

JAZZ RESOURCES INC.

January 20, 2021

TSXV: JZR

JAZZ RESOURCES INC. CLOSING ACQUISITION OF MINERAL EXPLORATION INTERESTS IN BRAZIL

Vancouver, British Columbia, Canada – Jazz Resources Inc. (the “**Company**” or “**JZR**”) is pleased to announce that it has closed its previously announced arms-length acquisition from Coltan Gold Minerals Inc. (“**Coltan**”) of Coltan’s interest in and to a JV Royalty Agreement (as defined below) respecting the Vila Nova gold exploration and development project located in Amapa, Brazil. Pursuant to a purchase and sale agreement between the Company and Coltan dated September 2, 2020, as amended (the “**PSA**”), the Company acquired all of Coltan’s interest in a joint venture royalty agreement dated July 6, 2020, as amended, (“**JV Royalty Agreement**”) between Coltan and Eco Mining Oil & Gas Drilling and Exploration EIRELI (“**Eco**”), wherein Jazz shall have the option and right to acquire a 50% net profits interest in the Vila Nova property. Pursuant to the terms of the JV Royalty Agreement, in order to exercise the option and acquire the rights thereunder, the Company must make the following payments to Eco, subject to satisfactory project assessment prior to each stage of funding:

- (a) an initial payment of USD\$500,000 to fund the 2,000 m drilling program and related costs needed to complete the business plan to construct a 1,280 t/d bulk exploitation program on the Vila Nova property;
- (b) a second payment of USD\$500,000; and
- (c) a final payment of USD\$5,000,000.

If exercised and all payments are made, the Company shall be entitled to receive 50% net profits interest from all products and minerals produced from the Vila Nova property (50% of gross proceeds after costs) and exclusive rights to explore and develop the property, including initiating and carrying out commercial production. Eco will remain the sole operator of all mining-related activity on the property, including environmental remediation.

Jazz will have the right, at any time, prior to completing the payments under the JV Royalty Agreement, to give notice to Eco to terminate the JV Royalty Agreement, and all payments made by Jazz to Eco will be secured and converted to a loan bearing interest at 6% per annum for a two-year term.

As consideration for Coltan’s interests in the JV Royalty Agreement, the Company issued to Coltan 2,150,000 common shares. In addition, Coltan shall have the right to acquire up to 2,975,000 common shares, provided that Coltan cannot own, upon exercise of its right to acquire the additional common shares, more than 19.5% of the issued and outstanding shares of the Company, without approval by the disinterested shareholders of the Company. Pursuant to an amendment to the PSA, Coltan may elect to receive, upon written notice to Jazz, 2,975,000 common shares of Jazz, in lieu of a convertible note which was previously negotiated in the PSA. The issuance of the additional common shares to Coltan shall be subject to the limitations on Coltan not exceeding 19.5% of the issued and outstanding common shares of

Jazz without approval by Jazz's disinterested shareholders. All securities issued to Coltan will be subject to a four month hold period from the date of issuance.

The Company has commenced exploration and development on the Vila Nova property, which includes 2,000 m of drilling and the completion of a resource estimate and, if possible, a preliminary economic assessment by GE21 Mining Consultoria Mineral of Brazil. If warranted, the Company can continue its participation by raising up to USD\$5.5 million to place the 1280 t/per day plant into operation on the Vila Nova property. Any such production shall not be based on a feasibility study of mineral reserves demonstrating economic and technical viability and, accordingly, there may be increased uncertainty and the specified economic and technical risks of failure associated with such production decision.

The Company also announces that, as required by the TSX Venture Exchange, it has filed an independent technical report (the "**Report**"), dated effective September 22, 2020, prepared in accordance with National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("**NI43-101**") for the Vila Nova property. The Report was prepared for Jazz by Dr. Stewart Jackson, who are "qualified persons" pursuant to NI43-101. The Report will be available under the Company's SEDAR profile at www.sedar.com.

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 press release.

None of the securities of JZR have been registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities law, and may not be offered or sold in the United States or to, or for the account or benefit of, persons in the United States or "U.S. persons" (as such term is defined in Regulation S under the U.S. Securities Act) absent registration or an exemption from such registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy in the United States nor shall there be any sale of the securities in any State in which such offer, solicitation or sale would be unlawful.

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