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Blue Thunder Announces First Closing of Private Placement

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Toronto, Ontario, July 6, 2020 – Blue Thunder Mining Inc. (TSX-V:BLUE) (“BLUE” or the “Company”) announces that it has completed the first closing of its private placement of up to \$2.265 million (“the Offering”) (please see press releases from June 11 and June 23, 2020 for details of the Offering) and expects to proceed shortly with the second closing of the Offering. As consideration for the private placement, the Company issued:

- 6,750,000 Units (the “Units”) at a price of \$0.10 per unit;
- 7,834,573 Flow-Through Shares at a price of \$0.11 per Flow-Through Share; and
- 2,627,660 Charity Flow Through units at a price of \$0.17 per Charity Flow Through Unit.

Each Unit shall consist of one common share of the Company (each, a “Common Share”) and one-half of one common share purchase warrant (each whole warrant, a “Warrant”). Each Charity Flow-Through Unit shall consist of one Flow-Through Share issued as part of a charity arrangement and one-half of one Warrant. Each Warrant will be exercisable by the holder to acquire one Common Share at a price of \$0.15 for a period of 24 months following the closing of the Offering.

Aggregate gross proceeds from the first closing of the private placement was \$1.98 million and the Company issued 17,212,233 common shares in association with private placement and 4,688,830 warrants, which expire on June 30, 2022.

Related Party Participation on the Private Placement

Directors, management and insiders subscribed for an aggregate of 1,200,000 Units and 730,000 Flow Through Shares in the first close of the offering, representing aggregate gross proceeds of \$200,300. The purchase of Units and Flow-through shares is considered to be a related party transactions under Multilateral Instrument 61-101, but is exempted from the requirements to obtain a formal valuation and to obtain minority approval, as the purchase of securities does not exceed 25% of the Company’s market capitalization. The Company is relying on exemptions from the formal valuation and minority shareholder approval requirements provided under sections 5.5(a) and 5.7(1)(a) of Multilateral Instrument 61-101.

Use of Proceeds

The gross proceeds received from the sale of the Flow-Through Shares and Charity Flow-Through Units will be used to incur Canadian exploration expenses (“CEE”) as defined in subsection 66.1(6) of the *Income Tax Act* (Canada) (the “Tax Act”) on the Company’s Muus, Muus East, Nisk, Fancamp and Embry properties and renounced to subscribers in the Offering effective December 31, 2020. Such CEE will also qualify as “flow-through mining expenditures” as defined in subsection 127(9) of the Tax Act, and (i) for inclusion in

the "exploration base relating to certain Québec exploration expenses" within the meaning contained in section 726.4.10 of the Taxation Act (Québec); and (ii) for inclusion in the "exploration base relating to certain Québec surface mining exploration expenses or oil and gas exploration expenses" within the meaning contained in section 726.4.17.2 of the Taxation Act (Québec). The net proceeds from the sale of the Units will be for the exploration of the Company's properties and for general working capital purposes.

Finders Fee Agreement

The Company has entered into an agreement (the "**Agreement**") with Red Cloud Securities Inc. (the "**Finder**") whereby the Company has agreed to pay a fee to the Finder in respect to those purchasers under the Offering introduced to the Company by the Finder. The Finder shall be paid a cash payment equal to 7% of the gross proceeds received by the Company from purchasers under the Offering who were introduced to the Company by the Finder, with such fee representing \$124,824 paid by the Company to the Finder (the "**Cash Finder's Fee**"). In addition, the Company shall issue 1,069,756 non-transferrable common share purchase warrants to the Finder in an amount equal to 7% of the common shares issued by the Company to purchasers under the Offering who were introduced to the Company by the Finder, with each such warrant entitling the Finder to acquire one common share for a period of 24 months following the closing of the Offering at a price of \$0.10 per common share (the "**Finder's Warrants**").

The entering into the Agreement is considered to be a related party transaction under Multilateral Instrument 61-101, but is exempted from the requirements to obtain a formal valuation and to obtain minority approval, as the consideration payable to the Finder under the Agreement does not exceed 25% of the Company's market capitalization. The independent directors of the Company have approved the Agreement. The Company is relying on exemptions from the formal valuation and minority shareholder approval requirements provided under sections 5.5(a) and 5.7(1)(a) of Multilateral Instrument 61-101.

The shares and warrants issued under this Offering are subject to a mandatory hold period of four months plus one day from the closing date, expiring on October 31, 2020. The Offering remains subject to the final approval of the TSX Venture Exchange.

About BLUE

Blue Thunder Mining Inc. (TSXV:BLUE) is a gold exploration company focused in the Chibougamau Gold District of Québec, where it has consolidated approximately 51,000 hectares of prospective exploration claims in five separate blocks (the Muus Project), making BLUE one of the largest landholders in the District. Much of the exploration ground occurs along major regional structures, including the Guercheville and Fancamp Deformation Zones, both of which are associated with numerous gold and/or base metal deposits and showings in the District.

ON BEHALF OF THE BOARD

Robert Cinits

President and CEO

Blue Thunder Mining Inc.

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“Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.”

Cautionary Note Regarding Forward-Looking Statements

This press release contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning of applicable Canadian securities legislation. All statements, other than statements of historical fact, included herein including, without limitation, statements regarding the anticipated content, commencement, anticipated exploration program results, the ability to complete the amount of the announced private placement, and the anticipated business plans and timing of future activities of the Company, are forward-looking statements. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Forward-looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate and similar expressions, or are those, which, by their nature, refer to future events. The Company cautions investors that any forward-looking statements by the Company are not guarantees of future results or performance, and that actual results may differ materially from those in forward looking statements as a result of various factors, including, but not limited to, the state of the financial markets for the Company's equity securities, the state of the commodity markets generally, variations in the nature, quality and quantity of any mineral deposits that may be located, variations in the market price of any mineral products the Company may produce or plan to produce, the inability of the Company to obtain any necessary permits, consents or authorizations required, including TSXV acceptance, for its planned activities, the inability of the Company to produce minerals from its properties successfully or profitably, to continue its projected growth, to raise the necessary capital or to be fully able to implement its business strategies, and other risks and uncertainties. All of the Company's Canadian public disclosure filings may be accessed via www.sedar.com and readers are urged to review these materials, including the technical reports filed with respect to the Company's mineral properties. This news release contains information with respect to adjacent or similar mineral properties in the Chibougamau District in respect of which the Company has no interest or rights to explore or mine. Readers are cautioned that the Company has no interest in or right to acquire any interest in any such properties, and that mineral deposits, and the results of any mining thereof, on adjacent or similar properties, are not indicative of mineral deposits on the Company's properties or any potential exploitation thereof.