*

*Rio2 believes the expectations reflected in these forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements in this news release should not be unduly relied upon. A description of assumptions used to develop such forward-looking information and a description of risk factors that may cause actual results to differ materially from forward-looking information can be found in Rio2's disclosure documents on the SEDAR website at [www.sedar.com](http://www.sedar.com). These risks and uncertainties include, but are not limited to: risks and uncertainties relating to the completion of the financings as described herein, and management's ability to anticipate and manage the factors and risks referred to herein. Forward-looking statements included in this news release are made as of the date of this news release and such information should not be relied upon as representing its views as of any date subsequent to the date of this news release. Rio2 has attempted to identify important factors that could cause actual results, performance or achievements to vary from those current expectations or estimates expressed or implied by the forward-looking information. However, there may be other factors that cause results, performance or achievements not to be as expected or estimated and that could cause actual results, performance or achievements to differ materially from current expectations. Rio2 disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities legislation.*

Notes:

To learn more about Rio2 Limited, please visit: [www.rio2.com](http://www.rio2.com) or Rio2's SEDAR profile at [www.sedar.com](http://www.sedar.com).

ON BEHALF OF THE BOARD OF [Rio2 Ltd.](#)

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