

RATHDOWNEY ANNOUNCES PRIVATE PLACEMENT OF UP TO \$2.6 MILLION

December 31, 2021- Vancouver, BC – Rathdowney Resources Ltd. (“Rathdowney” or the “Company”) (TSX-V: RTH) announces that it has entered into debt settlement agreement with a non arms-length party (the “**Creditor**”) to settle an aggregate C\$500,000 in debt (the “**Debt**”). In settlement of the Debt, the Company will issue an aggregate of 14,285,714 common shares in the capital of the Company (the “**Debt Shares**”) at a deemed price of C\$0.035 per Debt Share (the “**Debt Settlement**”).

The Creditor participating in the Debt Settlement is considered to be “related party” within the meaning of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”) and the share issuance is considered to be a “related party transaction” within the meaning of MI 61-101, but is exempt from the valuation requirement of MI 61-101 by virtue of the exemption contained in section 5.5(b) as the Company’s shares are not listed on a specified market and from the minority shareholder approval requirements of MI 61-101 by virtue of the exemption contained in section 5.7(a) of MI 61-101 in that the fair market value of the consideration of the shares to be issued to each related party does not exceed 25% of the Company’s market capitalization.

All securities issued in connection with the Debt Settlement are subject to a statutory hold period of four months plus a day from the date of issuance in accordance with applicable securities legislation.

Closing of the Debt Settlement is subject to a number of conditions, including receipt of all necessary corporate and regulatory approvals, including TSX Venture Exchange approval.

About Rathdowney and Project Olza

Rathdowney Resources Ltd. is focused on advancing Project Olza through the permitting process toward a mining license and into production.

The Olza Zinc-Lead-Silver Project is located in the Upper Silesian Mining District of southwestern Poland, a world-class region of Mississippi Valley-type deposits with well-developed mining infrastructure. Easily accessible by road, the Olza project site is a one-hour drive from Krakow, a major city with full services, including an international airport. The deposits at Olza are 25 km from the ZGH zinc smelter at Boleslaw. A railway line runs through the Olza project-area, linking it to the local facilities and also to other smelters through ports on the Baltic Sea.

A Preliminary Economic Assessment, announced in early 2015 indicates strong potential financial returns for a 6,000 tpd underground operation and conventional treatment facility, producing marketable zinc and lead concentrates^[1].

David Copeland, P.Eng., Chairman of Rathdowney and a qualified person as defined under NI43-101, has reviewed and approved the technical information in this release.

^[1] For further details, see Rathdowney’s news release dated April 20, 2015 and the PEA technical report posted on the Company’s website and on its profile at www.sedar.com.



For further information on Rathdowney and Project Olza, please visit www.rathdowneyresources.com or contact Investor Relations (Melanee Henderson) at 604-684-6365 or toll free in Canada at 1-800-667-2114.

On behalf of the Board of Directors

David Copeland, P.Eng.
Chairman

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.

This release includes certain statements that may be deemed "forward-looking statements". All statements in this release, other than statements of historical facts, that address exploration drilling, exploitation activities and events or developments that the Company expects, are forward looking statements. Although the Company believes the expectations expressed in such forward-looking 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 forward-looking statements. Assumptions used by the Company to develop forward-looking statements include the following: the Olza project will obtain all required environmental and other permits and all land use and other licenses, studies and development of the Olza project will continue to be positive, and no geological or technical problems will occur. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploitation and exploration successes, continuity of mineralization, potential environmental issues and liabilities associated with exploration, development and mining activities, uncertainties related to the ability to obtain necessary permits, licenses and title and delays due to third party opposition, changes in government policies regarding mining and natural resource exploration and exploitation, continued availability of capital and financing, and general economic, market or business 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 statements. For more information on the Company, investors should review the Company's continuous disclosure filings that are available at www.sedar.com.

