

VETA RESOURCES INC.

VETA RESOURCES ANNOUNCES PLAN OF ARRANGEMENT

Toronto, Ontario – December 14, 2021 – Veta Resources Inc. (the “**Company**”) is pleased to announce a plan of arrangement under section 192 of the *Canada Business Corporations Act* (the “**Arrangement**”), pursuant to which the Company plans to spin out eight wholly-owned subsidiaries of the Company (collectively, the “**Subsidiaries**”) by way of distributing the securities of the Subsidiaries held by the Company to the shareholders of the Company (the “**Veta Shareholders**”).

The Arrangement

Under the terms of the Arrangement Agreement, each Veta Shareholder shall receive: (i) one (1) common share of 1329291 B.C. Ltd. (“**1329291**”), one (1) common share of 1329293 B.C. Ltd. (“**1329293**”), one (1) common share of 1329295 B.C. Ltd. (“**1329295**”), one (1) common share of 1329300 B.C. Ltd. (“**1329300**”), one (1) common share of 1329306 B.C. Ltd. (“**1329306**”), one (1) common share of 1329307 B.C. Ltd. (“**1329307**”), one (1) common share of 1329308 B.C. Ltd. (“**1329308**”) and one (1) common share of 1329310 B.C. Ltd. (“**1329310**”) for each one (1) outstanding common share of the Company held by a Veta Shareholder (the “**Distributed Securities**”).

In addition to the distribution of the Distributed Securities to the Veta Shareholders, each currently outstanding common share of the Company (each, a “**Common Share**”) shall be exchanged for one new common share of the Company (each, a “**New Common Share**”).

Following completion of the Arrangement, each of the Subsidiaries will be a separate unlisted reporting issuer in the Provinces of British Columbia, Alberta, Saskatchewan, Manitoba and Ontario. The Company has no material assets, and does not carry on any business as of the date hereof, and following the completion of the Arrangement, neither the Company nor any of the Subsidiaries will have any material assets or carry on any active business, other than the identification and evaluation of potential acquisitions of value accreting assets or businesses.

The Arrangement is anticipated to close in February 2022. Closing of the Arrangement is subject to the approval of not less than 66 2/3% of the votes cast by holders of Common Shares at the Meeting (as defined below). The Arrangement is also subject to, among other conditions, the approval of the Supreme Court of British Columbia, the receipt of all necessary regulatory approvals and satisfaction of certain other closing conditions that are customary for a transaction of this nature.

It is anticipated that an annual and special meeting of the holders of Common Shares will be held at 10:00 (Eastern time) on January 31, 2022 (the “**Meeting**”) at 217 Queen Street West, Suite 401, Toronto, Ontario M5V 0R2 for the purpose of considering, and if thought fit, approving the Arrangement, among other things. Details of the Arrangement will be set forth in the Company’s management information circular, a copy of which will be delivered to the Veta Shareholders in advance of the Meeting and a copy will be made available on the Company’s profile at www.sedar.com.

Board Approval and Recommendation

The Board has unanimously approved the Arrangement Agreement, determined that the Arrangement is in the best interests of the Company and the shareholders of the Company, and the Board has unanimously resolved to recommend that the shareholders of the Company vote in favour of the Arrangement, at the Meeting.

Strategic Rationale

The key benefits to holders of Common Shares with respect to the Arrangement are as follows:

- (a) the Arrangement is anticipated to result in separate entities, each of which will provide a platform for transactions that the directors wish to target, which will provide a transaction advantage to competitors in Canada and abroad;
- (b) each of the entities resulting from the Arrangement will be better able to pursue its own specific business strategies without being subject to financial or other constraints of the businesses of the other entities, providing new and existing shareholders with optionality as to investment strategy and risk profile;
- (c) each entity resulting from the Arrangement will be better able to focus on a specific industry and geographic location, allowing such entities to be more readily understood by investors and better positioned to raise capital;
- (d) the Arrangement will result in separate non-listed public entities, which is anticipated to benefit the Veta Shareholders as a result of each of the entities:
 - (i) having the ability to effect acquisitions by way of public share issuances; and
 - (ii) being able to apply to become “short form eligible” by filing, among other things, an Annual Information Form, allowing such entity to raise capital under the short form prospectus regime governed by Canadian securities legislation, which is anticipated to create financing advantages; and
- (e) following the Arrangement, each resulting entity will be a reporting issuer under Canadian securities legislation and accordingly, the Veta Shareholders will continue to benefit from public company oversight from the securities commissions and the higher continuous disclosure, governance and financial statement requirements applicable to public companies.

Complete details of the terms of the Arrangement are set out in the Arrangement Agreement, which will be filed by the Company and will be available for viewing under the Company’s profile at www.sedar.com.

For further information, please contact:

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This news release contains certain “forward-looking information” within the meaning of applicable securities law. Forward looking information is frequently characterized by words such as “plan”, “expect”, “project”, “intend”, “believe”, “anticipate”, “estimate”, “may”, “will”, “would”, “potential”, “proposed” and other similar words, or statements that certain events or conditions “may” or “will” occur. These statements are only predictions. Forward-looking information is based on the opinions and estimates of management at the date the information is provided, and is subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information. For a description of the risks and uncertainties facing the Company and its business and affairs, readers should refer to the Company’s Management’s Discussion and Analysis. The Company undertakes no obligation to update forward-looking information if circumstances or management’s estimates or opinions should change, unless required by law. The reader is cautioned not to place undue reliance on forward-looking information.