



## **LIDO MINERALS COMPLETES BUSINESS COMBINATION AND CHANGES NAME TO HIGHLANDER SILVER CORP.**

**August 12, 2021 - Vancouver, British Columbia – Highlander Silver Corp.** (formerly Lido Minerals Ltd.) (CSE:LIDO) (the “**Company**” or “**Highlander**”) is pleased to announce that it has completed the business combination (the “**Transaction**”) with CAPPEX Mineral Ventures Inc. (“**CAPPEX**”), whereby the Company acquired all of the issued and outstanding shares of CAPPEX and changed its name to “Highlander Silver Corp.”

Highlander Silver is a mineral exploration company focused on the exploration of the Alta Victoria silver-polymetallic project (the “**Project**”) in central Peru, as well as targeting the acquisition of additional mineral projects by leveraging the team’s significant experience in Peru and South America more widely. The board of directors of Highlander is now comprised of Philip Anderson, Fabian Baker, Nate Brewer, Hannah Jin, and Patrick O’Flaherty. The executive officers of Highlander are Ronald Stewart as Chief Executive Officer, Paul Ténrière as President, and Stephen Brohman as Chief Financial Officer and Corporate Secretary.

Ronald Stewart, CEO of Highlander commented, “*On behalf of the Board of Highlander Silver, we would like to thank the shareholders of Lido and CAPPEX, along with our new investors who supported the launch of Highlander Silver. We are excited about our plans to advance the highly prospective Alta Victoria Project located in the world-class Miocene polymetallic mineral belt in the Central Cordillera of Peru. We are well positioned to aggressively advance the exploration on the property and to generate accretive investment opportunities. I am delighted to join this highly motivated team and help Highlander deliver lasting shareholder value.*”

### **The Transaction**

The Transaction was completed by way of a three-cornered amalgamation. As consideration for the acquisition of CAPPEX, the Company issued an aggregate of 37,160,813 common shares to former shareholders of CAPPEX in exchange for the shares held by them, on a one-for-one basis. In addition, 9,270,004 share purchase warrants of CAPPEX will now be exercisable to acquire common shares of the Company.

The Company also issued 10,000,000 common shares and 10,000,000 warrants pursuant to the conversion of subscription receipts. Each warrant is exercisable to acquire one common share of the Company at an exercise price of \$0.25 until August 12, 2023. The subscription receipts were issued at \$0.15 per subscription receipt for gross proceeds of \$1,500,000, which was placed in escrow. On close of the Transaction the gross proceeds were released from escrow to Highlander and will be used to fund the exploration of the Project and for general working capital purposes. The shares and warrants issued on conversion of the subscription receipts are subject to a hold period expiring on September 19, 2021.

For further information about the Transaction and the Project, please refer to the Listing Statement of Highlander, which will be filed under its profile on SEDAR at [www.sedar.com](http://www.sedar.com). In addition, in connection with the filing of the Listing Statement, Highlander will also be filing a technical report on the Project titled, “Alta Victoria Polymetallic Property, Huaros and Marcapomacocha Districts, Canta and Yauli Provinces, Departments of Lima and Junín, Peru” with an effective date of April 30, 2021 (the “**Technical Report**”). The Technical Report was prepared in accordance with National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* and will be available under Highlander’s profile on [www.sedar.com](http://www.sedar.com).

## **Trading**

The Transaction constituted a fundamental change in accordance with the policies of the Canadian Securities Exchange (“**CSE**”). The CSE has conditionally approved the listing of Highlander’s shares, subject to filing and acceptance of final listing materials. Listing is anticipated shortly, with Highlander’s shares expected to commence trading under its new trading symbol “**HSLV**”.

## **Information for CAPPEX Shareholders**

Highlander’s transfer agent, National Securities Administrators Ltd. will be sending Direct Registration System statements (“**DRS Statements**”) by mail to all former CAPPEX shareholders. Shareholders who wish to receive a physical share certificate should contact National Securities Administrators Ltd. in accordance with the instructions on the DRS Statement. Shareholders wishing to deposit shares into a brokerage account should deliver the DRS Statement to their broker, who can arrange for deposit.

## **Capitalization and Early Warning**

As a result of the Transaction, Highlander has a total of 60,445,867 common shares issued and outstanding, of which approximately 61.5% are held by former shareholders of CAPPEX, 22.0% are held by persons who were shareholders of the Company prior to the Transaction, and 16.5% are held by the purchaser of the subscription receipts. Highlander also has a total of 1,258,000 options to purchase common shares outstanding, and 19,270,004 warrants to purchase common shares outstanding.

In connection with the Transaction, Philip Anderson acquired beneficial ownership of 11,518,176 common shares of Highlander. Following the Transaction, Mr. Anderson (founder and President of CAPPEX) has beneficial ownership of 11,518,176 common shares, representing approximately 19.1% of the issued and outstanding common shares of Highlander (calculated on a non-diluted basis) and 14.2% of the issued and outstanding common shares of Highlander (calculated on a fully-diluted basis). Mr. Anderson holds the shares for investment purposes and intends to review his investment in Highlander on a continuing basis and may purchase or sell common shares, either on the open market or in private transactions, in each case, depending on a number of factors, including general market and economic conditions and other factors and conditions Mr. Anderson deems appropriate.

In connection with the Transaction, 2210637 Ontario Ltd., a company beneficially owned and controlled by Daniel Earle, acquired beneficial ownership of 10,000,004 common shares of Highlander and holds warrants exercisable to acquire 6,666,670 common shares of Highlander. Following the Transaction, 2210637 Ontario Ltd. has beneficial ownership of 10,000,004 common shares and 6,666,670 warrants, representing approximately 16.5% of the issued and outstanding common shares of Highlander (calculated on a non-diluted basis), and 20.6% of the issued and outstanding common shares of Highlander (calculated on a fully-diluted basis). 2210637 Ontario Ltd. holds the shares for investment purposes and

intends to review its investment in Highlander on a continuing basis and may purchase or sell common shares, either on the open market or in private transactions, in each case, depending on a number of factors, including general market and economic conditions and other factors and conditions Mr. Earle deems appropriate.

Early warning reports with additional information as required under Canadian securities laws will be filed under Highlander's profile at [www.sedar.com](http://www.sedar.com), or copies may be obtained by calling Leah Dionne at (604) 687-2038.

**For further information, please contact:**

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**Forward-Looking Information**

*Certain information contained herein constitutes "forward-looking information" under Canadian securities legislation. Forward-looking information includes, but is not limited to, statements with respect to future plans of the Company, use of proceeds, final approval of the Transaction and trading in the Company's shares. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "will" or variations of such words and phrases or statements that certain actions, events or results "will" occur. Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made and they are subject to known and unknown risks, uncertainties and other factors that may cause the actual results to be materially different from those expressed or implied by such forward-looking statements or forward-looking information, including the receipt of all necessary regulatory approvals. Although management of the Company have attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements or forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements and forward-looking information. The Company will not update any forward-looking statements or forward-looking information that are incorporated by reference herein, except as required by applicable securities laws.*