

EVERTON RESOURCES ANNOUNCES BROKERED FINANCING LED BY GRAVITAS SECURITIES INC. AND MOLECULE SHAREHOLDER AND COURT APPROVALS OF PLAN OF ARRANGEMENT

2020-06-09 08:30 ET (Ottawa, ON) - News Release – Everton Resources Inc. (TSX-V: EVR) ("**Everton**") is pleased to announce that in connection with the previously announced plan of arrangement (the "**Plan of Arrangement**") between Everton and Molecule Inc. ("**Molecule**") and pursuant to an engagement letter dated June 5, 2020, between Molecule and Gravitas Securities Inc. as lead agent, Molecule proposes to complete a best efforts brokered private placement of up to 2,500 subscription receipts of Molecule ("**Subscription Receipts**"), at a price of \$1,000 per Subscription Receipt, for gross proceeds of up to \$2.5 million (the "**Offering**").

The agents' compensation under the brokered financing includes: (a) a cash fee equal to 8 per cent of the gross proceeds received by Molecule from the sale of Subscription Receipts; and (b) such number of warrants as is equal to 8 per cent of the aggregate principal amount of Subscription Receipts sold under the Offering divided by \$0.225 (each, a "**Broker Warrant**"). Each Broker Warrant will entitle the holder thereof to acquire one Unit (as defined below) of the resulting issuer upon the completion of the Plan of Arrangement (the "**Resulting Issuer**") at an exercise price equal to \$0.225 for a period of thirty-six (36) months from the occurrence of a liquidity event concurrent with the completion of the Plan of Arrangement (the "**Liquidity Event**").

The gross proceeds of the brokered financing less an amount equal to the agents' expenses and 50 per cent of the agents' fee will be delivered to and held by a licensed Canadian trust company or other escrow agent mutually acceptable to Gravitas Securities Inc. and Molecule, in an interest-bearing account, pending the satisfaction of certain escrow release conditions (the "**Escrow Release Conditions**") (including, among other things, the completion of all conditions precedent to the Plan of Arrangement to the satisfaction of the agents) prior to December 31, 2020 (the "**Escrow Release Deadline**").

The gross proceeds of the brokered financing (less an amount equal to the agent's expenses and the agent's fee) will be used for general operating expenses.

Upon the satisfaction of the Escrow Release Conditions, each Subscription Receipt issued in connection with the Offering shall be deemed to be automatically exercised, without payment of any additional consideration and without further action on the part of the holder thereof, into one Convertible Debenture of the Resulting Issuer. The Convertible Debentures will bear interest at a simple rate of 8.00% per annum, maturing thirty-six (36) months from the occurrence of the Liquidity Event (the "**Maturity Date**"). Each Convertible Debenture is convertible at the option of the holder at any time prior to the close of business on the last business day immediately preceding the Maturity Date, into 4,444 units ("**Units**") of the Resulting Issuer, each Unit consisting of one common share of the Resulting Issuer and one half of one common share purchase warrant of the Resulting Issuer ("**Unit Warrants**"), together with such number of additional Units to be issued for the conversion of any accrued and unpaid interest on the principal amount being converted at the conversion price of \$0.225 (the "**Conversion Price**"). Each Unit Warrant shall be exercisable to acquire an additional common share of the Resulting Issuer at an exercise price of \$0.325 for a period of thirty-six (36) months from the occurrence of the Liquidity Event. At any time after the date that is one year following the last closing date of the Offering, the Resulting Issuer may force the conversion of the principal amount and all accrued and unpaid interest of the then outstanding Convertible Debentures at the Conversion Price on not less than 30 days' notice if the daily volume

weighted average trading price of the common shares of the Resulting Issuer is greater than \$0.50 for any 20 consecutive trading days.

If: (i) the Escrow Release Conditions are not satisfied or waived on or before the Escrow Release Deadline, or (ii) prior to the Escrow Release Deadline, the Plan of Arrangement is terminated or Molecule advises the escrow agent or publicly announces that it does not intend to satisfy the Escrow Release Conditions, the Subscription Receipt holders will be entitled to a return of the total subscription price paid, the escrowed funds (plus accrued interest earned thereon) will be returned to the Subscription Receipt holders on a pro rata basis and the Subscription Receipts will be cancelled without any further action on the part of the holders. Molecule will be responsible for the payment of any shortfall between the escrowed funds and the subscription price paid by the holders of the Subscription Receipts.

Completion of the Offering would satisfy a condition of the Arrangement that Molecule complete a financing of a minimum of CAD \$2,000,000.

Molecule Shareholder Meeting Results and Final Hearing:

Everton is also pleased to announce that the shareholders of Molecule (the “**Molecule Shareholders**”) approved the Arrangement at its annual general and special meeting of Shareholders (the “**Molecule Meeting**”).

Holders of a total of 37,358,076 common shares of Molecule (the “**Molecule Shares**”) were represented in person or by proxy at the Molecule Meeting, which constituted a quorum of Molecule Shareholders, and represented 50.21% of the 74,400,100 issued and outstanding Molecule Shares entitled to vote at the Molecule Meeting.

In order to be approved, the Arrangement required the approval of not less than two-thirds (66⅔%) of the votes cast by the Molecule Shareholders present in person or represented by proxy at the Molecule Meeting. Of the votes cast at the Molecule Meeting, 100% of the votes cast by Molecule Shareholders were in favour of the Arrangement.

Following the Molecule Meeting, Molecule also obtained a final order of the Ontario Superior Court of Justice to approve the Arrangement.

Completion of the Arrangement is subject to the satisfaction of certain other closing conditions customary for a transaction of this nature, including the completion of the Offering.

Further Updates:

Subject to the successful completion of the Private Placement and the approval of the Canadian Securities Exchange of the listing of the common shares of the Resulting Issuer, it is anticipated that the Arrangement will be completed in July 2020. However, there can be no assurance that these transactions will be completed as proposed or at all. Everton will continue to update its shareholders as to the status of the closing of the transaction with Molecule.

Details of the Arrangement are set out in the press release of the Company dated December 3, 2019 and the Company’s management information circular dated March 4, 2020, which are available under the Company’s profile on SEDAR at www.sedar.com.

About Everton Resources Inc.

Everton is currently an exploration company with an interest in the Opinaca region of James Bay, Quebec where the Company has partnered with Hecla Mining Company which is advancing Everton's interest in the Opinaca B project by funding 100% of all exploration work on one of the largest land packages adjacent to Goldcorp's Eleonore gold deposit.

About Molecule Inc.

Molecule, a private Ontario corporation, is a beverage formulation, manufacturing, and distribution company that holds a Cannabis Processing Licence under the Cannabis Act (Canada) and the Cannabis Regulations (Canada). Molecule will provide the capacity, knowledge and licensing required to produce and co-package craft, cannabis-infused, beverages.

ON BEHALF OF THE BOARD**EVERTON RESOURCES INC.**

Per: "*Michel Fontaine*"

Michel Fontaine, Chair of the Independent Committee of the Board of Directors

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Other Information

The TSX Venture Exchange Inc. has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this news release.

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 does not constitute an offer to sell or the solicitation of an offer to buy any securities in any jurisdiction.

Cautionary Statement Regarding Forward-Looking Information

This press release contains "forward-looking information" and "forward-looking statements" within the meaning of applicable securities laws, including: statements regarding the future strategy of the Resulting Issuer; the proposed terms of the Plan of Arrangement; the reconstitution of the Board of the Resulting Issuer; the proposed terms of the Offering; the proposed Name Change and Consolidation; the sectors in which the Resulting Issuer is considering operating; the potential transfer of listing of the shares of the Resulting Issuer to the CSE; the possible approval of matters by shareholders of the Resulting Issuer. These forward-looking statements address future activities, events, plans, developments and projections. The information concerning Molecule in this news release was provided to the Resulting Issuer by Molecule and has not been audited, reviewed or independently verified. Readers are cautioned not to place undue reliance on such statements. All statements, other than statements of historical fact, constitute forward-looking statements and are frequently identified by words such as "may", "will", "should", "anticipate", "plan", "expect", "believe", "estimate", "intend" and similar terminology, and reflect assumptions, estimates, opinions and analysis made by management in light of its experience, current conditions, expectations of future developments and other factors which management believes to be reasonable and relevant. Forward-looking information and statements involve known and unknown risks and uncertainties that may cause actual results, performance and achievements to differ materially from those expressed or implied by the forward-looking information and statements and, accordingly, undue reliance should not be placed thereon. Risks and uncertainties that may cause actual results to vary include, but are not limited to, failure to obtain regulatory approval of the CSE for the listing of the common shares of the Resulting Issuer; risks related to the acquisition of Molecule and Everton's investment and operation in the cannabis sector; and other factors beyond Everton's control, as well as the risks and uncertainties which are more fully described in our annual and quarterly management's discussion and analysis and in other filings made by Everton with Canadian securities regulatory authorities under Everton's profile at www.sedar.com. Everton disclaims any obligation to update or revise any forward-looking information or statements except as may be required by applicable laws.

The securities referred to in this news release have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent U.S. registration or an applicable exemption from the U.S. registration requirements. This news release does not constitute an offer for sale of securities, nor a solicitation for offers to buy any securities. Any public offering of securities in the United States must be made by means of a prospectus containing detailed information about Everton and management, as well as financial statements.

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