



NEWS RELEASE

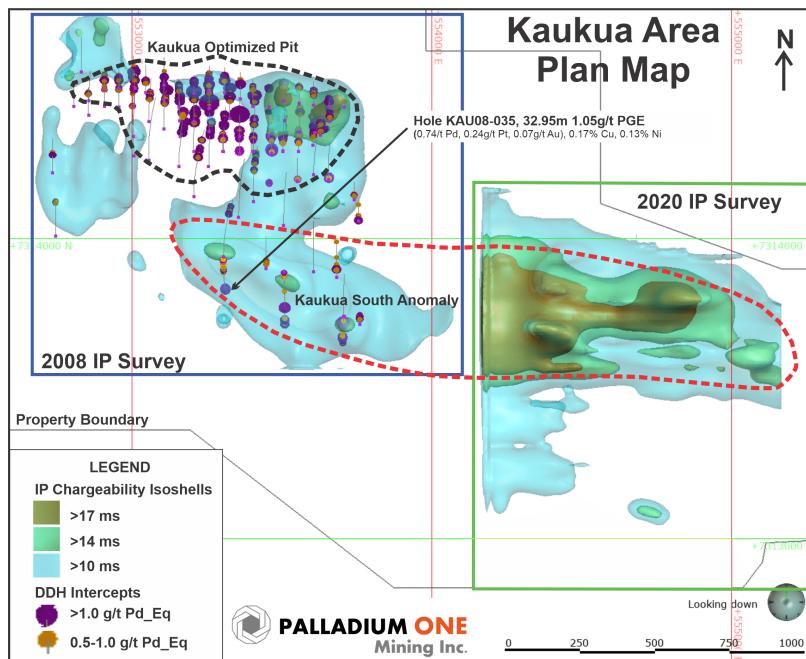
TSX-V: PDM
FRA: 7N11
OTC: NKORF

Palladium One Identifies Large Chargeability Anomaly and Extends Kaukua South Zone at LK PGE-Ni-Cu Project in Finland,

February 25, 2020 – Vancouver, British Columbia – Palladium One Mining Inc. (TSX-V: PDM, FRA: 7N11, OTC: NKORF) (the "Company" or "Palladium One") reports that initial results from the first Induced Polarization (IP) survey grid, Kaukua East, have discovered a large chargeability anomaly, representing the eastern extension of the palladium dominant Kaukua South Zone. The Kaukua South Zone anomaly now extends over a two (2) kilometre strike length.

The Kaukua East IP survey identified a much stronger and wider chargeability anomaly than the previous 2008 IP survey conducted at Kaukua (**Figure 1**). The 2008 IP survey was instrumental in identifying the Kaukua deposit which hosts 1.2 million Palladium equivalent (Pd_eq) ounces and has a strike length of one (1) kilometre (**Figure 1** below and press release September 9, 2019).

Figure 1. Plan view of the 2008 and 2020 (current) IP survey in the Kaukua Area. The 2008 IP survey area is outlined in blue, while the 2020 survey is outlined in green. The Kaukua deposit's optimised open pit is outlined by a dashed black line. The newly expanded Kaukua South Zone south is outlined by a dashed red line.



"It is apparent that the Kaukua mineralized system is much larger than previously understood. The Kaukua South Zone was thought to be cut-off to the east, whereas the 2020 IP survey clearly illustrates a highly chargeable anomaly extending for over one (1) kilometre east of the known mineralized zone. Significantly, the chargeability anomaly on



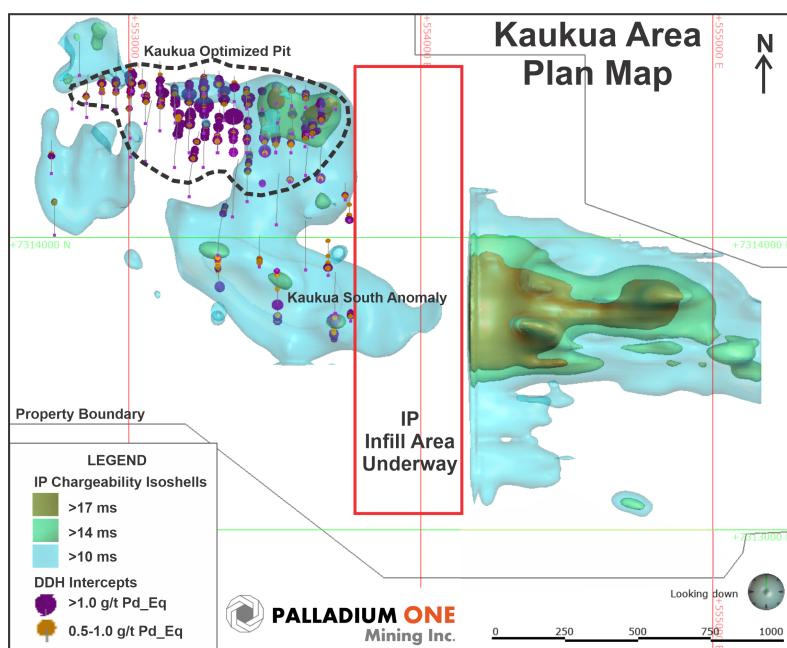
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the new Kaukua East survey appears to be more intense and wider than the one on the 2008 survey, making it a very high priority drill target. As a consequence of the new IP survey model, we are very optimistic that the greater Kaukua Area could have a much larger resource endowment than previously understood.” commented Derrick Weyrauch, President and CEO

Neil Pettigrew, Vice President Exploration commented, “*The large, newly discovered, high chargeability, anomaly is most intense along the western most line of the survey grid, whereas the adjoining eastern side of the 2008 IP survey indicates little to no chargeability anomalies in this area. With the assistance of SJ Geophysics it was revealed that several technical issues occurred with the four most easterly lines of the 2008 survey. As a consequence, the results of the four most eastern lines of the 2008 survey are currently being re-surveyed (Figure 2). The current IP survey has experience, excellent ground contact and has resulted in the collection of very clean, high-quality data.”*

Figure 2. Plan view of the 2008 and 2020 IP surveys with the IP infill “gap zone” survey outlined in red. Note that the 2008 survey used different equipment, consisting of a three (3) line 3D system, whereas the 2020 survey used a five (5) line 3D system, as a result the two surveys are not directly comparable.



The lack of chargeability anomalies on the four most eastern lines of the 2008 IP survey suggested mineralization was cut-off to the east and therefore re-directed drilling by prior operators away from the area. However, several holes on the western edge of this “gap zone” have highly anomalous Cu-Ni-PGE mineralization (e.g. hole KAU08-036, **29.3m 0.43g/t PGE** (0.26g/t Pd, 0.04g/t Pt, 0.13g/t Au), 0.26% Cu, 0.13% Ni) and these holes were never followed up further to the east (**Figure 1, 2, 3 and 4**). The Kaukua East IP survey has provided strong evidence that Kaukua-type mineralization does indeed extend well to the east of the known mineralized zones, and in fact, appears to be strengthening. The Kaukua South zone’s eastern extension is now a top priority drill target.



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Figure 3. Long section view, looking north, of the Kaukua deposit, Kaukua South Zone, and newly identified chargeability anomaly.

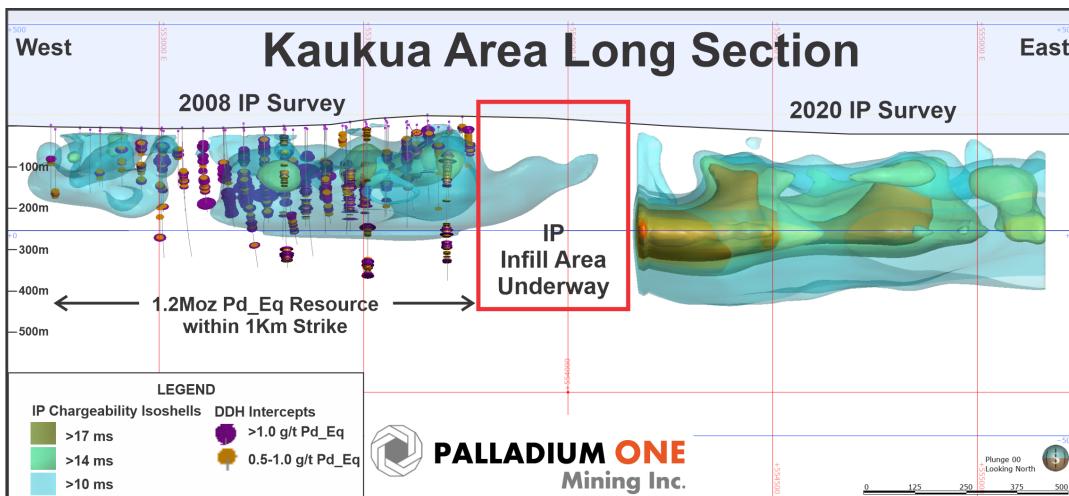
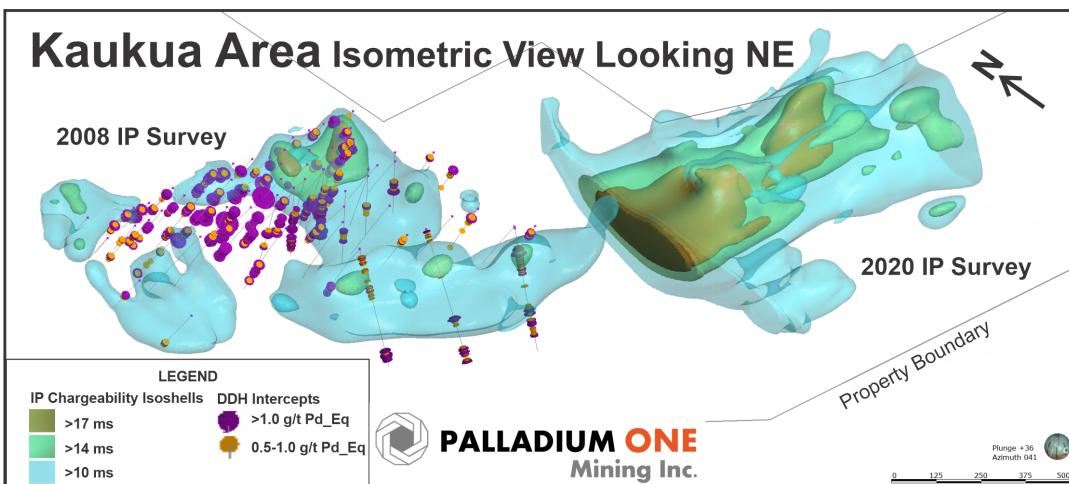


Figure 4. Isometric view, looking northeast of the 2008 and 2020 IP surveys.



The Kaukua East grid consists of approximately 14-line kms of IP, preliminary results for the western half of this survey form the basis of this release.

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.



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About Palladium One

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

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 Haukiaho mineralized zones require systematic exploration via diamond drilling to follow up mineralized drill intercepts.

*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.

ON BEHALF OF THE BOARD

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