

# Mainstream Signs Binding LOI With Plutus

Toronto, Ontario--(Newsfile Corp. - June 19, 2020) - Mainstream Minerals Corporation ("**Mainstream**" or the "**Company**") is pleased to announce that it has entered into a binding letter of intent (the "**LOI**") with Plutus Super Flow-Through Limited Partnership ("**Plutus**") whereby the Company will acquire: (i) 100% of the shares of, and (ii) the rights to acquire share of, "principal-business corporations" (as defined in subsection 66(15) of the *Income Tax Act* (Canada)) (the "**Portfolio**") owned by Plutus, subject to the terms and conditions of the LOI (the "**Proposed Transaction**").

## About Plutus

Plutus Super Flow-Through LP is a diversified portfolio of flow-through shares of Canadian mining issuers. Plutus offers Canadian investors exposure to emerging Canadian mining opportunities while benefitting from a significant tax deduction. Plutus has both a National-class and Quebec-class and is offered on Fundserv. The fund has a targeted duration of one year or less and is managed by Pollitt Investment Council Inc., which was founded in 1984.

## Details of the Proposed Transaction

In connection with the Proposed Transaction, Plutus will be issued:

- a. such number of Class A retractable, convertible shares in the authorized capital of Mainstream (the "**Consideration Shares**") having a value equal to the fair market value of the Portfolio determined as of the closing date of the Proposed Transaction (the "**Acquisition Date**"). The Consideration Shares shall be issued in accordance with all applicable rules and policies of the exchange on which the shares of Mainstream may be listed (the "**Exchange**") and shall have the following terms and conditions:
  - i. the Consideration Shares shall be retractable for cash, at the sole option of the holder for a period of 120 days from July 31, 2021 (the "**Acquisition Date**") (the "**Retraction Period**") at a price per share equal to the lesser of (A) the fair market value of the Portfolio on the Acquisition Date *divided by* the number of Consideration Shares issued in exchange for the Portfolio, and (B) the net asset value of Mainstream attributable to each Consideration Share as at the time of the requested retraction, upon prior written notice to Mainstream of a period of not less than 30 days or such lesser period as may be agreed upon by Mainstream and Plutus, each acting reasonably; and
  - ii. immediately following the expiry of the Retraction Period, the Consideration Shares shall be automatically converted into common shares in the authorized capital of Mainstream (the "**Common Shares**") on a 1:1 exchange ratio, or such other exchange ratio as is agreed upon by Mainstream and the Plutus, each acting reasonably.

The Proposed Acquisition will be carried out under the terms of a definitive agreement ("**Definitive Agreement**") to be negotiated between Mainstream and Plutus. Further details of the Proposed Transaction and the terms and conditions of the Definitive Agreement will be provided in subsequent news releases of the Company.

## About Mainstream

Mainstream is a reporting issuer in the Provinces of British Columbia, Alberta, Saskatchewan, Manitoba, and Ontario and its common shares are not currently listed on any exchange or market. The Company will provide an update on the Proposed Transaction and public listing process in a press release at a later date.

## For further information, please contact:

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*This news release may contain forward-looking statements including but not limited to comments regarding the timing and content of upcoming work programs, geological interpretations, receipt of property titles, potential mineral recovery processes, etc. Forward-looking statements address future events and conditions and therefore, involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated in such statements.*

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