

**GIDEON CAPITAL CORP.
UPDATE ON PROPOSED
QUALIFYING TRANSACTION WITH MONTERRA S.A.**

Toronto, Ontario, March 16, 2012 – Gideon Capital Corp. (TSXV:GOL.P) (the “**Company**” or “**Gideon Capital**”), a capital pool company as defined under Policy 2.4 (“**Exchange Policy 2.4**”) of the TSX Venture Exchange (the “**Exchange**”), is pleased to provide this Press Release to its shareholders and members of the public to update shareholders and others with respect to its proposed “Qualifying Transaction”, as defined by Exchange Policy 2.4, with Monterra S.A. (“**Monterra**”) as previously announced on March 3, 2012, whereby Gideon Capital will acquire all the issued and outstanding shares of Monterra (the “**Transaction**”).

About Monterra

Monterra is a private company incorporated under the laws of the Republic of Panama on September 14, 2007. Monterra, through its wholly-owned Ecuadorian subsidiaries, owns 100% of the ANDI-Orotierra Gold Property (the “**Property**”) which is comprised of 12 contiguous mining concessions (the “**ANDI-Orotierra Concessions**”) covering a total of 53,782 hectares in the Nabon area of Ecuador.

The founding shareholders of Monterra are (i) the Navigator Group, comprised of Navigator Asset Management Limited, Navigator Minerals & Resources Limited and Sireny Investments Limited, all of Jersey, which collectively hold 8,556,190 shares of Monterra representing approximately 11.4% of the total issued and outstanding shares of Monterra, and (ii) Isosceles Fund Limited, a Bahamas corporation, representing the interest of Mr. Mohammed Manzar, a current director of Monterra, which holds 8,333,334 shares of Monterra representing approximately 11.1% of the total issued and outstanding shares of Monterra. The Navigator Group hold the shares of Monterra on behalf of a group of beneficial shareholders including Mr. Nicholas Camilleri, a former director of Monterra.

In addition, SouAm Gold Corp. (“**SouAm**”), a company incorporated under the laws of Alberta, holds 500,000 shares of Monterra and has the right, pursuant to an agreement entered into with Monterra, as amended (collectively, the “**SouAm Sale Agreement**”), whereby it sold to Monterra all of the shares of Nabonminas S.A., the Ecuadorean subsidiary of Monterra which holds the ANDI-Concessions, in consideration for the issuance of 2,700,000 shares of Monterra (to be issued by Monterra to SouAm by March 30, 2012) and a promissory note (the “**Promissory Note**”) representing the cash consideration under the SouAm Sale Agreement, to convert the unpaid principal and accrued interest under the Promissory Note to approximately 4,800,000 shares of Monterra (collectively, the “**Conversion Right**”). On a fully diluted basis, and assuming the Conversion Right is exercised in full, SouAm would hold 8,000,000 shares of Monterra representing approximately 10.0% of the total issued and outstanding shares of Monterra.

Additional information about Monterra, including its summary financial information, will be disclosed in subsequent, follow-up news releases as the Transaction progresses closer to completion.

Summary of the Transaction

Under the terms of a letter of intent, dated March 2, 2012, between Gideon Capital and Monterra (the “**LOI**”), each of Monterra and Gideon Capital (each, a “**Party**” and, collectively, the “**Parties**”) have agreed to diligently and in good faith negotiate a definitive agreement (the “**Definitive Agreement**”) that will effect the Transaction in compliance with Exchange Policy 2.4 and use their reasonable commercial efforts to execute the same by March 30, 2012. The Parties have agreed that the Definitive Agreement will incorporate the principal terms of the Transaction contemplated in the LOI and contain customary provisions typical for a transaction of this type and, when executed by the Parties, will supersede the terms of the LOI.

Pursuant to the LOI, Monterra and Gideon Capital will undertake a business combination pursuant to a three-cornered amalgamation (the “**Amalgamation**”). The Amalgamation will contemplate the incorporation of a subsidiary of Gideon Capital (“**Gideon Sub**”) under the laws of the Republic of Panama which will amalgamate with Monterra to form an amalgamated entity (“**Amalco**”). The Company will acquire (the “**Acquisition**”) all 75,000,000 currently issued and outstanding shares of Monterra in consideration of the Company issuing to the shareholders of Monterra, on a one-to-one basis, common shares in its capital stock (the “**Payment Shares**”). Pursuant to the Amalgamation, Amalco will become a wholly owned subsidiary of Gideon. Upon completion of the Transaction, Gideon Capital will have acquired 100% ownership of Monterra, and the business of Monterra will become the business of Gideon Capital (the “**Resulting Issuer**”).

Certain of the Payment Shares may be subject to escrow and/or resale restrictions under Exchange policies.

Shareholder Approval

As a matter of corporate law, approval of Monterra shareholders may be required for the Amalgamation. However, as the Transaction does not constitute a non-arm’s length transaction, shareholder approval of the Transaction by the shareholders of the Company is not required under Exchange policies.

Closing Date

In accordance with the LOI, the closing date of the Transaction will be as soon as practical following the satisfaction or waiver of the conditions precedent of the Definitive Agreement, or such other date as mutually agreed to by the Parties, but in any event no later than June 30, 2012.

The Private Placement

In connection with the Transaction, it is anticipated that Gideon Capital will complete a concurrent private placement (the “**Private Placement**”) of up to 20,000,000 subscription receipts (the “**Subscription Receipts**”) at an anticipated price, subject to the approval of the Exchange, of approximately \$0.35 per Subscription Receipt, to raise targeted gross proceeds of up to \$7,000,000, the terms of which will be determined at a later date.

The Company intends to use the proceeds of the Private Placement to fund the costs associated with completing the Transaction, to fund the business plan of the Resulting Issuer and to fund the general working capital expenses of the Resulting Issuer. Gideon Capital will issue a subsequent news release respecting the Private Placement, including information respecting the agent for the Private Placement and the compensation to be paid for agency services, once the Company has finalized its arrangements.

Sponsor

The Company intends to apply for an exemption from the Exchange from the requirement to retain a sponsor in connection with the Transaction on the basis of the Private Placement being completed as a brokered offering raising gross proceeds in excess of \$500,000, as contemplated. There can be no assurances that an exemption from sponsorship will be granted.

Gideon Capital Stock Options and Warrants

Gideon Capital currently has outstanding incentive stock options to acquire 1,250,000 of its common shares at an exercise price of \$0.10 per common share (the “**Gideon Options**”) and outstanding warrants to acquire 250,000 of its common shares at an exercise price of \$0.10 expiring February 3, 2014 (the “**Gideon Warrants**”). Pursuant to the terms of the LOI, each of the Gideon Options and the Gideon

Warrants will, if not exercised prior to the completion of the Transaction, be exchanged for like securities of the Resulting Issuer.

Loan to Monterra

Pursuant to the terms of the LOI, Gideon Capital will, as soon as practicable following the date of the LOI, advance to Monterra \$25,000 as an unsecured loan (the “**Unsecured Loan**”) to be applied by Monterra to preserve its assets. Subject to Exchange approval, as soon as possible after the date of this Press Release, Gideon Capital will advance to Monterra \$225,000 as a secured loan (the “**Secured Loan**”) to be used by Monterra to pay: (a) its portion of Transaction expenses, (b) outstanding third party expenses of Monterra incurred in connection with obtaining necessary mining and environmental permits in Ecuador and (c) general and administrative costs associated with maintaining its office in Ecuador. The Secured Loan will be secured by a pledge of all of the issued and outstanding shares of Terrasources Minerals S.A., the wholly-owned Ecuadorian subsidiary of Monterra, which holds all of Monterra’s rights and interest to ANDI-Orotierra Concessions 1 through 6.

Conditions to Closing the Transaction

As set out in the LOI, the closing of the Transaction will be subject to at least the following mutual conditions precedent:

- (1) the execution of the Definitive Agreement;
- (2) the approval of the Amalgamation by a requisite majority of the shareholders of Monterra at a properly constituted meeting of Monterra;
- (3) the completion of the Private Placement;
- (4) the receipt of all necessary regulatory, corporate and third party approvals, including the approval of the Exchange, and compliance with all applicable regulatory requirements and conditions in connection with the Transaction;
- (5) the maintenance of Gideon Capital’s current listing on the Exchange;
- (6) the confirmation of the representation and warranties of each Party to the Definitive Agreement as set out in such agreement;
- (7) the absence of any material adverse effect on the financial and operational condition or the assets of each of the Parties to the Definitive Agreement;
- (8) the delivery of standard completion documentation including, but not limited to, legal opinions, officers’ certificates and certificates of good standing; and
- (9) other conditions precedent customary for a transaction such as the Transaction.

Pursuant to the LOI, the conditions precedent in favour of Gideon Capital may be waived in whole or in part by Gideon Capital and the conditions precedent in favour of Monterra may be waived in whole or in part by Monterra.

Exchange Listing

Upon completion of the Transaction, it is anticipated the Company will be a Tier 2 Mining Issuer under the policies of the Exchange.

In accordance with Exchange policy, the Company’s shares are currently halted from trading. Trading will resume upon completion of the Qualifying Transaction.

Change in Management

It is the intention of Gideon Capital and Monterra to establish and maintain a board of directors with a combination or appropriate skill sets which is compliant with all regulatory and corporate governance requirements, including any applicable independence requirements. Subject to regulatory and shareholder approval, if applicable, it is presently that the board of directors of the Resulting Issuer will be constituted with up to six nominees of Monterra and one nominee of Gideon Capital.

Upon completion of the Transaction, it is expected that the directors and officers of Monterra will be insiders of the Resulting Issuer. Information respecting the insiders and proposed directors and officers will be provided in a follow up news release when available.

About Gideon Capital Corp.

Gideon Capital, a capital pool company as defined in Exchange Policy 2.4, was incorporated under the laws of the Province of Ontario on June 15, 2011 and was listed on the Exchange on February 3, 2012. Gideon Capital does not have any operations and has no assets other than cash. The Company intends for the Transaction to constitute its "Qualifying Transaction" as such term is defined in Exchange Policy 2.4.

For more information on Gideon Capital please see the corporate profile on SEDAR at www.sedar.com or contact:

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The information provided in this press release regarding Monterra and its management has been provided by Monterra and has not been independently verified by Gideon Capital.

Completion of the transaction is subject to a number of conditions, including but not limited to, Exchange acceptance and if applicable pursuant to Exchange Requirements, majority of the minority 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 a capital pool company should be considered highly speculative.

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 press release.

The information in this news release includes certain information and statements about management's view of future events, expectations, plans and prospects that constitute forward looking statements. These statements are based upon assumptions that are subject to significant risks and uncertainties. Because of these risks and uncertainties and as a result of a variety of factors, the actual results, expectations, achievements or performance may differ materially from those anticipated and indicated by these forward looking statements. Although Gideon Capital and Monterra believe that the expectations reflected in forward looking statements are reasonable, it can give no assurances that the expectations of any forward looking statements will prove to be correct. Except as required by law, Gideon Capital and Monterra disclaim any intention and assumes no obligation to update or revise any forward looking statements to reflect actual results, whether as a result of new information, future events, changes in assumptions, changes in factors affecting such forward looking statements or otherwise.

Neither 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.