



NEWS RELEASE

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FRA: 7N11

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Palladium One Announces a C\$3.2 Million Non-Brokered Private Placement as Palladium Prices Reach Record-High of US\$1,808 per Ounce

October 28, 2019 – Vancouver, British Columbia – Palladium One Mining Inc. (TSX-V: PDM, FRA: 7N11) (the "Company" or "Palladium One") is pleased to announce that it will undertake a non-brokered private placement offering (the "Offering"), consisting of up to 53,333,333 units (the "Units") at a price of C\$0.06 per Unit, for gross proceeds of up to C\$3,200,000 with an over-allotment allocation of up to 15% of the total Offering.

Mr. Eric Sprott, is expected to participate in the Offering in an amount equivalent to provide a 19.99%, non-diluted, ownership interest in the issued and outstanding common shares of Palladium One. Assuming the Offering is fully subscribed, and there is no over-allotment, Mr. Sprott's subscription is expected to be C\$1,091,000 or 18,197,000 Units, representing approximately 34.1% of the Offering.

Each Unit will be comprised of one common share (a "Common Share") and one-half of one non-transferable, common share purchase warrant (each whole warrant, a "Warrant"), with the additional terms described below.

The net proceeds from the Offering are intended to be used by the Company primarily for exploration activities on its palladium-dominant, LK Project in Central Finland, its Tyko Sulphide Nickel Project in Ontario, Canada and for general, corporate and administrative purposes.

"We are delighted to announce this Offering as proceeds will allow us to focus on increasing our existing palladium mineral resources at our LK Project (see press release dated September 9, 2019) through new discoveries, and step-out and infill drilling, along the 38 km basal contact corridor.

After closing the Offering, our plan is to conduct high-resolution IP geophysics and then initiate a 5,000-metre diamond drill program. IP has demonstrated at the KL Project's Kaukua zone, to correlate with base metal sulphides, and high PGE values and is therefore a preferred method to target higher-grade mineralization. We intend to initiate these exploration activities as soon as practical and during the winter months. Planning is well underway." commented Derrick Weyrauch, President and CEO.

Derrick Weyrauch continued, "Palladium reached a record price of US\$1,808 per ounce today, due to persistent supply deficits, and as a direct consequence of higher demand from stricter auto emission standards and the migration away from diesel powered automobiles; making us well-positioned as a strategic metal provider for cleaner air."

Closing of the Offering, or any tranche thereof, is subject to certain customary conditions including, but not limited to, the receipt of all required regulatory approvals, including the approval of the TSX-Venture Exchange. Closing of the Offering is expected to occur on or about December 18, 2019.



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All securities issued and issuable in connection with this Offering will be subject to a four-month hold period in Canada from the closing date. Finder's fees in respect to the Offering may be paid in cash and/or shares, subject to, and in accordance with, the policies of the TSX-Venture Exchange.

Warrant Terms

- Each Warrant shall have a term of 24-months, subject to acceleration;
- During the first 12-months after closing of the Offering, or any tranche thereof, the exercise price of one full Warrant shall be C\$0.10 and thereafter C\$0.20 per common share;
- Pursuant to the terms of the Warrants, if over a period of 10 consecutive trading days (a "**Trading Target**") between the date that is four months and one day following the Closing Date and the expiry date of the Warrants, the volume weighted average price of the Common Shares on the TSX-Venture Exchange or such other stock exchange where the majority of the trading volume occurs, exceeds or is equal to \$0.20 (the "**Acceleration Trading Price**") on each of those 10 consecutive trading days, the Company may, at its sole option, accelerate the expiry date of the Warrants, provided that: (i) the Company disseminates a press release providing notice of its intention to accelerate the expiry date of the Warrants; and (ii) the accelerated expiry date of the Warrants falls on or after the 30th trading day after the date of dissemination of such press release, unless exercised by holders prior to such date.
- For each Warrant that is exercised within 12-months following the closing date, the holder will be issued one half of an additional common share purchase warrant of the Company (each full additional warrant an "**Additional Warrant**");
 - Each Additional Warrant will have a term of 24-months, subject to acceleration and be exercisable at a price of C\$0.25 per Common Share;
 - Pursuant to the terms of the Additional Warrants, if over a period of 10 consecutive trading days (a "**Trading Target 2**") between the date that is four months and one day following the exercise date of a Warrant and the expiry date of the Additional Warrants, the volume weighted average price of the Common Shares on the TSX-Venture Exchange or such other stock exchange where the majority of the trading volume occurs, exceeds or is equal to \$0.37 (the "**Acceleration Trading Price 2**") on each of those 10 consecutive trading days, the Company may, at its sole option, accelerate the expiry date of the Additional Warrants, provided that: (i) the Company disseminates a press release providing notice of its intention to accelerate the expiry date of the Additional Warrants; and (ii) the accelerated expiry date of the Additional Warrants falls on or after the 30th trading day after the date of dissemination of such press release, unless exercised by holders prior to such date.

About Palladium One:

Palladium One Mining Inc. is a PGE, nickel, copper exploration and development company. Its assets consist of the palladium dominant, Läntinen Koillismaa ("LK") PGE-Cu-Ni project, located in north-central Finland and the Tyko Ni-Cu-PGE property, near Marathon, Ontario, Canada.

The LK Project: *The Kaukua deposit of the LK project hosts 635,600 Pd_Eq ounces of Indicated Resources grading 1.80 g/t Pd_Eq* ("palladium equivalent") contained in 11 million tonnes (@ 0.81g/t Pd, 0.27g/t Pt, 0.09g/t Au, (1.17g/t PGE), 0.15% Cu & 0.09% Ni), and 525,800 Pd_Eq ounces of Inferred Resources grading 1.50 g/t Pd_Eq contained in 11 million tonnes (@ 0.64g/t Pd, 0.20g/t Pt, 0.08g/t Au (0.92g/t PGE), 0.13% Cu, & 0.08% Ni), (see press release September 9, 2019). Kaukua is open for expansion, while the Kaukua South, Murtolampi and Haukiahon mineralized zones require systematic exploration via diamond drilling to follow up mineralized drill intercepts.*



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*Pd Eq is calculated using the following metal prices (in USD) of \$1,100/oz for Pd, \$950/oz for Pt, \$1,300/oz for Au, \$6,614/t for Cu and \$15,432/t for Ni.

The Tyko Project, Ontario, Canada: The Tyko Ni-Cu-PGE project, is an early stage, high sulphide tenor, nickel focused project with recent drill hole intercepts returning up to **1.06 Ni over 6.22 m including 4.71% Ni over 0.87m** in hole TK-16-010 (see press release dated June 8, 2016).

Qualified Person

The technical information in this release has been reviewed and verified by Neil Pettigrew, M.Sc., P. Geo, Vice President of Exploration and a director of the Company and the Qualified Person as defined by National Instrument 43-101.

ON BEHALF OF THE BOARD:

“Derrick Weyrauch”

President & CEO, Director

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Information set forth in this press release may contain forward-looking statements. Forward-looking statements are statements that relate to future, not past events. In this context, forward-looking statements often address a company's expected future business and financial performance, and often contain words such as "anticipate", "believe", "plan", "estimate", "expect", and "intend", statements that an action or event "may", "might", "could", "should", or "will" be taken or occur, or other similar expressions. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, risks associated with project development; the need for additional financing; operational risks associated with mining and mineral processing; fluctuations in gold and other commodity prices; title matters; 6 environmental liability claims and insurance; reliance on key personnel; the absence of dividends; competition; dilution; the volatility of our common share price and volume; and tax consequences to U.S. Shareholders. Forward-looking statements are made based on management's beliefs, estimates and opinions on the date that statements are made and the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change. Investors are cautioned against attributing undue certainty to forward-looking statements.