

**PROSPECT RIDGE RESOURCES CORP. ANNOUNCES PROPERTY OPTION AGREEMENT; \$6 MILLION NON-BROKERED PRIVATE PLACEMENT; AND APPOINTS FORMER CEO AND CHAIRMAN OF FORTUNA SILVER MINES INC. AS CHIEF EXECUTIVE OFFICER**

Vancouver, British Columbia, August 27, 2021. Prospect Ridge Resources Corp. (CSE:PRR) (the "Company" or "Prospect") is pleased to announce that it has entered into a property option agreement with Loan Wolf Exploration Ltd. ("Loan Wolf") dated August 26, 2021 (the "Agreement"), pursuant to which the Company has acquired options to purchase a 100% interest in and to certain mineral claims and placer claims collectively known as the Holy Grail Property (the "Property"). Such options are comprised of: (1) an option to purchase 50% of the mineral claims comprising the Property (the "First Option"); (2) an option to purchase the remaining 50% of the mineral claims comprising the Property (the "Second Option"); and (3) an option (the "Placer Option" and, together with the First Option and the Second Option, the "Option") to purchase 100% of the placer claims comprising the Property (the "Placer Claims"). The Property is located north of Terrace, B.C., near the historical mining area known as the Golden Triangle.

**Option to Acquire the Holy Grail Property**

In order to maintain and exercise the First Option, Prospect must satisfy the following requirements:

	Shares	Cash	Expenditures
On closing date of the Agreement (the "Closing Date")	2,000,000	\$200,000	-
On first anniversary of the Closing Date	1,000,000	\$160,000	\$1,000,000
On second anniversary of the Closing Date	1,000,000	\$160,000	\$1,000,000
<b>TOTAL</b>	<b>4,000,000</b>	<b>\$520,000</b>	<b>\$2,000,000</b>

In order to maintain and exercise the Second Option, Prospect must satisfy the following requirements:

	Shares	Cash	Expenditures
On third anniversary of the Closing Date	1,000,000	\$160,000	\$1,000,000
On fourth anniversary of the Closing Date	1,000,000	\$160,000	\$1,000,000
On fifth anniversary of the Closing Date	1,000,000	\$160,000	\$1,000,000
<b>TOTAL</b>	<b>3,000,000</b>	<b>\$480,000</b>	<b>\$3,000,000</b>

In order to maintain and exercise the Placer Option, Prospect must, subject to exercise of the Second Option, make a cash payment in the amount of the aggregate staking and maintenance costs incurred by Prospect on the Placer Claims up to and including the Closing Date on or before the date that is 30 days after the deemed exercise of the Second Option.

The Company has granted Loan Wolf a 3.0% net smelter returns royalty (the “**Royalty**”) with respect to non-placer operations on the Property. The Company has the right to purchase from Loan Wolf 1.0% of the Royalty for \$1,000,000 within 5 years after the earlier of the date that Option is exercised or the Agreement is terminated. With respect to placer operations on the Placer Claims, the Company has also granted Loan Wolf a royalty, payable in kind, equal to 10% of the placer gold and gemstones removed from the Property.

During the period ending on the earlier of the date the Option is exercised and the date the Agreement is terminated, and for a period of two years thereafter, the Company has agreed to provide Loan Wolf with a right of first refusal to participate in any equity financing conducted by the Company such that its aggregate holding of common shares in the Company (including convertible securities held by Loan Wolf) equals 9.9% of the then-issued common shares of the Company upon completion of the equity financing.

#### **Finder’s Fees**

In connection with the Agreement, the Company has also agreed to issue to Triple K Ventures Ltd. (“**Triple K**”) an aggregate of 1,000,000 finder’s shares in accordance with the following schedule:

	<b>Finder’s Shares</b>
<b>On signing of the Agreement</b>	285,715
<b>On first anniversary of the Agreement</b>	142,857
<b>On second anniversary of the Agreement</b>	142,857
<b>On third anniversary of the Agreement</b>	142,857
<b>On fourth anniversary of the Agreement</b>	142,857
<b>On fifth anniversary of the Agreement</b>	142,857
<b>TOTAL</b>	<b>1,000,000</b>

The Company has further agreed to reimburse Triple K for certain expenditures incurred in respect of the Property in the amount of \$293,339.50.

Triple K is 100% owned and controlled by Michael Iverson, who is being appointed as the Chief Executive Officer and a director of the Company, as discussed below.

#### **Appointment of Michael Iverson as Chief Executive Officer and Director**

The Company is also pleased to announce that Michael Iverson has been appointed as its new Chief Executive Officer and a director, with Liam Corcoran voluntarily stepping down as Chief Executive Officer. Mr. Corcoran will continue to serve on the Company’s board of directors.

Mr. Iverson brings over 30 years of executive experience in public markets, including corporate development, capital formation, acquisitions and mergers. In 1998, Mr. Iverson founded Niogold Mining Corp. (previously TSXV:NOX) and co-founded Fortuna Silver Mines Inc. (TSE:FVI), and went on to serve in various executive roles at both companies including Chairman, Chief Executive Officer and President until 2016. Since 2007, Mr. Iverson has also held various executive positions at Volcanic Gold Mines (CSE:VG). At Niogold, he led the acquisition and exploration of a large land package in Val D'Or, following which the company was acquired by Oban Mining Corp., now operating as Osisko Mining Inc. (TSE:OSK), as a significant premium to the company's market capitalization. At Fortuna, he was an integral part of the company's successful development into a silver producer with operating mines in Peru and Mexico. This is Mr. Iverson's first position as Chief Executive Officer of a public company since transitioning out of that role with Niogold in 2016. Mr. Iverson brings a wealth of experience in public and private equity markets and important management disciplines in strategic planning, sales and marketing, having raised, invested and co-invested \$100 million in the companies he has led and advised. Mr. Iverson has acted as the CEO and/or director of companies over the years which have achieved, in aggregate during the periods of time while Mr. Iverson was so acting, peak market capitalizations in excess of \$1 billion.

#### **Non-Brokered Private Placement**

The Company is further pleased to announce that it intends to complete a non-brokered private placement (the "**Private Placement**") of up to 17,142,858 units of the Company (the "**Units**") at a price of \$0.35 per Unit for gross proceeds of up to \$6,000,000. Each Unit will be comprised of one Share and one-half of one common share purchase warrant (each whole warrant, a "**Warrant**"), with each Warrant entitling the holder thereof to purchase one Share for an exercise price of \$0.70 per Share for a period of 18 months from the date of issuance. The Warrants will be subject to a forced exercise clause if the trading price of the Shares equals or exceeds \$1.15 for 10 consecutive days.

The Company intends to use the proceeds from the Private Placement for exploration purposes on the Galinee and Holy Grail projects, marketing and public relations and for general working capital purposes.

#### **Grant of Options**

The Company also announces that it has issued a total of 2,850,000 stock options to certain of its directors, officers, employees and consultants. All of the stock options will be exercisable for a period of 18 months at an exercise price of \$0.50.

#### **About Prospect Ridge Resources Corp.**

Prospect Ridge Resources Corp. is a mineral exploration company engaged in the identification, acquisition and exploration of mineral projects in North America.

#### **Contact Information**

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*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.*

*This release includes certain statements and information that may constitute forward-looking information within the meaning of applicable Canadian securities laws. Forward-looking statements relate to future events or future performance and reflect the expectations or beliefs of management of the Company regarding future events. Generally, forward-looking statements and information can be identified by the use of forward-looking terminology such as "intends" or "anticipates", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would" or "occur". This information and these statements, referred to herein as "forward-looking statements", are not historical facts, are made as of the date of this news release and include without limitation, statements regarding discussions of future plans, estimates and forecasts and statements as to management's expectations and intentions with respect to, among other things: the exercise of the Option on the terms set out in the Agreement; the anticipated proceeds to be raised under the Private Placement; the use of any proceeds raised under the Private Placement; and finder's fees to be paid in connection with the Option. These forward-looking statements involve numerous risks and uncertainties and actual results might differ materially from results suggested in any forward-looking statements. These risks and uncertainties include, among other things: a failure to obtain regulatory approval of the Option on the terms set out in the Agreement; failure to exercise the Option on the terms set out in the Agreement or at all; delays in obtaining or failure to obtain required regulatory approvals for the Private Placement; market uncertainty; and failure to raise the anticipated proceeds under the Private Placement.*

*In making the forward looking statements in this news release, the Company has applied several material assumptions, including without limitation, that: the Company will obtain the required regulatory approval with respect to the Option on the terms set out in the Agreement and with respect to the Private Placement; the Company will be able to raise the anticipated proceeds under the Private Placement; and the Company will use the proceeds of the Private Placement as currently anticipated.*

*Although management of the Company has 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. Readers are cautioned that reliance on such information may not be appropriate for other purposes. The Company does not undertake to update any forward-looking statement, forward-looking information or financial out-look that are incorporated by reference herein, except in accordance with applicable securities laws. We seek safe harbor.*