

JKS RESOURCES INC.

ANNOUNCES PROPOSED TRANSACTION TO ACQUIRE YUKON PROPERTIES

FOR IMMEDIATE RELEASE

January 15, 2024

VANCOUVER, CANADA – JKS Resources Inc. (the “**Company**” or “**JKS**”) (CSE: JKS) announces that it has entered into a definitive purchase and sale agreement (the “**Agreement**”) dated January 12, 2024 with 18526 Yukon Inc. (the “**Vendor**”), an arm’s length party, which sets out the general terms and conditions pursuant to which the Company will acquire all of the issued and outstanding common shares of a wholly-owned subsidiary of the Vendor (the “**Target**”) from the Vendor in exchange for common shares of the Company and cash, as further detailed below (the “**Transaction**”). The Target will own the AZ, Barite Mountain, Birch, Carter Gulch, Clea, Eva, Expo, Faro North, Fox, Gem, Ketza, Nut, Pete, Risby and Talbot claims and the Venus claims and crown grants located in the Yukon (the “**Properties**”) for a total land package of approximately 18,000 hectares.

If completed, the Transaction will constitute a “fundamental change” of JKS pursuant to the policies of the Canadian Securities Exchange (the “**CSE**”). As a result, the Transaction requires approval of the majority of the shareholders of the Company. Upon completion of the Transaction, JKS intends to be listed on the CSE as a mining issuer and will principally focus on the exploration and development of the Properties. The resulting issuer that will exist upon completion of the Transaction (the “**Resulting Issuer**”) will continue to operate under a name to be determined by the Company.

The Transaction is an arm’s length transaction. Upon closing of the Transaction (the “**Closing**”) and the Financings (as defined below), it is expected that current shareholders of JKS will hold approximately 29% of the common shares of the Resulting Issuer, current shareholders of the Vendor will hold approximately 32% of the common shares of the Resulting Issuer and new shareholders as a result of the Financings will hold approximately 39% of the common shares of the Resulting Issuer.

Under the rules of the CSE, the Company’s shares will remain halted until closing of the Transaction.

Terms of the Transaction

Pursuant to the Agreement, the Company has agreed to acquire the Properties from the Vendor by acquiring all of the issued and outstanding common shares of the Target for total consideration of (a) 25,000,000 common shares of the Company, subject to a statutory four month hold period under applicable securities laws and any escrow requirements imposed by the CSE, and (b) \$2,000,000 in cash on Closing. The Vendor will retain a royalty equal to 2.5% of the net smelter returns in respect of each of the Properties, subject to a right of repurchase of 0.5% of each royalty at a cost of \$1,000,000 per royalty payable in gold or cash.

The Vendor is in the process of preparing a current technical report on Risby, which is expected to be the mineral property material to the Resulting Issuer. Further and more fulsome disclosure will be provided in subsequent news releases. The technical report will be filed on the Company’s SEDAR+ profile once it has been finalized.

Financings

Prior to the completion of the Transaction, JKS expects to complete (a) a non-brokered private placement of 12,500,000 subscription receipts (the “**Share Receipts**”) of the Company for gross proceeds of approximately \$3,750,000 (the “**Share Financing**”) with each Share Receipt automatically being exercised

into one common share of JKS upon completion of the Transaction, and (b) a best efforts brokered private placement of 17,500,000 subscription receipts (the “**Unit Receipts**”) of the Company for gross proceeds of approximately \$8,750,000 (the “**Unit Financing**” and, together with the Share Financing, the “**Financings**”), with each Unit Receipt automatically being exercised into one common share of JKS and one-half of one common share purchase warrant exercisable for a period of three years at a price to be determined in the context of the market. The proceeds of the Financings will be used for exploration and related expenditures respecting the Properties and working capital purposes. Further details regarding the Financings, including confirmation of pricing, will be included in a subsequent news release(s) once additional details become available.

Conditions of Closing

Completion of the Transaction will be subject to certain conditions, including but not limited to: (a) the receipt of all necessary approvals of the boards of directors of JKS and the Vendor; (b) the receipt of approval of the shareholders of JKS in accordance with applicable laws, including the rules of the CSE; (c) the receipt of all required consents and approvals, including without limitation, approval of the Transaction by the CSE; (d) the completion by JKS of the Financings such that the Resulting Issuer will have a minimum of \$10,000,000 following expenses related to the Transaction; (e) the completion by the Target of audited and unaudited financial statements and related financial information as may be required, and (f) the completion of satisfactory mutual due diligence.

Board of Directors and Management

Upon completion of the Transaction, the Company will consider changes to the Company’s board and management as may make sense for the business of the Company going forward.

Further Information

Investors are cautioned that any information released or received with respect to the Transaction in this news release may not be complete and should not be relied upon. Further details about the completion of the Transaction and the Resulting Issuer will be provided as they become available.

Completion of the Transaction is subject to a number of conditions, including but not limited to, CSE and shareholder approval. Where applicable, the Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Transaction will be completed as proposed or at all. Investors are cautioned that, except as disclosed in the listing statement to be prepared in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon.

The CSE has in no way passed upon the merits of the proposed Transaction and has neither approved nor disapproved the contents of this news release.

The securities to be issued in connection with the Transaction 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 U.S. or to U.S. Persons (as defined in Regulation S promulgated under the U.S. Securities Act) unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

About JKS Resources Inc.

JKS is engaged in the business of exploration of gold focused mineral properties. JKS holds an option to

acquire a 100% interest in the Sowchea Property, subject to a 1.0% gross over-riding royalty interest in the revenue from the sale of production (the “**GORR**”). JKS has the right to purchase half of the GORR for \$1,000,000 at any time. The Sowchea Property consists of three mineral claims covering approximately 2,270 hectares in the Omineca Mining Division of Central British Columbia.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This news release contains certain forward-looking statements, including statements about the Company’s completion of the Transaction as well as its future plans and intentions. Wherever possible, words such as “may”, “will”, “should”, “could”, “expect”, “plan”, “intend”, “anticipate”, “believe”, “estimate”, “predict” or “potential” or the negative or other variations of these words, or similar words or phrases, have been used to identify these forward-looking statements. These statements reflect management’s current beliefs and are based on information currently available to management as at the date hereof.

Forward-looking statements involve significant risk, uncertainties and assumptions. Many factors could cause actual results, performance or achievements to differ materially from the results discussed or implied in the forward-looking statements. Such factors include, among other things: risks and uncertainties relating to the Company’s ability to complete the proposed Transaction and the Financings; the anticipated business activities of the Resulting Issuer; and other risks and uncertainties. These factors should be considered carefully and readers should not place undue reliance on the forward-looking statements. Although the forward-looking statements contained in this news release are based upon what management believes to be reasonable assumptions, the Company cannot assure readers that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this news release, and the Company assumes no obligation to update or revise them to reflect new events or circumstances, except as required by law.