

TARGA CLOSES OVER-SUBSCRIBED PRIVATE PLACEMENT OF \$2.45M

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CSE: TEX | OTCQB: TRGEF | FRA: V6Y

VANCOUVER, BC, Dec. 22, 2023 /CNW/ - **Targa Exploration Corp.** (CSE: TEX) (FRA: V6Y) (OTCQB: TRGEF) ("**Targa**" or the "**Company**") is pleased to announce that it has closed its previously announced non-brokered private placement (the "**Offering**") for gross proceeds of \$2,448,690.15.

"I would like to thank our new and existing shareholders for their strong support in this oversubscribed financing," commented Cameron Tymstra, CEO of Targa. "With the signing of the Definitive Agreement and a full treasury, Targa is very well positioned moving into 2024 to make advances across our exciting portfolio of lithium exploration assets. Our team will be spending most of Q1 analysing data from 2023 and making plans for an aggressive exploration season."

In connection with the completion of the Offering, the Company issued 5,445,334 hard dollar units of the Company (each, an "**HD Unit**") at a price of \$0.15 per HD Unit, 4,234,647 flow-through units of the Company (each, an "**FT Unit**") at a price of \$0.17 per FT Unit and 5,066,667 Quebec super-flow-through units of the Company (each, a "**Super FT Unit**" and together with the HD Units and the FT Unit, the "**Units**") at a price of \$0.18 per Super FT Unit.

Each Unit consists of one common share of the Company (each, a "**Share**") and one-half of a common share purchase warrant (each whole warrant, a "**Warrant**"). Each Warrant entitles the holder thereof to acquire one additional common share of the Company (each, a "**Warrant Share**") at a price of \$0.30 per Warrant Share until December 22, 2025, subject to an acceleration clause. If the 10-day volume-weighted average trading price of the Shares as quoted on the Canadian Securities Exchange is equal to or greater than \$0.40 at the close of any trading day, then the Company may, at its option, accelerate the expiry date of the Warrants by issuing a press release (a "**Warrant Acceleration Press Release**") announcing that the expiry date of the Warrants shall be deemed to be on the 30th day following the issuance of the Warrant Acceleration Press Release (the "**Accelerated Expiry Date**"). All Warrants that remain unexercised following the Accelerated Expiry Date shall immediately expire and all rights of holders of such Warrants shall be terminated without any compensation to such holder.

Each FT Unit and Super FT Unit was issued as a "flow-through share" as defined in subsection 66(15) of the *Income Tax Act* (Canada). Each Super FT Unit was also issued as a "flow-through share" as defined in section 359.1 of the Quebec Tax Act with respect to purchasers in Quebec.

The securities issued pursuant to the Offering will be restricted from trading until April 23, 2024. A total of \$109,623 was paid in cash and a total of 638,020 finder's warrants were issued for finder's fees. The finder's warrants will expire on December 22, 2025 and have an exercise price of \$0.30.

The net proceeds of the Offering will be used for exploration of the Company's lithium projects and for working capital purposes. The gross proceeds from the issuance of the FT Units and Super FT Units will be used to incur eligible "Canadian exploration expenses" that qualify as flow-through critical mineral mining expenditures. The Company has agreed to renounce such qualifying

expenditures with an effective date of no later than December 31, 2023, in an aggregate amount of not less than the total amount of the gross proceeds raised from the issuance of FT Units and Super FT Units.

The securities described herein 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 accordingly, may not be offered or sold within the United States except in compliance with the registration requirements of the U.S. Securities Act and applicable state securities requirements or pursuant to exemptions therefrom. This press release does not constitute an offer to sell or a solicitation to buy any securities in any jurisdiction.

Definitive Agreement

The Company would also like to announce the signing of a definitive asset purchase agreement (the "**Definitive Agreement**") with 1384025 B.C. Ltd. ("**Northern Lithium**") and a party of vendors (the "**Vendors**") for the purchase of a 100% interest in five lithium projects covering 137,000ha in Quebec and Ontario (the "**Properties**"), previously announced on October 4, 2023 (the "**Acquisition**"). The Acquisition is expected to close on or about January 10, 2024 (the "**Closing Date**").

Pursuant to the Definitive Agreement, Targa has agreed to issue a total of 7,500,001 common share of the Company (the "**Consideration Shares**") to the Vendors, grant a 1% production royalty on the Properties in favour of Northern Lithium and make aggregate cash payments of C\$755,721.72 to the Vendors as follows:

- \$100,000 to be paid on October 6, 2023 (paid);
- \$277,860.86 within 48 hours of completion of the Offering; and
- \$377,860.86 to be paid on June 15, 2024.

The Consideration Shares shall be subject to the following resale restrictions:

- 1/3 of the Consideration Shares will become free trading four months and a day after the Closing Date.
- 1/3 of the Consideration Shares will become free trading eight months after the Closing Date.
- 1/3 of the Consideration Shares will become free trading twelve months after the Closing Date.

Please refer to the Company's news release dated October 4, 2023 for additional details regarding the Properties.

About Targa

Targa Exploration Corp. (CSE: TEX | FRA: V6Y | OTCQB: TRGEF) is a Canadian lithium exploration company engaged in the acquisition, exploration, and development of lithium mineral properties with headquarters in Vancouver, British Columbia. Targa's lithium project portfolio consists of fifteen projects in the provinces of Quebec, Ontario, Manitoba, and Saskatchewan and covers over 400,000 hectares of prospective ground, most of which has never been explored previously for lithium.

SPECIAL NOTE REGARDING FORWARD LOOKING STATEMENTS


This news release includes certain "Forward.Looking Statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and "forward.looking information" under applicable Canadian securities laws. When used in this news release, the words "anticipate", "believe", "estimate", "expect", "target", "plan", "forecast", "may", "would", "could", "schedule" and similar words or expressions, identify forward.looking statements or information. These forward.

looking statements or information relate to, among other things: required regulatory approvals and fulfilling other closing conditions related to the Acquisition; closing of the Acquisition and the closing date; the use of the proceeds raised from the Offering and the renunciation of qualifying expenditures; and the exploration and development of the Company's properties.

Forward-looking statements and forward-looking information relating to any future mineral production, liquidity, enhanced value and capital markets profile of Targa, future growth potential for Targa and its business, and future exploration plans are based on management's reasonable assumptions, estimates, expectations, analyses and opinions, which are based on management's experience and perception of trends, current conditions and expected developments, and other factors that management believes are relevant and reasonable in the circumstances, but which may prove to be incorrect. Assumptions have been made regarding, among other things, the price of lithium and other metals; costs of exploration and development; the estimated costs of development of exploration projects; Targa's ability to operate in a safe and effective manner and its ability to obtain financing on reasonable terms.

These statements reflect Targa's respective current views with respect to future events and are necessarily based upon a number of other assumptions and estimates that, while considered reasonable by management, are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies. Many factors, both known and unknown, could cause actual results, performance, or achievements to be materially different from the results, performance or achievements that are or may be expressed or implied by such forward-looking statements or forward-looking information and Targa has made assumptions and estimates based on or related to many of these factors. Such factors include, without limitation: price volatility of lithium and other metals; risks associated with the conduct of the Company's mineral exploration activities in Canada; regulatory, consent or permitting delays; risks relating to reliance on the Company's management team and outside contractors; the Company's inability to obtain insurance to cover all risks, on a commercially reasonable basis or at all; currency fluctuations; risks regarding the failure to generate sufficient cash flow from operations; risks relating to project financing and equity issuances; risks and unknowns inherent in all mining projects, including the inaccuracy of reserves and resources, metallurgical recoveries and capital and operating costs of such projects; contests over title to properties, particularly title to undeveloped properties; laws and regulations governing the environment, health and safety; the ability of the communities in which the Company operates to manage and cope with the implications of public health crises; the economic and financial implications of public health crises to the Company; operating or technical difficulties in connection with mining or development activities; employee relations, labour unrest or unavailability; the Company's interactions with surrounding communities; the Company's ability to successfully integrate acquired assets; the speculative nature of exploration and development, including the risks of diminishing quantities or grades of reserves; stock market volatility; conflicts of interest among certain directors and officers; lack of liquidity for shareholders of the Company; litigation risk; and the factors identified under the caption "Risk Factors" in Targa's management discussion and analysis and other public disclosure documents. Readers are cautioned against attributing undue certainty to forward-looking statements or forward-looking information. Although Targa has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be anticipated, estimated or intended. Targa does not intend, and does not assume any obligation, to update these forward-looking statements or forward-looking information to reflect changes in assumptions or changes in circumstances or any other events affecting such statements or information, other than as required by applicable law.

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