



Geomega acquires 3.84% minority interest in its subsidiary Innord; now owns 100% of its technology subsidiary

Montreal, December 16, 2019 – Geomega Resources Inc. (“**Geomega**” or the “**Corporation**”) (TSX.V: GMA) is pleased to announce the closing of an arm’s length share purchase transaction with the Société de développement de la Baie-James (“**SDBJ**”) and the Administration régionale Baie-James (“**ARBJ**”, together with SDBJ, the “**Funds**”). The Corporation has bought back the respective minority positions (the “**Shares**”) of the Funds, totaling 3.84% in Innord Inc., the technology subsidiary of Geomega. The aggregate consideration for the acquisition of the Shares is \$371,208, payable by the issuance of a total of 2,516,664 shares of Geomega. The issue price of \$0.1475 was based on the weighted average price of the common shares of Geomega, calculated on the volume of common shares traded during the period of 30 days preceding the closing date of December 15, 2019.

In June 2016, the Funds had invested a combined \$250,000 in Innord in exchange for the 3.84% interest. With this transaction, the Corporation now owns 100% of the technology subsidiary and in doing so improved its balance sheet. The focus is now on delivering a revenue generating rare earths magnet recycling demonstration plant.

“With Geomega moving towards production, the two Funds that greatly supported our vision to create a clean tech rare earths facility, have now fulfilled their mandate in the creation of our R&D subsidiary and moving the technology forward to where we are at today. We are very thankful to the Funds for having the confidence, vision and support the Corporation needed in the early stages of our research initiatives beginning in 2016. Today, we are starting to see the first fruits of this initiative with Geomega moving towards construction of the demonstration plant and becoming the first rare earths recycling plant in North America and Europe. Moving forward, our vision is to use our ISR technology to one day process mining rare earths concentrates from our own Montviel deposit and ultimately other mines wherever they may be located.” commented Kiril Mugerma, President & CEO of Geomega.

The transaction remains subject to the final approval of the TSX Venture Exchange. The Shares issued as consideration pursuant to the transaction will be subject to a statutory hold period ending on April 16, 2020.

About Geomega (www.geomega.ca)

Based in Montreal, Canada, Geomega Resources has developed a proprietary, environmentally friendly “ISR Technology” that recycles rare earth elements with focus on the permanent magnet industry and produces four high demand, high price, rare earth elements (HHREE – specifically Nd, Pr, Tb, Dy).

The Corporation is targeting 2020 for initial production from its demonstration plant to supply HHREE's to North America and other parts of the world.

Geomega also owns the Montviel rare earth carbonatite deposit and holds over 16.8M shares, representing approximately 20% of the issued and outstanding shares of Kintavar Exploration Inc. (KTR.V), a mineral exploration company that is advancing the Mitchi stratiform copper project in Quebec.

About Innord Inc.

Innord is a private wholly owned subsidiary of Geomega. The goal of Innord is to develop and optimize the proprietary ISR Technology for extraction and separation of rare earth elements. Innord focuses on scaling up the technology through processing rare earth enriched secondary sources (recycling of end of life and manufacturing waste) and then to apply the technology to primary mining feeds.

For further information, please contact:

Kiril Mugerma
President and CEO
Geomega
450-641-5119 ext.5653
kmugerma@geomega.ca

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