

Caprock Announces Proposed Private Placement and Proposed Issuance of First Tranche of Shares Pursuant to Destiny Gold Project Option Agreement

Toronto, Ontario--(Newsfile Corp. - December 20, 2024) - Caprock Mining Corp. (CSE: CAPR) ("**Caprock**" or the "**Company**") is pleased to announce a proposed financing of hard dollar units (the "**HD Units**") to raise aggregate gross proceeds of up to \$305,125 and flow through units ("**FT Units**") to raise aggregate gross proceeds of up to \$115,000. Each HD Unit will be issued at a price at \$0.025 and will be comprised of one common share and one common share purchase warrant (a "**Warrant**"). Each Warrant will be exercisable to purchase one common share of the Company at any time on or before the date that is two years following the issuance of the Warrant at a price of \$0.06. Each FT Unit will qualify as a "flow-through share" (within the meaning of subsection 66(15) of the *Income Tax Act* (Canada). Each FT Unit will be issued at a price at \$0.04 and will be comprised of one flow-through common share and one Warrant. The securities issued in connection with the financing will be subject to a four-month hold period expiring on the date that is four months and one day following the issuance of the HD Units and FT Units.

The gross proceeds from the sale of FT Units will be used by the Company to incur eligible "Canadian exploration expenses" that qualify as "flow-through mining expenditures" (as both terms are defined in the *Income Tax Act* (Canada)) (the "**Qualifying Expenditures**") related to the Destiny gold property (the "**Destiny Project**") located near Val D'Or, Québec on which the Company entered into an option agreement (the "**Option Agreement**") (see press release dated December 4, 2024). The Qualifying Expenditures will be renounced in favour of the subscribers with an effective date no later than December 31, 2024. In addition, with respect to subscribers who are eligible individuals under the *Taxation Act* (Québec), the Qualifying Expenditures will also qualify for inclusion in the "exploration base relating to certain Québec exploration expenses" within the meaning of section 726.4.10 of the *Taxation Act* (Québec) and for inclusion in the "exploration base relating to certain Québec surface mining exploration expenses" within the meaning of section 726.4.17.2 of the *Taxation Act* (Québec).

The net proceeds from the sale of the HD Units are expected to be used for expenditures on the Destiny Project as well as general working capital.

Certain finders are entitled to receive finder's fees of up to 8% of the proceeds from investors introduced by the finder together with finder warrants entitling the finder to acquire a number of HD Units equal to 8% of the number of HD Units or FT Units purchased by investors introduced to the Company by the finder. Each finder warrant will entitle the holder to acquire one HD Unit at a price of \$0.025 for a period of two years following the closing date.

Option Agreement Share Issuance

Concurrently with the completion of the financing the Company is also expected to issue the initial tranche of common shares owing to Big Ridge Gold Corp. (the "**Optionor**") under the Option Agreement. The issuance will be comprised of 8,000,000 common shares issued at a deemed issue price of \$0.05 per share. As the Optionor is the holder of approximately 19.3% of the outstanding common shares of the Company the Option Agreement constitutes a related party transaction under applicable securities laws. The transaction was negotiated by Vishal Gupta and Daniel Cohen on behalf of the Company as they are independent of the Optionor. Disinterested shareholder approval of the transaction was obtained at the annual and special meeting of shareholders of the Company held on November 7, 2024.

The securities issued under the Offering have not been, and will not be, registered under the U.S. Securities Act or any U.S. state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons absent registration or any applicable exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws.

Forward-Looking Statements

All statements in this press release about anticipated future events or results constitute forward-looking statements including, but not limited to, statements with respect to: the closing of the financing described herein including the amount raised and the timing of closing and the timing of the issuance of shares pursuant to the Option Agreement. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect" and "intend" and statements that an event or result "may", "will", "should", "could" or "might" occur or be achieved and other similar expressions. All statements, other than statements of historical fact, included herein, are forward-looking statements, and include: the potential future exercise of the option by Caprock, including receipt of the consideration payable and the incurring of the expenditures by Caprock required for it to exercise the option. Although Caprock believes that the expectations reflected in such forward-looking statements and/or information are reasonable, undue reliance should not be placed on forward-looking statements since Caprock can give no assurance that such expectations will prove to be correct. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements, including the risks, uncertainties and other factors identified in Caprock's periodic filings with Canadian securities regulators. Forward-looking statements are subject to business and economic risks and uncertainties and other factors that could cause actual results of operations to differ materially from those contained in the forward-looking statements. Important factors that could cause actual results to differ materially from Caprock's expectations include risks associated with the business of Caprock; risks related to reliance on technical information provided by Caprock; risks related to exploration and potential development of the Company's mineral properties; business and economic conditions in the mining industry generally; fluctuations in commodity prices and currency exchange rates; uncertainties relating to interpretation of drill results and the geology, continuity and grade of mineral deposits; the need for cooperation of government agencies and First Nation groups in the exploration and development of properties and the issuance of required permits; the need to obtain additional financing to develop properties and uncertainty as to the availability and terms of future financing; the possibility of delay in exploration or development programs and uncertainty of meeting anticipated program milestones; uncertainty as to timely availability of permits and other governmental approvals; and other risk factors as detailed from time to time and additional risks identified in Caprock's filings with Canadian securities regulators on SEDAR+ in Canada (available at www.sedarplus.ca). Forward-looking statements are based on estimates and opinions of management at the date the statements are made. Caprock does not undertake any obligation to update forward-looking statements except as required by applicable securities laws. Investors should not place undue reliance on forward-looking statements.

For More Information

Please contact:

Vishal Gupta

President & CEO

Tel.: (647) 466-0506

E-Mail: vgupta@caprockmining.com

Neither 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.



To view the source version of this press release, please visit <https://www.newsfilecorp.com/release/234644>