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Kutcho Copper Eliminates Debt and Expands Partnership with Wheaton Precious Metals

Vancouver, B.C., February 11, 2022. Kutcho Copper Corp. (TSXV: KC) (OTC: KCCFF) (“Kutcho” or the “Company” - <https://www.commodity-tv.com/ondemand/companies/profil/kutcho-copper-corp/>) is pleased to announce that it has entered into an amendment agreement (the “**Amendment**”) with Wheaton Precious Metals Corp. (“**Wheaton**”) in respect of the Precious Metals Purchase Agreement dated December 14, 2017, as amended (the “**Original Agreement**”). The Original Agreement, as amended by the Amendment, is referred to as the “**PMPA**”.

Kutcho Copper President and CEO, Vince Sorace, commented: “The amended arrangement with Wheaton eliminates all of the Company’s outstanding liabilities, resulting in an unfettered balance sheet available to pursue advanced project development activities. Through this amended arrangement, Wheaton has converted its debt into an additional precious metals streaming interest and shares of the Company, demonstrating a belief in the merits of the project and its path towards a production decision. This amendment, in combination with our November 2022 positive feasibility study for the high-grade Kutcho copper zinc project, positions the Company to focus on its core priorities: advancing permitting; optimizing project economics; defining and exploring for additional mineral resources and evaluating several alternatives to fund mine development. We appreciate Wheaton’s financial and technical support over the past several years and look forward to their involvement into the future.”

The Amendment provides for the settlement and termination of the Company’s debt instruments (the existing convertible debenture (the “**Convertible Debenture**”) and loan agreement (the “**Loan Agreement**”), both as amended with Wheaton, totalling in aggregate approximately CDN\$38,400,000 as consideration for: (i) the issuance to Wheaton of US\$7,500,000 of common shares in the capital of Kutcho (the “**Common Shares**”); and (ii) the removal of the Stream Reduction, as defined below together with certain amendments to the Original Agreement as detailed below. Please refer to Kutcho’s news releases of August 10, 2017 and December 15, 2017 regarding the Original Agreement and the Convertible Debenture, the November 15, 2019 news release regarding the Loan Agreement and certain amendments to the Convertible Debenture, and the June 30, 2021 news release regarding recent interest deferrals.

Under the Original Agreement, the precious metals stream was to be reduced from 100% to 66.67% of payable gold and silver production after the delivery of 5.6 million ounces of silver and 51,000 ounces of gold (“**Stream Reduction**”). In connection with the settlement and termination of the Convertible Debenture and Loan Agreement, the Amendment removes the Stream Reduction and the additional expansion payment of up to US\$20 million that was to be payable by Wheaton in the event of future processing capacity increases as contemplated in the Original Agreement. The amount settled under the Convertible Debenture and Loan Agreement, less the value of the Common Shares issued to Wheaton, will comprise an additional deposit of Wheaton under the PMPA. Wheaton remains obligated to pay the remaining upfront deposit of US\$58 million (being the balance remaining from the original deposit amount of US\$65 million), subject to the terms and conditions of the PMPA, and will also make continuing cash payments equal to 20% of the applicable spot price of silver and gold for each ounce delivered under the PMPA.

Finally, the Amendment provides that in connection with the settlement and termination of the Convertible Debenture and Loan Agreement, Wheaton will receive US\$7.5 million of Common Shares at a deemed price of CDN\$0.908 per Common Share. The issuance of the Common Shares to Wheaton is subject to receipt of TSX Venture Exchange approval. The parties are targeting February 18, 2022 as the closing date for the transactions contemplated by the Amendment.

Subsequent to the closing of the Amendment, assuming the February 8, 2022 Canadian dollar / US dollar exchange rate (US\$7,500,000 = CDN\$9,531,750), Wheaton will own approximately 17,651,368 Common Shares and the Warrants, representing approximately 15.40% of the Company's issued and outstanding Common Shares, and 16.13% of the Company's Common Shares on a partially diluted basis, assuming Wheaton's exercise of the Warrants. The exact number of Common Shares to be issued will be calculated immediately before the closing date based on the applicable Canadian dollar / US dollar exchange rate.

Wheaton currently holds 7,153,846 Common Shares and 1,000,000 Common Share purchase warrants (the "Warrants"), representing approximately 6.87% of the Company's issued and outstanding Common Shares (on an undiluted basis), and 25.26% on a partially diluted basis, assuming Wheaton's exercise of 1,000,000 Warrants and conversion of the Convertible Debenture for the full principal amount, which would result in the issuance of 24,615,384 Common Shares. Accordingly, Wheaton is considered a "related party" of the Company and the Amendment may be considered to be a "related party transaction" under Multilateral Instrument 61-101. The Amendment and related transactions are exempt from the valuation requirements of MI 61-101 because Kutcho is listed on the TSX Venture Exchange (subsection 5.5(b) of MI 61-101) and the minority shareholder approval requirements because: (i) the Company is in serious financial difficulty; and (ii) the Amendment is designed to improve the financial position of the Company (subsection 5.7(e) of MI 61-101). The directors of Kutcho (all of whom are independent of Wheaton) have unanimously determined that (i) and (ii) apply and the terms of the transaction are reasonable in the circumstances of Kutcho.

The Common Shares and Warrants held by Wheaton are presently being held only for investment purposes. Wheaton may from time to time in the future increase or decrease its ownership, control or direction over Common Shares or any other securities of the Company, through market transactions, private agreements or otherwise. Wheaton intends to file an early warning report (the "**Early Warning Report**") pursuant to applicable securities laws in connection with the transactions contemplated hereby. A copy of the Early Warning Report to which this press release relates can be obtained from Wheaton, at 1-844-288-9878 or info@wheatonpm.com or on the SEDAR profile of the Company at www.sedar.com.

Haywood Securities Inc. is acting as financial advisor to Kutcho.

Vince Sorace
President & CEO, Kutcho Copper Corp.

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Cautionary Note Regarding Forward-Looking Statements

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 release.

This news release contains certain statements that may be deemed “forward-looking statements” with respect to the Company within the meaning of applicable securities laws, including statements with respect to the Company’s future operational plans, the estimated closing date of the Amendment transactions, estimated mineral resources and mineral reserves, the timing and amount of estimated production, costs of production, capital expenditures, commodity price assumptions, the Company’s ability to successfully obtain all regulatory approvals and permits to commence and conduct mining operations, environmental risks and title challenges. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words “expects”, “plans”, “anticipates”, “believes”, “intends”, “estimates”, “projects”, “potential” and similar expressions, or that events or conditions “will”, “would”, “may”, “could” or “should” occur. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance, are subject to risks and uncertainties, and actual results or realities may differ materially from those in the forward-looking statements. Such material risks and uncertainties include, but are not limited to, the Company’s ability to obtain all requisite approvals, including approval of the TSX Venture Exchange and securities regulatory authorities for the Amendment and share issuances described herein, the Company’s ability to raise sufficient capital to fund its obligations under its property agreements going forward, to maintain its mineral tenures and concessions in good standing, to explore and develop the Kutcho project or its other projects, to repay its debt and for general working capital purposes; changes in economic conditions or financial markets; the inherent hazards associated with mineral exploration, and mining operations, future prices of copper and other metals, changes in general economic conditions, accuracy of mineral resource and reserve estimates, the ability of the Company to obtain the necessary permits and consents required to explore, drill and develop the Kutcho project and if obtained, to obtain such permits and consents in a timely fashion relative to the Company’s plans and business objectives for the projects; the general ability of the Company to monetize its mineral resources; and changes in environmental and other laws or regulations that could have an impact on the Company’s operations, compliance with environmental laws and regulations, aboriginal title claims and rights to consultation and accommodation, dependence on key management personnel and general competition in the mining industry. Forward-looking statements are based on the reasonable beliefs, estimates and opinions of the Company’s management on the date the statements are made. Except as required by law, the Company undertakes no obligation to update these forward-looking statements in the event that management’s beliefs, estimates or opinions, or other factors, should change.