

# MIRAMONT

## RESOURCES

### **Miramont Resources Corp. Announces Definitive Agreement for Amalgamation with Kuya Silver Corp.**

Vancouver, BC — June 11, 2020 — Miramont Resources Corp. (CSE: MONT | OTCQB: MRRMF | FRA: 6MR) (“**Miramont**” or the “**Company**”) is pleased to announce that on June 10, 2020 it executed a definitive agreement (the “**Definitive Agreement**”) with Kuya Silver Corp. (“**Kuya**”), whereby the Company will acquire all of the issued and outstanding shares of Kuya in exchange for shares of the Company (the “**Transaction**”). The Transaction will constitute a “Fundamental Change” of the Company as defined by Canadian Securities Exchange (“**CSE**”) policies.

Pursuant to the Definitive Agreement, the Company will complete a consolidation of its issued and outstanding common shares (the “**Consolidation**”) on the basis of one post-Consolidation common share (the “**Shares**”) for every ten (10) outstanding common shares in the capital of the Company. Following the Consolidation, each of the shareholders of Kuya (the “**Kuya Shareholders**”) will receive 1.835 Shares in exchange for each share held in the capital of Kuya (the “**Exchange Ratio**”) and holders of convertible securities in Kuya will receive replacement securities in the Company adjusted in accordance with the Exchange Ratio. As a condition to the completion of the Transaction, Kuya must complete a private placement financing as detailed below (the “**Concurrent Financing**”). Upon completion of the Transaction the Company will change its name to “Kuya Silver Corporation” or such other similar name as the parties may agree to (the “**Name Change**”).

It is expected that the Transaction will be structured as a three-cornered amalgamation in accordance with Section 174 of the *Business Corporations Act (Ontario)* in which Kuya will amalgamate with 2757974 Ontario Inc., a newly incorporated, wholly-owned subsidiary of the Company, formed solely for the purpose of facilitating the Transaction. Following the Transaction, the amalgamated company will be a wholly-owned subsidiary of the Company.

#### **Concurrent Financing**

In connection with the Transaction, the Company announces that Kuya intends to complete a brokered private placement of subscription receipts at a price of C\$1.65 (“**Subscription Receipts**”) per Subscription Receipt to raise gross proceeds of up to C\$10,000,000. The Concurrent Financing is being conducted by a syndicate of agents led by Cormark Securities Inc. (“**Cormark**”) and will include Canaccord Genuity Corp., PI Financial Corp. and Red Cloud Securities Inc.

Each Subscription Receipt will be deemed to be exchanged upon satisfaction of the Release Conditions (as defined below) on or before the day that is 180 days following closing of the Concurrent Financing (the “**Release Deadline**”), without payment of any additional consideration, for one common share of Kuya (each a “**Kuya Share**”). The Company following completion of the Transaction will use the net proceeds from the Concurrent Financing to fund exploration and engineering costs for the development of the Bethania project, as well as to complete its obligations to acquire an 80% interest in S&L Andes Export, the entity that holds the Bethania project.

The gross proceeds of the Concurrent Financing will be deposited in escrow on the closing date and shall be released to Kuya upon Kuya having obtained the approval of the CSE and completion of certain other administrative matters (the "**Release Conditions**") on or before the Release Deadline. If the Release Conditions are not satisfied on or before the Release Deadline, or if prior to such date Kuya advises Cormark or announces to the public that it does not intend to satisfy the Release Conditions, the escrow agent will return to holders of the Subscription Receipts, an amount equal to the aggregate purchase price for the Subscription Receipts held by such holder, together with a pro rata portion of the interest earned on the escrowed proceeds.

The Subscription Receipts issued in the Concurrent Financing will be subject to a statutory four month hold period. Closing of the private placement is subject to negotiation and execution of definitive documentation and receipt of all regulatory approvals. Closing of the Concurrent Financing is expected to occur on or about August 31, 2020.

#### **About Kuya Silver Corp.**

Kuya is a privately held Canadian-based silver-focused mining company, earning into an 80% interest in the Bethania Silver Mine, located in Central Peru. Bethania was in production until 2016, toll-milling its ore at various other concentrate plants in the region, and Kuya's plan is to implement an expansion and construct a concentrate plant at site before restarting operations. Bethania produced silver-lead and zinc concentrates from the run of mine material until being placed on care and maintenance due to market conditions and lack of working capital. It is expected that shortly after the closing of the Transaction and Concurrent Financing, Kuya will close its acquisition of the 80% interest in the Bethania Silver Mine.

#### **About Miramont Resources Corp.**

Miramont is a Canadian-based exploration company with a focus on acquiring and developing mineral prospects within world-class belts of South America. The Company's shares are listed on the CSE under the symbol MONT and on the OTCQB under the symbol MRRMF. Miramont holds options to acquire two mineral properties in southern Peru.

#### **About the Combined Company**

Upon completion of the Transaction, the resulting Company (the "**Combined Company**") will continue to carry on the business of Kuya and the exploration and advancement of the material properties of Kuya.

It is expected that upon closing of the Transaction, the Combined Company will issue from treasury 13,041,985 Shares to the Kuya Shareholders (not including the issuance of Shares pursuant to the Concurrent Financing), and that after such issuances, the Company will have approximately 18,619,308 issued and outstanding Shares on a non-diluted, post-Consolidation basis (not including the issuance of Shares pursuant to the Concurrent Financing). Based on the foregoing, following completion of the Transaction, the current shareholders of the Company will hold approximately 30% of the outstanding Shares and the Kuya Shareholders will hold approximately 70% of the outstanding Shares. The Shares issuable under the Transaction will be subject to the escrow requirements of the CSE and hold periods as required by applicable securities laws.

Completion of the Transaction is subject to a number of closing conditions, including the completion of the Consolidation, completion of the Name Change, completion of the Concurrent Financing, and applicable

shareholder and regulatory approvals. There can be no assurance that proposed Transaction or other transactions described in this news release will be completed as proposed or at all.

Upon completion of the Transaction the current directors and officers of the Company will be reconstituted and are expected to be comprised of the following:

David Stein – President, Chief Executive Officer and Director

Mr. Stein is the Founder of Kuya and President since 2017. Educated with a technical background in Geology and Engineering, Mr. Stein jumped into the capital markets very early in his career, almost 20 years ago, as a mining equities analyst for a prominent Canadian broker-dealer. More recently Mr. Stein was President and CEO of Aberdeen International, where he led various private equity and public company investment mandates. Mr. Stein is a Chartered Financial Analyst and holds a Bachelor of Applied Science (Geological Engineering) and Master of Science (Geology) degrees from Queen’s University.

Lesia Burianyk – Chief Financial Officer

Ms. Burianyk is the current CFO of Miramont and has over 15 years of industry experience serving as CFO for various TSX-V and CSE listed companies. Ms. Burianyk is a CPA, CA and holds a Bachelor of Business Administration degree from Simon Fraser University. Ms. Burianyk was previously employed as an audit manager at a Canadian accounting firm where she specialized in the mining industry.

Leah Hodges – Corporate Secretary

Mrs. Hodges is the current Corporate Secretary for Miramont and is the principal of Benchmark Governance, providing corporate compliance, administration, and governance support to private and public companies in the resource and technology sectors. Mrs. Hodges has over fourteen years of experience serving on, and for, numerous boards of directors of publicly listed companies.

Tyson King – VP Corporate Development

Mr. King is the founder of Miramont and has been the President and CEO since 2019. Mr. King has over 10 years’ experience in the management of publicly listed and privately held companies in the resource sector. He has been actively engaged in overseeing the day-to-day operations of several companies where he has held various senior officer positions throughout his career. Mr. King holds a BA in Economics from the University of Calgary.

Quinton Hennigh – Director

Dr. Hennigh is an economic geologist with more than 25 years of exploration experience with major gold mining firms, including Homestake Mining, Newcrest Mining and Newmont Mining. Currently, Dr. Hennigh is the Executive Chairman of Miramont, President and Chairman of Novo Resources Corp and serves as a director for Irving Resources Inc., TriStar Gold Inc., Precipitate Gold Corp and NV Gold Corp.

Dale Peniuk – Director

Mr. Peniuk is a Chartered Professional Accountant (CPA, CA) and corporate director. Mr. Peniuk has a B.Comm from the University of British Columbia and received his Chartered Accountant designation from the Institute of Chartered Accountants of British Columbia (now the Chartered Professional Accountants of

British Columbia). He spent more than 20 years with KPMG LLP and predecessor firms, the last ten years as an Assurance Partner with a focus on mining companies. Mr. Peniuk currently serves as a director and Audit Committee Chair of Lundin Mining Corporation, Capstone Mining Corp., Argonaut Gold Inc. and Miramont.

#### Andres Recalde – Director

Mr. Recalde is the Director of Mining for Common Good. His expertise is with social performance and building stakeholder confidence for the extractive industries. Mr. Recalde is Peruvian/Canadian and has worked extensively all over Latin America as a consultant, advisor and corporate director to mining companies such as Barrick Gold, Pan American Silver and Torex Gold. Mr. Recalde is also actively involved as Past President of the Peruvian-Canadian Chamber of Commerce.

Kuya will appoint a further nominee to the board of the Combined Company and will disclose the name of such nominee when available.

#### **Listing Statement and Caution**

Further details about the Transaction and the Combined Company will be provided in a listing statement of the Company to be prepared and filed in respect of the Transaction. Investors are cautioned that, except as disclosed in the listing statement, 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 Company Shares**

Trading in the common shares of the Company will remain halted pending the review of the proposed Transaction by the CSE. There can be no assurance that trading in the common shares will resume prior to the completion of the Transaction.

On behalf of the Board of Directors,  
**MIRAMONT RESOURCES CORP.**

*"Quinton Hennigh"*

Quinton Hennigh, Executive Chairman

**For more information, please contact the Company or Kuya at:**

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## **Forward Looking Information**

*This news release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. These statements relate to future events or future performance. All statements other than statements of historical fact may be forward-looking statements or information. More particularly and without limitation, this news release contains forward-looking statements and information relating to the closing of the Transaction, the conditions to completing the Transaction, completion and terms of the Concurrent Financing, timing and receipt of regulatory and exchange approvals, and other matters. The forward-looking statements and information are based on certain key expectations and assumptions made by management of the Company. As a result, there can be no assurance that the proposed Transaction will be completed as proposed or at all. Although management of the Company believes that the expectations and assumptions on which such forward-looking statements and information are based are reasonable, undue reliance should not be placed on the forward-looking statements and information since no assurance can be given that they will prove to be correct.*

*Forward-looking statements and information are provided for the purpose of providing information about the current expectations and plans of management of the Company relating to the future. Readers are cautioned that reliance on such statements and information may not be appropriate for other purposes, such as making investment decisions. The forward-looking statements in this press release include the Company's intentions regarding the completion of the Transaction. Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, the Company's ability to continue operations if the Transaction is not completed, the Company's ability to raise further capital, the Company's ability to complete the Concurrent Financing, the Company's ability to obtain regulatory and exchange approvals, and the Company's ability to complete the Transaction. Accordingly, readers should not place undue reliance on the forward-looking statements and information contained in this news release. Readers are cautioned that the foregoing list of factors is not exhaustive. The forward-looking statements and information contained in this news release are made as of the date hereof and no undertaking is given to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws. The forward-looking statements or information contained in this news release are expressly qualified by this cautionary statement.*

*Neither the Canadian Securities Exchange nor its Regulation Services Provider (as that term is defined in the policies of the Canadian Securities Exchange) accepts responsibility for the adequacy or accuracy of this release.*