

Ironwood Capital Corp. Announces Proposed Qualifying Transaction

Vancouver, British Columbia--(Newsfile Corp. - May 11, 2020) - **Ironwood Capital Corp. (TSXV: IRN.P)** ("Ironwood" or the "Company") is pleased to announce that it has entered into a sale, assignment and assumption agreement (the "Assumption Agreement") dated May 11, 2020 with Origen Resources Inc. ("Origen") respecting the purchase and assumption by Ironwood of all of Origen's right, title and interest in, to and under an option and joint venture agreement (the "Underlying Agreement") dated May 10, 2018, as amended January 7, 2020, with Great Atlantic Resources Corp. ("Great Atlantic") (the "Transaction").

The Transaction is intended to qualify as Ironwood's "Qualifying Transaction" as defined by Policy 2.4 of the TSX Venture Exchange (the "Exchange"). Trading of the common shares of Ironwood will remain halted in connection with the dissemination of this press release 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. Further details of the proposed Transaction will follow in future press releases.

The Transaction

Under the Assumption Agreement, Origen will sell, transfer, assign, convey and set over to Ironwood all of Origen's right, title, benefit, interest and obligations in, to and under the Underlying Agreement. As consideration for the assignment, Ironwood will issue an aggregate of 500,000 common shares in the capital of Ironwood to Origen. Ironwood is not required to make any deposit, advance or loan under the Transaction. The Transaction is subject to completion of certain conditions precedent, including without limitation receipt of Exchange approval and written consent of Great Atlantic to the assignment of the Underlying Agreement.

Pursuant to the Underlying Agreement, Origen, as optionee, has the right to earn (the "Option") a 75% interest (subject to a 2% net smelter returns royalty contained in the Underlying Agreement) in the Kagoot Brook property (the "Property") located near Bathurst, New Brunswick, comprised of one mineral tenure covering 4,233 hectares and registered in Great Atlantic's name. Origen is current in its obligations under the Underlying Agreement, including incurring \$100,000 in exploration expenditures on the Property during the 2018 exploration season. To successfully exercise the Option, the optionee is required to: (a) as operator on the Property, make a total of \$650,000 of exploration expenditures on the Property on or before May 10, 2022; and (b) make aggregate cash payments of \$110,000 to Great Atlantic, as follows: \$30,000 by May 23, 2020; \$30,000 by January 23, 2021; and \$50,000 by January 23, 2022. Once the Option has been exercised, certain tenures comprising the Property will be subject to a 2% NSR royalty in favour of the prospectors who staked those tenures, with 1% of such NSR royalty being subject to a repurchase right for \$500,000. Upon successful exercise of the Option, the optionee shall have acquired an undivided 75% interest in the Property, which interest will be subject to the 75%/25% joint venture formed between the optionee and Great Atlantic under the terms provided in the Underlying Agreement. If a joint venture party does not contribute its proportionate share of expenditures on the Property, the non-contributing party's joint venture interest will be reduced proportionately. If Great Atlantic's joint venture interest is reduced to 5% or less, Great Atlantic will be deemed to have withdrawn from the joint venture and its remaining interest in the Property will convert into a 3% net smelter royalty, with the optionee having the right to repurchase up to 2% of such royalty for \$1,000,000 per each 1%.

Origen is a British Columbia company and a reporting issuer in British Columbia, Alberta, Ontario and Yukon with its shares listed on the Canadian Securities Exchange under the symbol "ORGN". Origen has no controlling shareholders.

In conjunction with the Transaction, Ironwood will be conducting a private placement financing (the "Private Placement") under which it will raise gross proceeds of up to \$250,000 through the issuance of units (each, a "Unit") at a price of \$0.18 per Unit, with each Unit comprised of one common share and one-half of one common share purchase warrant. Each whole warrant will be exercisable for an Ironwood common share at an exercise price of \$0.35 for two years from the date of issuance. The Company may pay finder's fees and may issue finder's warrants in connection with the Private Placement.

No non-arm's length party to Ironwood has any direct or indirect beneficial interest in the Transaction, the Underlying Agreement or the Property or is otherwise an insider of Origen. The Transaction does not constitute a "Non-Arm's Length Qualifying Transaction" (as such term is defined by the Exchange). In addition, the Transaction is not a "related party transaction" as such term is defined by Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* and is not subject to Policy 5.9 of the Exchange. As a result, no meeting of the shareholders of Ironwood is required pursuant to Policy 2.4 of the Exchange, applicable securities laws or applicable corporate laws.

Sponsorship of a Qualifying Transaction of a capital pool company is required by the Exchange unless exempt in accordance with Exchange policies or unless a waiver is granted by the Exchange. Ironwood intends to apply for an exemption from the sponsorship requirements under section 3.4 of Exchange Policy 2.2 or a waiver of sponsorship if an exemption from sponsorship is unavailable; however, there can be no guarantee that a waiver will be granted if no exemption is available.

The Resulting Issuer

The Company will be a "Mining" issuer under the policies of the Exchange.

On closing of the Transaction, and assuming that Ironwood raises \$250,000 under the Private Placement on the terms described above, the Company will have 5,450,890 common shares issued and outstanding. The current shareholders of

Ironwood would hold approximately 65.35% of the shares of the Company, participants in the Private Placement would hold approximately 25.48% of the shares of the Company, and Origen would hold approximately 9.17% of the shares of the Resulting Issuer.

The board and management of Ironwood will not change in conjunction with closing, and will be comprised of the following persons:

Luke Montaine - CEO and Director

Luke Montaine has been involved in the capital markets for over 15 years in various capacities including the roles of investment advisor, corporate development, corporate finance and has organized fund raising for many venture capital and private equity situations. After studying economics at the University of British Columbia, Mr. Montaine began his career as an investment advisor at Global Securities Corporation, a boutique securities and futures brokerage firm in Vancouver, British Columbia prior to being acquired by PI Financial Corp. Mr. Montaine has had extensive experience in structuring, financing and sourcing assets for various public and private companies. Mr. Montaine currently serves as CEO and director of Roadman Investments Corp. and CEO and director of Ord Mountain Resources Corp..

Nicholas Houghton - CFO, Corporate Secretary and Director

Nicholas Houghton has worked several years in the private and public capital markets sector. Mr. Houghton has extensive experience in recognizing, delineating and financing business opportunities either through funding or mergers and acquisitions. Mr. Houghton has served on several company boards as director and Chairman, as well as serving in the capacity as Vice President, President and CEO.

Paul Andreaola - Director

Mr. Andreaola has been involved for several years in private and public capital markets. In addition to being a director of the Company, he is a director and President and CEO of NameSilo Technologies Corp. and is a director of ImmunoPrecise Antibodies Ltd..

Alex Klenman - Director

Mr. Klenman has been involved for several years in private and public capital markets. In addition to being a director of the Company, he is CEO and a director of Tisdale Resources Corp., CEO and a director of Nexus Gold Corp., CEO and a director of Ross River Minerals Inc. and CEO and a director of Leocor Ventures Inc..

About Ironwood

Ironwood is a capital pool company in accordance with Exchange Policy 2.4 and its principal business is the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction.

For additional information, please refer to the Company's disclosure record on SEDAR (www.sedar.com) or contact the Company as follows: Luke Montaine, CEO, at ironwoodcapitalcorp@gmail.com.

Cautionary Note

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.

Forward-Looking Information

Certain statements contained in this press release constitute "forward-looking information" as such term is defined in applicable Canadian securities legislation. The words "may", "would", "could", "should", "potential", "will", "seek", "intend", "plan", "anticipate", "believe", "estimate", "expect" and similar expressions as they relate to Ironwood, including, the completion of the Qualifying Transaction and the Private Placement, are intended to identify forward-looking information. All statements other than statements of historical fact may be forward-looking information. Such statements reflect Ironwood's current views and intentions with respect to future events, and current information available to them, and are subject to certain risks, uncertainties and assumptions, including, without limitation: the ability to obtain all requisite approvals for the Transaction; the potential of the Property; the estimation of capital requirements; the estimation of operating costs; the timing and amount of future business expenditures; and the availability of necessary financing. Many factors could cause the actual results, performance or achievements that may be expressed or implied by such forward-looking information to vary from

those described herein should one or more of these risks or uncertainties materialize. Such factors include but are not limited to: changes in economic conditions or financial markets; increases in costs; litigation; legislative, environmental and other judicial, regulatory, political and competitive developments; and exploration or operational difficulties. This list is not exhaustive of the factors that may affect forward-looking information. These and other factors should be considered carefully, and readers should not place undue reliance on such forward-looking information. Should any factor affect Ironwood in an unexpected manner, or should assumptions underlying the forward-looking information prove incorrect, the actual results or events may differ materially from the results or events predicted. Any such forward-looking information is expressly qualified in its entirety by this cautionary statement. Moreover, Ironwood does not assume responsibility for the accuracy or completeness of such forward-looking information. The forward-looking information included in this press release is made as of the date of this press release and Ironwood undertakes no obligation to publicly update or revise any forward-looking information, other than as required by applicable law.

This press release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities described in this press release in the United States. Such securities have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws, and, accordingly, may not be offered or sold within the United States, or to or for the account or benefit of persons in the United States or "U.S. Persons", as such term is defined in Regulation S promulgated under the U.S. Securities Act, unless registered under the U.S. Securities Act and applicable state securities laws or pursuant to an exemption from such registration requirements.

Neither the 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 press release.

NOT FOR DISSEMINATION IN THE UNITED STATES OR FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES

To view the source version of this press release, please visit <https://www.newsfilecorp.com/release/55700>