

# REYNA SILVER CORP.

(formerly Century Metals Inc.)

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## NEWS RELEASE

### COMPLETION OF ACQUISITION TRANSACTION

**June 4, 2020** – Toronto, ON, Canada and Hong Kong. **Reyna Silver Corp.** (formerly Century Metals Inc., the “**Company**”) (TSXV: RSLV) announces that it has completed the acquisition (the “**Acquisition**”) of all the issued and outstanding securities of Reyna Silver Mining Inc. (“**Reyna**”; formerly Reyna Silver Corp.)

The following is a summary of the material terms of the Acquisition. A complete description of the Acquisition is set out in the Company’s Filing Statement dated June 3, 2020 as filed on SEDAR.

- The Company eliminated all of its current and long-term liabilities, except for \$222,900 (\$197,772 reflected in accounts payable and \$25,128 owing to related parties), by paying \$531,355 in cash and having \$520,549 of debt forgiven;
- The Company consolidated its 34,228,765 outstanding common shares so as to have 5,348,245 consolidated shares (“**Shares**”) outstanding prior to closing the Acquisition;
- The Company and Reyna jointly undertook private placements raising an aggregate of \$6,597,606, resulting in the issuance of 32,988,030 units at \$0.20 (each unit consisting of one Share and one-half Share purchase warrant (for a total of 16,494,013 warrants) exercisable at \$0.45 for 24 months from closing the Acquisition);
- The Company changed its name to “Reyna Silver Corp.”; and Reyna concurrently changed its name to “Reyna Silver Mining Inc.”;
- The Company issued an aggregate of 45,352,864 Shares to acquire the outstanding common shares of Reyna (inclusive of the 25,525,530 shares issued by Reyna under its \$0.20 private placement); and issued 14,556,706 Shares to MAG Silver Corp. (“**MAG Silver**”) in exchange for the preferred shares held by it in Reyna (equating to 19.9% of the outstanding Shares of the Company on closing of the Acquisition);
- Aggregate finders’ fees pertaining to the private placement were (i) 428,961 Shares; (ii) 1,793,118 finders’ warrants or advisor options (each entitling the holder to acquire one Share at \$0.45 for 24 months); (iii) 912,000 compensation or advisor options (each entitling the holder to acquire one Share at \$0.20 for 24 months); and (iv) 114,450 compensation options (each entitling the holder to acquire one unit at \$0.20 for 24 months); and
- Reyna is now a wholly owned subsidiary of the Company, and the majority of the outstanding Shares of the Company are owned by former shareholders of Reyna.

The Company has a total of 73,149,276 Shares outstanding following closing of the Acquisition. It also has approximately \$6,250,000 of available funds, of which it intends to use \$3,421,600 toward completion of the initial work programs on Reyna’s Guigui mineral property in Mexico (including two phases of

drilling for a total of 10,000 metres). For a full description of the Guigui property, please refer to the Company's Filing Statement on SEDAR.

A total of 12,076,501 Shares and 225,000 warrants issued under the Acquisition to new "principals" are subject to escrow, to be released as to 10% on closing and an additional 15% every six months thereafter.

The Company advises that MAG Silver holds 14,556,706 Shares representing 19.9% of the Company's Shares. MAG Silver has agreed that its Shares will be subject to voluntary resale restrictions expiring as to 25% on closing and an additional 25% every six months thereafter. MAG Silver also holds certain participation rights entitling it to participate in future share issuances by the Company, so as to maintain its percentage equity interest in the Company.

The officers and directors of the Company are: Jorge Ramiro Monroy, CEO and director; Sandy Chim, Chairman and director; Michael Wood, director; Peter Jones, director; Alexander Langer, director; and Alex Tsang, CFO and Corporate Secretary.

For a complete description of the Acquisition, Reyna, the Guigui property, principal shareholders and the capital structure and management of the Company, please refer to the Company's Filing Statement on SEDAR.

Trading of the Company's Shares will resume at the open on June 8, 2020.

**On Behalf of the Board of Directors of Reyna Silver Corp.**

*Jorge Ramiro Monroy*

**Chief Executive Officer**

## **CAUTIONARY STATEMENTS**

This press release contains "forward-looking information" within the meaning of Canadian securities legislation. The forward-looking information contained in this press release represents the expectations of Century Metals as of the date of this press release and, accordingly, is subject to change after such date. Forward-looking information is based on, among other things, opinions, assumptions, estimates and analyses that, while considered reasonable by Century Metals at the date the forward-looking information is provided, are inherently subject to significant risks, uncertainties, contingencies and other factors that may cause actual results and events to be materially different from those expressed or implied by the forward-looking information. The risks, uncertainties, contingencies and other factors that may cause actual results to differ materially from those expressed or implied by the forward-looking information may include, but are not limited to, risks generally associated with the Company's business, as described in the Company's Filing Statement dated June 3, 2020. Readers should not place undue importance on forward-looking information and should not rely upon this information as of any other date. While Century may elect to, it does not undertake to update this information at any particular time except as required in accordance with applicable laws.

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