

Quimbaya Gold Inc. Announces Private Placement and Closing of First Tranche

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VANCOUVER, BC, June 5, 2024 /CNW/ - Quimbaya Gold Inc. (CSE: QIM) (OTCQB: QIMGF) ("Quimbaya" or the "Company") announces it is completing a private placement of units of the Company ("Units") for up to an aggregate of \$3,000,000 (6,000,000 Units) at a price of \$0.50 per Unit, inclusive of both traditional private placement funds and shares for debt/previous services (the "Private Placement"). The completion of the Private will be subject to Canadian Securities Exchange ("CSE") approval. All shares issued pursuant to this Private Placement and any shares issued pursuant to the exercise of warrants will be subject to a four-month and one day hold period from the closing date.

Each Unit is composed of one common share in the capital of the Company (a "Common Share") and one-half non-transferable share purchase warrant (a "Warrant"). Each Warrant is exercisable to purchase one additional common share of the Company (a "Warrant Share") for a period of one year from the date of closing of the Private Placement at an exercise price of \$0.75 per Warrant. The Warrants are subject to an accelerated expiry date, which comes into effect when the trading price on the CSE of the Company's common shares closes at or above \$1.00 per share for a period of 10 consecutive trading days commencing. In such event, the Company may, at its option, accelerate the expiry date of the Warrants by issuing a press release (the "Notice") to the Warrant holders and in such case, the expiry date of the Warrants will be 30 days from the date of the Notice and all rights of holders of such Warrants shall be terminated without any compensation to such holder. Proceeds from the Private Placement will be used to fund the Company's projects and for general working capital purposes. The Company reserves the right to accept additional funds, subject to regulatory approval, should the Private Placement be oversubscribed.

Further to the above Private Placement notice, the Company announces that it has closed the first tranche (the "First Tranche") of its private placement of 2,482,140 Units for an aggregate of \$1,241,070.

Certain insiders of the Company, Jean-Luc Peyrot (former Director), Alexandre P. Boivin (President, Chief Executive Officer and Director), and Alexandre Lambert de Beaulieu (former Corporate Secretary and Director), participated in the Private Placement. Such participation is considered a related party transaction within the meaning of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). The related party transaction will be exempt from minority approval and valuation requirements pursuant to the exemptions contained in Section 5.5(a) and 5.7(1)(a) of MI 61-101, as neither the fair market value of the securities to be issued under the Private Placement nor the consideration to be paid by insiders will exceed 25% of the Company's market capitalization.

About Quimbaya

Quimbaya aims to consolidate gold reserves through exploration and acquisition of mining properties in Antioquia, Colombia. Managed by an experienced team in mining sector, Quimbaya is focused on 3 projects in the regions of Segovia (the Tahami project), Puerto Berrio (the Berrio Project), and Abejorral (the Maitamac Project), all located in the Antioquia Province, Colombia.

Quimbaya Gold Inc.

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Cautionary Statements

This news release contains "forward-looking information" within the meaning of applicable securities laws relating to statements regarding the Company's business, products and future of the Company's business. Although the Company believes that the expectations reflected in the forward-looking information are reasonable, there can be no assurance that such expectations will prove to be correct. Forward-looking statements are based on certain material assumptions and analyses made by the Company and the opinions and estimates of management as of the date of this press release, including, but not limited to, that the Company will complete the Private Placement on the terms disclosed and that the Company will receive all necessary regulatory approvals for the Private Placement. The completion of the Private Placement and closing of the First Tranche will be subject to Canadian Securities Exchange approval. Readers are cautioned not to place undue reliance on forward-looking information. Such forward-looking statements are subject to risks and uncertainties that may cause actual results, performance and developments to differ materially from those contemplated by these statements. Except as required by law, the Company expressly disclaims any obligation and does not intend to update any forward-looking statements or forward-looking information in this news release. Although the Company believes that the expectations reflected in the forward-looking information are reasonable, there can be no assurance that such expectations will prove to be correct and makes no reference to profitability based on sales reported.

The Canadian Securities Exchange (CSE) has not reviewed, approved, or disapproved the contents of this press release.

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