



Talisker Announces Agreement to Acquire Bralorne Gold Project in British Columbia and Financing

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TORONTO, Nov. 21, 2019 /CNW/ - Talisker Resources Ltd. ("**Talisker**" or the "**Company**") (CSE:TSK | OTCQB:TSKFF) is pleased to announce that it has entered into a definitive purchase agreement (the "**Agreement**") to acquire (the "**Acquisition**") a 100% interest in the Bralorne Gold Project (the "**Project**") located in southwestern British Columbia from Avino Silver & Gold Mines Ltd. ("**Avino**"). Talisker is also pleased to announce a financing of up to \$10.2 million, comprised of a non-brokered private placement of up to \$4.0 million and a 1.2% net smelter returns royalty transaction with Osisko Gold Royalties Ltd for \$6.2 million, each as more particularly described below.

Located in southern British Columbia, the Bralorne mine complex produced approximately 4.2 million ounces of gold at a grade of 17.7 g/t Au from 30 veins in three adjacent mines; Bralorne, Pioneer and King, until eventual closure in 1971 due to depressed gold prices.

"The acquisition of the Bralorne Gold Camp is a compelling and transformational transaction for Talisker," commented Dr. Terry Harbort, President and CEO who added, "With more than 60 veins identified, many open along strike and at depth, and with demonstrated high-grade continuity from historic sampling, Bralorne represents an excellent opportunity to add significant ounces for Talisker. The experience amassed by our team in unravelling controls of similar mesothermal camps, most recently at Barkerville Gold Mines, has the potential to allow us to unlock significant value for our shareholders through systematic exploration. In addition, the acquisition of an advanced stage project and the control of a second gold belt, directly adjacent to our existing land holdings makes us a dominant exploration player in south central BC."

Transaction Summary

Pursuant to the terms of the Agreement, Talisker will acquire all of the common shares of Bralorne Gold Mines Ltd. ("**Bralorne**"), Avino's wholly-owned subsidiary which owns the Project, in exchange for:

1. A cash payment of \$8.7 million at closing;
2. Common shares of Talisker ("**Common Shares**") equal to 9.9% of the number of outstanding Common Shares immediately after closing;
3. Common Share purchase warrants ("**Warrants**") equal in number to 50% of the number of Common Shares issued to Avino in 2 above, with each Warrant being exercisable at \$0.25 for a period of three years from closing, subject to acceleration in the event the closing price of Common Shares is greater than \$0.35 for 20 or more consecutive trading days at any time following the date that is four months and one day after the closing date; and

4. A cash payment of US\$2.5 million on commencement of commercial production of the Project.

At closing Bralorne will have sufficient cash on hand to finance flow-through expenditures on the Project in an amount equal to approximately \$2.3 million less the amount of flow-through expenditures incurred on the Project from now until closing (the "**Closing Cash**").

The Common Shares and Warrants issued to Avino will be subject to a one-year hold period, subject to certain exceptions. Until Avino holds not less than 5% of outstanding Common Shares, Avino will have a pre-emptive right to participate in future equity financings of Talisker to maintain its share ownership percentage interest in Talisker. Avino will also be subject to certain resale restrictions for a period of one year post closing.

The closing of the Acquisition is subject to the receipt of all necessary stock exchange approvals, Bralorne having the Closing Cash on hand, Bralorne having no debts or liabilities at closing other than environmental, permitting, reclamation and rehabilitation costs associated with the Project, and the satisfaction of certain other customary closing conditions for a transaction of this nature.

Financing Transactions

In connection with the Acquisition, the Company will complete a non-brokered private placement (the "**Private Placement**") of up to 22,222,222 common shares at price of \$0.18 per common share for gross proceeds of up to \$4.0 million and will sell to Osisko Gold Royalties Ltd a 1.2% net smelter returns royalty on all minerals produced from the Project in exchange for \$6.2 million in cash (the "**Royalty Transaction**"). The closing of the Private Placement is subject to, among other things, the receipt of all necessary approvals (including the conditional listing approval of the CSE) and all conditions to complete the Acquisition having been satisfied or waived. The Company has received commitments for \$4.0 million of Private Placement proceeds from strategic investors, including Eric Sprott, and commitments for \$1,115,020 from certain insiders of the Company. The common shares issued under the Private Placement will be subject to a four month hold period from the date of issue in accordance with applicable securities laws. The closing of the Royalty Transaction is subject to, among other things, execution of definitive agreements and the completion of the Acquisition.

Closing of the Acquisition, the Private Placement and the Royalty Transaction are expected to occur in December 2019.

Highlights of the Project

The Project currently consists of over 4,200 hectares and has a historical mineral resource estimate of 41,660 tonnes at 12.43 g/t for 16,642 ounces in the Measured category, 206,113 tonnes at 11.30 g/t for 74,885 ounces in Indicated category, giving a total of 247,773 tonnes at 11.46 g/t for 91,527 ounces of Measured and Indicated mineral resources, and 329,786 tonnes at 7.91 g/t for 83,900 ounces in the Inferred category, as included in the October 20, 2016 technical report "Bralorne Gold Mine, British Columbia, Canada, NI 43-101 Technical Report" (the "**2016 Technical Report**") prepared for Avino. The effective date of the historical estimate is October 20, 2016.

Talisker believes that the historical estimate is reliable and relevant to continuing exploration on the Project. No more recent estimates of the mineral resource or other data are available to Talisker.

A qualified person has not done sufficient work on behalf of Talisker to classify the historical estimate as current mineral resources and Talisker is not treating the historical estimate as current mineral resources. Key assumptions, parameters, and methods used to prepare the historical estimate are disclosed in the 2016 Technical Report. Talisker intends to complete a new technical report that will reflect more recent drill results and upgrade the historical estimate as current mineral resources.

All scientific and technical information set forth herein concerning the Project has been prepared

under the supervision of Leonardo de Souza (BSc, AusIMM (CP) Membership 224827), an independent consulting geologist and a "qualified person" within the meaning of NI 43-101. Leonardo de Souza has verified all of the scientific and technical information respecting the Project set forth herein.

Maxit Capital LP is acting as financial advisor to Talisker and Cassels Brock & Blackwell LLP is acting as its legal advisor.

Talisker will be providing the opportunity for shareholders and other interested parties to participate in a Webinar to be held at 12 pm EST on Monday, November 25th. To join, please click on the following link - <https://www.gotomeet.me/talisker-resources>.

About Talisker Resources Ltd.

Talisker Resources Ltd. is a junior resource company involved in the exploration of projects in British Columbia, Canada. Talisker's projects consist of several early stage Greenfields projects encompassing 264,014 hectares over 253 claims and three leases. Talisker's focus is on its south central B.C. properties – Spences Bridge, Lola, Dora and Remington properties where the Company is undertaking an aggressive exploration program. The Company's south central BC properties comprises 231,413 hectares representing ~85% of the emerging Spences Bridge Gold Belt.

Caution Regarding Forward Looking Statements

Certain statements contained in this press release constitute forward-looking information. These statements relate to future events or future performance. The use of any of the words "could", "intend", "expect", "believe", "will", "projected", "estimated" and similar expressions and statements relating to matters that are not historical facts are intended to identify forward-looking information and are based on Talisker's current belief or assumptions as to the outcome and timing of such future events. Actual future results may differ materially. In particular, this release contains forward looking information relating to, among other things, statements with respect to the potential completion of the Acquisition, the Private Placement and the Royalty Transaction, the terms and conditions of the Acquisition, the Private Placement and the Royalty Transaction and the potential benefits of the Acquisition and the Project. Various assumptions or factors are typically applied in drawing conclusions or making the forecasts or projections set out in forward-looking information. Those assumptions and factors are based on information currently available to Talisker. Although such statements are based on reasonable assumptions of Talisker's management, there can be no assurance that any conclusions or forecasts will prove to be accurate.

Forward-looking information contained in this news release is based on certain factors and assumptions regarding, among other things, the Project, the Acquisition, the Private Placement, the Royalty Transaction, and other similar matters. While Talisker considers these assumptions to be reasonable based on information currently available to them, they may prove to be incorrect. Forward looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Such factors include risks inherent in the exploration and development of mineral deposits, including risks relating to changes in project parameters as plans continue to be redefined, risks relating to variations in grade or recovery rates, risks relating to changes in mineral prices and the worldwide demand for and supply of minerals, risks related to increased competition and current global financial conditions, access and supply risks, reliance on key personnel, operational risks regulatory risks, including risks relating to the acquisition of the necessary licenses and permits, financing, capitalization and liquidity risks, title and environmental risks and risks relating to delay or failure to satisfy the closing conditions to the Acquisition, the Private Placement and the Royalty Transaction.

The forward-looking information contained in this release is made as of the date hereof, and Talisker

is not obligated to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws.

Because of the risks, uncertainties and assumptions contained herein, investors should not place undue reliance on forward-looking information. The foregoing statements expressly qualify any forward-looking information contained herein.

Neither the CSE nor its Regulation Services Provider (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release. No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein.

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