

## **GIDEON CAPITAL CORP. ANNOUNCES EXECUTION OF AMALGAMATION AGREEMENT WITH MONTERRA S.A.**

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**Toronto, Ontario, June 6, 2012** – Gideon Capital Corp. (TSXV:GOL.P) (the “**Company**” or “**Gideon**”), a capital pool company as defined under Policy 2.4 (“**Exchange Policy 2.4**”) of the TSX Venture Exchange (the “**Exchange**”), is pleased to announce that it has entered into a formal amalgamation agreement dated June 1, 2012 (the “**Amalgamation Agreement**”) with Monterra S.A. (“**Monterra**”) pursuant to which Gideon will complete a “three-cornered amalgamation” (the “**Amalgamation**”) whereby Gideon will acquire all of the issued and outstanding common shares of Monterra (each, a “**Monterra Share**”) on terms as previously announced on March 16, 2012. The Amalgamation, when completed, will constitute the Company’s “Qualifying Transaction” pursuant to Exchange Policy 2.4.

Pursuant to the Amalgamation Agreement, Gideon has incorporated a wholly-owned subsidiary, Gideon Acquisition Corp., under the laws of the Republic of Panama, which will amalgamate with Monterra to form an amalgamated entity (“**Amalco**”), and all of the shareholders of Monterra will exchange all their Monterra Shares for common shares of Gideon (each, a “**Gideon Share**”) on a one-for-one basis. Upon completion of the Amalgamation, Amalco will be a wholly-owned subsidiary of Gideon.

In accordance with the terms and conditions of the Amalgamation Agreement, it is anticipated that Gideon will issue approximately 75,000,000 Gideon Shares in exchange for all of the issued and outstanding Monterra Shares. At the effective time of the Amalgamation, each share purchase option (“**Monterra Option**”) and share purchase warrant (“**Monterra Warrant**”) of Monterra outstanding will, without any further action on the part of the holder of such Monterra Option or Monterra Warrant, be replaced with a Gideon share purchase option or share purchase warrant, as the case may be, on substantially the same terms and conditions as were applicable under the particular Monterra Option or Monterra Warrant.

The Amalgamation is subject to the conditional approval of the Exchange and all other applicable regulatory approvals. The completion of the Amalgamation is also subject to additional conditions precedent, including, among other things, shareholder approval of Monterra and the completion of a brokered private placement by Monterra (the “**Monterra Private Placement**”) of subscription receipts (each, a “**Subscription Receipt**”) at a price of \$0.35 per Subscription Receipt, for gross proceeds of a minimum of \$5,000,000 and a maximum of \$10,000,000, to be completed on or before the closing of the Amalgamation. Upon the satisfaction of certain release events, including, among other things, the completion or satisfaction of all conditions precedent to the Amalgamation and the receipt of shareholder and applicable regulatory approvals required for the Amalgamation, each Subscription Receipt will be deemed to be exchanged, without any further payment on the part of the holder thereof, into one unit of Gideon, consisting of one Gideon Share and one-half of a common share purchase warrant of Gideon (each whole warrant, a “**Gideon Warrant**”). Each Gideon Warrant will entitle the holder thereof to purchase one additional Gideon Share for a period of twenty-four months at an exercise price of \$0.45 per Gideon Share in the first twelve months and an exercise price of \$0.55 per Gideon Share in the second twelve months, subject to acceleration.

### **About Monterra S.A.**

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 which is comprised of 12 contiguous mining concessions covering a total of 53,782 hectares in the Nabon area of Ecuador.

### **About Gideon Capital Corp.**

Gideon, a capital pool company within the meaning of the policies of the Exchange, was incorporated on June 15, 2011 and was listed on the Exchange on February 3, 2012. Gideon does not have any operations

and has no assets other than cash. Gideon's business is to identify and evaluate businesses and assets with a view to completing a qualifying transaction under the policies of the Exchange.

In accordance with Exchange policy, trading of the Gideon Shares remains halted and will recommence at such time as the Exchange may determine, having regard to the completion of certain requirements pursuant to Exchange Policy 2.4.

**For more information on Gideon please see the corporate profile on SEDAR at [www.sedar.com](http://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.*

*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 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 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.*