Red Moon Resources Inc. Arranges $3.25 Million Financing

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ST. JOHN'S, May 06, 2021 - Red Moon Resources Inc. (the "Company" or "Red Moon" - TSXV: RMK) announces that it has arranged a non-brokered private placement financing with strategic investors to raise total gross proceeds of up to $3.25 million.

Mr. Patrick Laracy, Red Moon CEO, commented: "Our Great Atlantic Salt Project Feasibility Study is fully funded. As outlined in our April 27 news release, favorable dynamics have created new opportunities to expand our profitable gypsum operations. This financing with strategic investors will allow us to do that."

Under the terms of the offering, the Company intends to place 3,461,538 units at $0.65 per unit. Each unit will consist of one common share and one-half of a common share purchase warrant, with each whole warrant to be exercisable at a price of $0.90 per share for a period of two years following the close of the offering (subject to an acceleration clause, see below). The financing will also include a flow-through component comprising 1,333,333 flow-through units at $0.75 per unit. Each flow-through unit will consist of one common share and one-half of a common share purchase warrant on the same terms as the hard dollar round.

In the event that the closing price of the company's shares on the TSX Venture Exchange is $1.25 or greater per share during any 10 consecutive trading day period at any time subsequent to four months and one day after the closing date, all warrants in this offering will expire at 4:00 pm Newfoundland time on the 30th day after the date on which the company provides notice of such accelerated expiry to the holders of the warrants.

The proceeds of the hard dollar offering will be used by the company to further develop its gypsum operations and for general working capital purposes. Flow-through funds will be used for evaluation and drilling at the Company's Flat Bay (gypsum) and Black Bay (nepheline) projects. The securities issued will have a four-month hold period as per applicable regulations. The financing is subject to TSX Venture Exchange approval.

About Red Moon Resources

Red Moon Resources Inc. is an emerging commodities leader in Atlantic Canada, focused on Newfoundland and Labrador, with 100% ownership of the Great Atlantic salt deposit in addition to a producing gypsum mine and an early-stage discovery that targets the high-end glass market at its Labrador Black Bay nepheline Project.

We seek Safe Harbor.

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