

LE MARE GOLD CORP. ANNOUNCES PROPOSED REVERSE TAKEOVER TRANSACTION

Vancouver, British Columbia – December 16, 2019 - Le Mare Gold Corp. (TSXV: LMGC) (“**Le Mare**” or the “**Company**”) is pleased to announce that it has entered into a non-binding letter of intent dated December 9, 2019 (the “**LOI**”) with Discovery Seed Labs Ltd. (“**Discovery**”), and FutureWELL Industries Ltd. (“**FutureWELL**”). Discovery and FutureWELL are affiliated private companies incorporated under the *Business Corporations Act* (Saskatchewan). Pursuant to the LOI, Le Mare, Discovery and FutureWELL propose to effect an arm’s length reverse takeover of Le Mare by the shareholders of Discovery and FutureWELL (the “**Transaction**”). The Transaction, if completed, is expected to result in Le Mare becoming a Tier 2 Industrial Issuer (the “**Resulting Issuer**”) within the meaning of such term under the policies of the TSX Venture Exchange (the “**Exchange**”).

Business of Discovery

Discovery is an independent seed testing business which was founded as an independent commercial laboratory to service the scientific and technical needs of the seed industry, both domestically and globally. The Discovery team possess industry experience and academic backgrounds in the areas of agriculture, seed analysis, pathology, and molecular genetics.

In 2019, Discovery began traceability and seed testing in Cannabis.

Selected Discovery Financial Information

The following table contains selected annual financial and operating information with respect to Discovery and has been derived from Discovery’s unaudited financial statements for the fiscal periods ended July 31, 2019 and 2018:

	Unaudited July, 31, 2019 (CAD\$)	Unaudited July, 31, 2018 (CAD\$)
Total Revenue	1,413,325	1,724,283
Net Comprehensive Income (Loss)	539,233	799,794
Total assets	921,080	2,389,355
Total liabilities	600,329	565,341
Total Shareholders' Equity and Retained Earning	320,751	1,824,014

Business of FutureWELL

FutureWELL is a newly incorporated entity created to fit an extraction facility in Lajord, Saskatchewan. The facility, once equipped, is expected to be able to produce 36,500 kilograms of full spectrum oil, that will be processed into distillates, isolates, and dehydrated powders in OEM products for global markets. FutureWELL has an agreement in principle for access to hemp biomass with HTC Extraction Systems (“**HTC**”).

FutureWELL is investing \$3,500,000 in Q1 of 2020 to purchase an Ethanol/Hyrdocarbon extraction technology that will provide an operational extraction system in the second quarter of 2020. The system will allow for the processing of up to 6,000 lbs of hemp biomass per day yielding 100 liters of FSO per day. As the demand for these ingredients

grows, FutureWELL will continue to invest in additional extraction capacity to meet our existing and future customer needs.

FutureWELL does not have any revenue or activities to date but was incorporated for corporate structuring purposes in connection with the Transaction and to acquire certain extraction assets to be located in the HTC facility. This allows operations to proceed under the licences held by HTC.

The Transaction

The LOI contemplates that Le Mare will acquire 100% of the issued and outstanding shares in the capital of Discovery (the “**Discovery Shares**”) from the shareholders of Discovery (the “**Discovery Shareholders**”) and 100% of the issued and outstanding shares in the capital of FutureWELL (the “**FutureWELL Shares**”) from the shareholders of FutureWELL (the “**FutureWELL Shareholders**”).

Pursuant to the LOI, the anticipated terms of the Transaction include the following:

- Le Mare will effect a consolidation of its issued and outstanding common shares (“**Resulting Issuer Shares**”) on the basis of two (2) old shares for one (1) new share (the “**Consolidation**”) and the exercise price and number of Le Mare Shares issuable under any outstanding convertible securities would be adjusted to reflect the foregoing Consolidation ratio;
- the Discovery founding shareholders (“**Principal Discovery Shareholders**”) will receive an aggregate of 6,000,000 post-Consolidation Resulting Issuer Shares, to be issued *pro rata* to the Discovery Shareholders proportionate to their shareholdings in Discovery;
- the Discovery’s Principal Discovery Shareholders will receive contingent payments totalling an aggregate of \$6,000,000 (the “**Contingent Payments**”) which will become due and payable upon the Resulting Issuer reaching certain revenue milestones and subject to the terms and conditions to be set out in the definitive agreement in respect of the Transaction (the “**Revenue Milestones**”);
- the FutureWELL Shareholders will receive an aggregate of 24,000,000 post-Consolidation Resulting Issuer Shares, to be issued *pro rata* to the FutureWELL Shareholders proportionate to their shareholdings in FutureWELL; and
- the combined company to be formed upon completion of the Transaction shall change its name to FutureWELL Industries Inc. (or a similar name).

Subject to Exchange acceptance, a finder’s fee of 1,500,000 Resulting Issuer Shares is proposed to be issued to an arm’s-length finder.

Certain of the Resulting Issuer Shares issued to the principals of Discovery will be subject to escrow in accordance with the Exchange policies.

Shareholder Approval

As the Transaction is an arm’s length transaction and Le Mare is without active operations, it is anticipated that no shareholder approval will be required.

Concurrent Financing

Discovery and Le Mare have entered into an engagement letter with Mackie Research Capital Corporation (the "**Agent**") who has agreed to sell on a "best efforts basis", subscription receipts (each, a "**Subscription Receipt**"), pursuant to which Discovery will raise gross proceeds of approximately \$10,000,000 (the "**Offering**"). Each Subscription Receipt will be priced at a \$0.50 per Subscription Receipt and will entitle the holder thereof to receive, without any further action on the part of the holder or payment of any additional consideration, one unit of Discovery (each, a "**Unit**"), subject to the satisfaction or waiver of the Escrow Release Conditions (as defined herein) prior to February 15, 2020 (or such later date as may be agreed to by Discovery, FutureWELL, LeMare and the Agent), and provided that the Transaction has not otherwise been terminated.

The net proceeds of the Offering will be held in escrow and, upon the satisfaction or waiver of certain conditions (the "**Escrow Release Conditions**"), including all conditions to the closing of the Transaction, the net proceeds will be released to Discovery.

Each Unit to be issued on conversion of the Subscription Receipts shall consist of one Share and one common share purchase warrant (with each whole warrant being, a "**Warrant**"). Each Warrant shall entitle the holder thereof to acquire one Share for a period of 18 months from the date of issuance thereof at a price of \$0.80 per Share on a post-Consolidation basis.

Expiry of the Warrants will be subject to acceleration if, following the issuance of the Warrants, the closing price of the Shares on the Exchange, or such other Canadian stock exchange on which the Shares are then principally traded, equals or exceeds \$1.50 per Share, on a post-Consolidation basis, for a period of ten consecutive trading days during the exercise period. In that case, the Resulting Issuer may accelerate the expiry date of the Warrants to 30 calendar days from the date notice is given by the Resulting Issuer, by way of dissemination of a news release, to the holders of the Warrants.

It is expected that at the time of the closing of the Transaction, the Subscription Receipts will convert into a separate class of shares of Discovery which will be immediately exchanged for Resulting Issuer shares.

Conditions of Closing

Completion of the Transaction will be subject to certain conditions, including but not limited to: (a) completion of the Private Placement; (b) completion of due diligence investigations to the satisfaction of each of Le Mare, Discovery and FutureWELL; (c) receipt of all necessary approvals of the boards of directors of Le Mare, Discovery and FutureWELL; (d) receipt of all necessary third party consents; (e) approval of the Transaction by the Exchange; (f) Le Mare satisfying the Initial Listing Requirements set by the Exchange for a Tier 2 Industrial Issuer; and (g) the parties' entry into definitive agreements in furtherance to the LOI.

Advances and Loans

Le Mare has agreed to advance up to \$150,000 to Discovery as a secured loan, subject to the approval of the Exchange.

Sponsorship

As a result of the Private Placement, Le Mare intends to apply to the Exchange for a waiver of the Exchange’s sponsorship requirements. If the waiver is not granted by the Exchange, Le Mare would be required to engage a sponsor.

Management, Board of Directors and Insiders

Upon completion of the Transaction, it is expected that certain members of the board of directors of Le Mare will resign and the board of directors of the Resulting Issuer will be reconstituted with nominees of Discovery.

Upon completion of the proposed Transaction, the directors and senior officers of the Resulting Issuer are anticipated to be:

Name, Place of Residence	Position with the Resulting Issuer	Present and Principal Occupation During the past 5 years
<p>Lee Edmondson Vancouver, British Columbia</p>	<p>Proposed Director, President and Chief Executive Officer</p>	<p>Mr. Edmondson co-founded FutureWell Industries with Jason Danielson in 2019 to continue the development of an identity preservation blockchain software platform from conception to consumption within the hemp and cannabis industry. Prior to this Mr. Edmondson has been acquiring and developing genetic strains for the hemp and cannabis industry through multiple companies and partnerships. Mr. Edmondson began his career as a stock broker in one of Canada’s largest investment banks in 1978 quickly moving into venture capital where he ultimately founded his own firm that raised over \$100M for companies in the retail and technology space in the 80’s. Creating a number of intellectual property portfolios he was a pioneer in IPTV networks.</p>
<p>Jason Danielson Saskatoon, Saskatchewan</p>	<p>Proposed Director and Chief Technology Officer and Corporate Secretary</p>	<p>Mr. Danielson has been involved in agriculture from an early age in his family farm in Eastern Saskatchewan. Attended the University of Saskatchewan and obtained a graduate degree in Molecular Genetics. Joined the Dow Chemical Company to establish a molecular breeding laboratory in 2002 until 2010. During that time held roles as the Canola Lab Leader, the Discovery Brassica Transformation Group Leader, and the Canola Trait Product Development Leader. In 2010 returned to the farm and also began working as an independent consultant with a number of agriculture related companies. In 2015 became a partner and president for Discovery.</p>

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<p>Yari Nieken Vancouver, British Columbia</p>	<p>Proposed Director</p>	<p>Mr. Nieken has a wide range of public company and capital market experience. He founded Foremost Capital Inc., an exempt market dealer, and continues to consult for numerous issuers in the health care, mineral extraction and wellness sectors. He has served on the boards of several public and private issuers and has raised substantial capital in his career. He was formerly an investment adviser at Union Securities Corp. Mr. Nieken holds an MBA from the Sydney Graduate School of Management and a bachelor of arts from the University of British Columbia.</p>
<p>Lionel Kambeitz Saskatoon, Saskatchewan</p>	<p>Proposed Director</p>	<p>Lionel Kambeitz is the Executive Chairman of the KF Group of Companies which includes; KF Kambeitz Farms, a 60,000 acre Western Canadian farming operation; Purely Canada Foods, an international grain commodity and ingredient food company; KF Hemp Corp, one of Norther America’s largest identity preserved hemp producers; and KF Plant Elements, a manufacturer, distributor and warehouser of plant fertility products.</p> <p>Lionel has utilized his CO2 extraction experience and pivoted this into the hemp-based cannabinoid extraction, formulation and refining industry in California and Saskatchewan as the driving force, CEO and Executive Chairman of HTC Extraction Systems.</p> <p>Lionel is the fourth generation since 1899 to operate KF Kambeitz Farms and is the former Chairman of the Canadian Agricultural Equipment Manufacturers Association and a recognized agri-business leader in Western Canada.</p>

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Bradley J. Dixon Boise, Idaho	Proposed Director	Brad Dixon is co-chair of the Givens Pursley Litigation Group. In his 18 years of experience, Brad has amassed a significant portfolio of trial experiences in a variety of complex commercial disputes providing him with the creativity, knowledge and strategic know-how to do more than just litigate the steps of your case. As a trial attorney, Brad understands and excels within the entire spectrum of our dispute resolution system providing you with the best possible mechanism to resolve conflict, even if your case must be decided by a Judge and Jury.
Natasha Sever Vancouver, British Columbia	Proposed Interim Chief Financial Officer	Ms. Sever is a CPA designated in both Canada and Australia with a BCom from Edith Cowan University. She has more than 10 years experience in senior finance roles over a wide range of industries including mining, retail and technology. Ms. Sever has held officer positions at a number of publicly listed companies in both Canada and Australia and has a proven record of working in alignment with, and to the benefit of the Board and associated stakeholders. Natasha has extensive experience with company financings as well as TSX & ASX regulatory compliance.

Trading in the Le Mare's common shares on the Exchange is halted and will remain so until the documentation required by the Exchange has been reviewed and accepted by the Exchange.

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Investor Relations

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Statements in this press release regarding the Company which are not historical facts are "forward-looking statements" that involve risks and uncertainties, such as the completion of the proposed Transaction. Such information can generally be identified by the use of forwarding-looking wording such as "may", "expect", "estimate", "anticipate", "intend", "believe" and "continue" or the negative thereof or similar variations. Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties such as the risk that the closing may not occur for any reason. Forwarding-looking statements in this news release include the statements that: (i) the parties anticipate that the Resulting Issuer will be listed as a Tier 2 Industrial Issuer and (ii) list out the terms of the Private Placement.

Actual results in each case could differ materially from those currently anticipated in such statements due to factors such as: (i) the decision to not close the Transaction or Private Placement for any reason, including adverse due diligence results and Exchange refusal of the Transaction; (ii) adverse market conditions; and (iii) the need for additional financing. Except as required by law, the Company does not intend to update any changes to such statements.

Completion of the Transaction is subject to a number of conditions, including but not limited to, Exchange acceptance and if applicable, disinterested shareholder approval. Where applicable, the transaction cannot close until the required shareholder approval is obtained.

There can be no assurance that the Transaction will be completed as proposed or at all. Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of the Company should be considered highly speculative.

The Exchange 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 TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release