



**PRESS RELEASE**

**Tocvan Closes \$5.125 Million Private Placement with Institutional Investor**

**Calgary, Alberta – June 30, 2022** – Tocvan Ventures Corp. (the “**Company**”) (CSE: TOC; OTCQB: TCVNF; WKN: TV3/A2PE64), is pleased to announce the closing of a private placement to an institutional investor (the “**Placement**”) to raise an aggregate amount of \$5.125 million (CAD). The proceeds from the Placement will be deposited with a third-party escrow agent (the “**Escrow Agent**”) and delivered to the Corporation in monthly tranches over the next 24 months pursuant to the terms and conditions of a Sharing Agreement (as defined below) and an escrow agreement dated June 28, 2022 between the Corporation, Sorbie Bornholm LP, and Orrick, Herrington & Sutcliffe (UK) LLP (the “**Escrow Agreement**”). The funds will go towards the advancement of the Pilar and El Picacho Au-Ag projects in Sonora, Mexico and for general working capital purposes.

In connection with the Placement, the Company has entered into a series of agreements with Sorbie Bornholm LP (“**Sorbie**”), a UK based institutional investor, to issue the following securities for aggregate net consideration of \$5.125 million over the next 24 months:

- (a) 3,200,000 units of the Company (each a “**Unit**”) Each Unit consists of one common share in the capital of the Company (a “**Subscription Share**”) at a price of \$0.82 per Unit and one common share purchase warrant (a “**Warrant**”), with each Warrant entitling the holder to purchase an additional common share at an exercise price of \$1.20 for a period of three years from the closing date; and
- (b) 2,501 Convertible Loan Notes (“**Notes**”) in the principal amount of \$1,000 per Note, bearing an interest rate of 1% per annum. Each Note is convertible into 1,220 common shares for a period of 3 years from the date of issuance. Each Note includes detachable warrant allowing the holder to acquire up to 1,220 common shares per Note, exercisable for 3 years. Of the 1,220 warrants, 610 Warrants can be exercised at C\$1.30 per share, and 610 Warrants can be exercised at \$1.40 per share. Conversion of the Notes is limited to only when shares issued combined with the then current holdings of the holder will not take the holder above 9.9% ownership of the Company. The Corporation shall also be entitled to issue an additional 308 Notes to Sorbie for proceeds of \$307,500 pursuant to the terms of the Sharing Agreement described below.

*“We are very pleased to align with a strategic investor to support us through our next phase of growth and guarantee we are funded to develop our projects for the next two years and beyond”, commented Brodie Sutherland, CEO. “We have a track record of performing exceptionally well with a limited budget; this agreement has us seeing the potential upside of continuing that performance whilst we advance our gold-silver assets in Mexico.”*

In order to facilitate and secure the delivery of the funds over the next 24 months, the Company has entered into a sharing agreement dated June 28, 2022 with Sorbie (the “**Sharing Agreement**”) and the Escrow Agreement. This structure allows the Company to retain much of the economic interest in the Sorbie Subscription Shares and Notes. The Sharing transaction will allow the Company to secure the potential upside on 4,659,091 of the Sorbie Subscription Shares arising from news flow over the next 24 months. The Sharing transaction provides that the Company’s economic interest will be determined and payable in 24 monthly settlement tranches as measured against a benchmark price of \$1.10 per share. If the measured share price exceeds the benchmark price, for that month, the Company will receive more than 100 per cent of the monthly settlement due. The measured share price is determined based on a VWAP for 20 trading days prior to the monthly settlement. There is no upper limit placed on the additional proceeds receivable by the Company as part of the monthly settlements. Should the share price be below the benchmark price, the Company will receive less than 100 per cent of the expected monthly settlement on a pro rata basis. In no case would a decline in the Company’s share price result in any increase in the number of ordinary shares to be issued to Sorbie or any other advantage accruing to Sorbie.

The structure of this Placement is designed to provide the Company with flexibility in continuing to advance the Company’s Projects in Mexico while maintaining a constant source of funds covering a portion of the Company’s short to medium term cash flow requirements.

Pursuant to the terms of the Sharing Agreement, the Company will receive the funds from the Placement based on the following payment schedule over the next 24 months.

Sharing Arrangement Transaction	Applicable Settlement Date (Expressed as a Number of Months after the Trigger Date)	Applicable Share Amount	Transfer Amount (Assuming all Applicable Settlement Dates occur at earliest possible date)
Transaction 1	1 month after Trigger Date	454,545	CAD\$500,000
Transaction 2	2 months after Trigger Date	182,806	CAD\$201,087
Transaction 3	3 months after Trigger Date	182,806	CAD\$201,087
Transaction 4	4 months after Trigger Date	182,806	CAD\$201,087
Transaction 5	5 months after Trigger Date	182,806	CAD\$201,087
Transaction 6	6 months after Trigger Date	182,806	CAD\$201,087
Transaction 7	7 months after Trigger Date	182,806	CAD\$201,087
Transaction 8	8 months after Trigger Date	182,806	CAD\$201,087
Transaction 9	9 months after Trigger Date	182,806	CAD\$201,087
Transaction 10	10 months after Trigger Date	182,806	CAD\$201,087
Transaction 11	11 months after Trigger Date	182,806	CAD\$201,087
Transaction 12	12 months after Trigger Date	182,806	CAD\$201,087
Transaction 13	13 months after Trigger Date	182,806	CAD\$201,087
Transaction 14	14 months after Trigger Date	182,806	CAD\$201,087
Transaction 15	15 months after Trigger Date	182,806	CAD\$201,087
Transaction 16	16 months after Trigger Date	182,806	CAD\$201,087
Transaction 17	17 months after Trigger Date	182,806	CAD\$201,087
Transaction 18	18 months after Trigger Date	182,806	CAD\$201,087
Transaction 19	19 months after Trigger Date	182,806	CAD\$201,087
Transaction 20	20 months after Trigger Date	182,806	CAD\$201,087
Transaction 21	21 months after Trigger Date	182,806	CAD\$201,087
Transaction 22	22 months after Trigger Date	182,806	CAD\$201,087
Transaction 23	23 months after Trigger Date	182,806	CAD\$201,087
Transaction 24	24 months after Trigger Date	182,804	CAD\$201,086

The Placement is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as neither the fair market value of the subject matter of the Placement, nor the consideration paid, exceed 25% of the Company's market capitalization. No additional insiders or related parties of the Company participated in the Placement. No new insiders or control persons were created in connection with the closing of the Placement.

The closing of the Placement, as well as the issuance of the Units pursuant thereto, are subject to the final acceptance of the Canadian Securities Exchange (the "CSE").

### **Management Change**

As of July 1<sup>st</sup>, the Company wishes to announce the retirement of CFO, Greg Ball. Mr. Ball will remain a Director of the Company. Mr. Ball's responsibilities as CFO will be transferred to Ms. Yana Silina, a Chartered Professional Accountant and senior accountant at Da Costa Management Corp.

Ms. Silina has worked in the accounting field providing her services mainly to venture capital companies since 2008. Ms. Silina is a Chartered Professional Accountant and holds a Diploma in Management Studies from Thompson Rivers University. Ms. Silina is a senior accountant at Da Costa Management Corp., a Company that provides bookkeeping and accounting services to both public and private companies. Ms. Silina is currently CFO and director of Cell MedX Corp (OTC QB: CMXC), CFO of Stuhini Exploration Ltd. (TSX.V: STU), and a director of Kesselrun Resources Ltd. (TSX.V: KES). Ms. Silina has previously held various management positions with other public companies listed on OTC Link alternative trading system and Canadian Securities Exchange.

*"On behalf of the Board we would like to thank Greg for his dedication to the Company since inception and we wish him all the best in retirement", commented Brodie Sutherland, CEO. "Greg has been a critical part of our growth and we are fortunate to have him stay involved as a Director of the Company. Moving forward we are in the capable hands of Ms. Silina as we continue to create shareholder value through the advancement of our Mexico gold-silver projects."*

#### **About Tocvan Ventures Corp.**

Tocvan is a well-structured exploration development company. Tocvan was created in order to take advantage of the prolonged downturn the junior mining exploration sector, by identifying and negotiating interest in opportunities where management feels they can build upon previous success. Tocvan has approximately 33 million shares outstanding and is earning 100% into two exciting opportunities in Sonora, Mexico: the Pilar Gold-Silver project and the El Picacho Gold-Silver project. Management feels both projects represent tremendous opportunity to create shareholder value.

#### **Cautionary Statement Regarding Forward Looking Statements**

*This news release contains "forward-looking information" which may include, but is not limited to, statements with respect to the activities, events or developments that the Company expects or anticipates will or may occur in the future. Forward-looking information in this news release includes statements regarding the use of proceeds from the Offering. Such forward-looking information is often, but not always, identified by the use of words and phrases such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.*

*These forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect our current judgment regarding the direction of our business. Management believes that these assumptions are reasonable. Forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Such factors include, among others, risks related to the speculative nature of the Company's business, the Company's formative stage of development and the Company's financial position. Forward-looking statements contained herein are made as of the date of this news release and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results, except as may be required by applicable securities laws. There is no certainty that the full Placement will be realized.*

*There can be no assurance that forward-looking information 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 information.*

#### **FOR MORE INFORMATION, PLEASE CONTACT:**

##### **TOCVAN VENTURES CORP.**

**Brodie A. Sutherland, CEO**

820-1130 West Pender St.

Vancouver, BC V6E 4A4

Telephone: 1 888 772 2452

Email: [ir@tocvan.ca](mailto:ir@tocvan.ca)

*This news release does not constitute an offer to sell or a solicitation of an offer to sell any of the securities in the United States. The 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 may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.*