

Talisker Announces Acquisition of New Carolin Gold Corp.

TORONTO, July 26, 2021 /CNW/ - Talisker Resources Ltd. ("**Talisker**" or the "**Company**") (TSX: TSK) (OTCQX: TSKFF) is pleased to announce that it has entered into a definitive agreement (the "**Arrangement Agreement**") with New Carolin Gold Corp. ("**New Carolin**") (TSXV:LAD) whereby Talisker will acquire all of the issued and outstanding common shares of New Carolin pursuant to a court-approved plan of arrangement (the "**Transaction**"). New Carolin owns the Ladner Gold Project (as outlined below), which includes the former producing Carolin Gold Mine.

Terry Harbort, President and Chief Executive Officer of Talisker, commented: "The acquisition of New Carolin is directly in-line with Talisker's strategy to consolidate quality mineral assets in south central British Columbia. The Ladner Gold Project forms a strong complement to our flagship asset at Bralorne with a compliant mineral resource estimate and a district size land package, and we expect this purchase to represent another transformational transaction for Talisker."

Ladner Gold Project Highlights

Located in southern British Columbia (see map below), the Ladner Gold Project is comprised of mineral claims over an area of approximately 28 by 5 km (14,380 hectares) covering the northern part of the Coquihalla Gold Belt. It is accessible by the Coquihalla Highway, with the former Carolin Gold Mine located approximately 6 km from the Coquihalla Highway. The Ladner Gold Project has excellent infrastructure and an existing mine permit (1,300 tonnes per day), tailings storage facility, mine site and mill site. New Carolin's most recent technical report titled "Technical Report on the Ladner Gold Project, British Columbia" with an effective date of May 29, 2015 (the "**Technical Report**") provides for a combined total of 691,540 inferred ounces of gold (including 12,132,000 tonnes grading 1.53 g/t gold for 607,000 oz at the Carolin Mine, 3,575,000 tonnes grading 0.69 g/t gold for 79,540 oz at the McMaster Zone, and 93,000 tons grading 0.053 oz/ton for 5,000 oz at the Tailings deposit). Key assumptions, parameters, and methods used to prepare the mineral resource estimate are disclosed in the Technical Report, which is available under New Carolin's issuer profile at www.sedar.com. More recent exploration results include a 2018 drill hole (18NC10) that intersected 93m averaging 1.39 g/t gold, including 7m of 5.75 g/t gold. Historic exploration drill results at the Carolin Mine were highlighted by 17.05 g/t Au over 10m (hole 716-6), 10.85 g/t Au over 21.4m (hole 600-3) and 4.97 g/t Au over 62.3m (hole IU-37).

Transaction Summary

Under the terms of the Transaction, each of the issued and outstanding common shares of New Carolin will be exchanged for 0.3196 of a Talisker common share (collectively, the "**Consideration Shares**"), which implies consideration of \$0.095 per New Carolin based on the preceding five-day volume weighted average trading price of the Talisker common shares on the Toronto Stock Exchange (the "**TSX**"). New Carolin's 22,267,039 outstanding warrants and 3,880,000 outstanding options will be adjusted so that on exercise the holders will receive Talisker common shares adjusted to reflect the same exchange ratio.

In connection with the Transaction, New Carolin entered into agreements to settle approximately \$500,000 of New Carolin's outstanding payables following closing of the Transaction. In support of the Transaction, Talisker also advanced \$400,000 (the "**Loan**") to New Carolin. The proceeds of the

Loans were used to repurchase a 5% Net Profit Interest on the Ladner Gold Project and for general corporate purposes.

The Transaction has New Carolin board and management support, as directors and officers holding 3.2% of issued and outstanding common shares of New Carolin have entered into voting support agreements with Talisker, pursuant to which they have agreed, among other things, to vote their New Carolin shares in favour of the Transaction.

The Transaction will be effected by way of a court-approved plan of arrangement under the *Business Corporations Act* (British Columbia), requiring the approval of (i) at least 66 2/3% of the votes cast by the shareholders of New Carolin, and (ii) at least 66 2/3% of the votes cast by the shareholders of New Carolin and the holders of options and warrants, voting together as a single class, at a special meeting of New Carolin securityholders that will be called to consider the Transaction.

In addition to shareholder and court approvals, the Transaction is subject to applicable regulatory approvals including, but not limited to, TSX and TSX Venture Exchange approval and the satisfaction of certain other closing conditions customary in transactions of this nature. The Arrangement Agreement contains customary provisions including non-solicitation, "fiduciary out" and "right to match" provisions. The Arrangement Agreement, which describes the full particulars of the Arrangement, will be made available on SEDAR under the issuer profiles of Talisker and New Carolin at www.sedar.com.

Full details of the Transaction will be included in the New Carolin management information circular which is expected to be mailed to shareholders in August 2021 and made available on SEDAR under the issuer profile of New Carolin at www.sedar.com. The shareholder meeting is expected to be held in September 2021 and the Transaction is expected to close shortly thereafter.

Evans and Evans, a financial advisory firm, has provided a fairness opinion to the Board of Directors of New Carolin that, as of the date of such opinion, and based upon and subject to the assumptions, limitations and qualifications stated in such opinion, the consideration to be paid under the Transaction is fair, from a financial point of view, to New Carolin shareholders.

Talisker is providing an opportunity for shareholders and other interested parties to participate in a Webinar to be held at 4 pm ET on Tuesday, July 27, 2021. To register, please click on the following link – https://us02web.zoom.us/webinar/register/WN_K4W0TdJhQmqY5xPpBrtgog. After registering, you will receive a confirmation email containing information about joining the webinar.

About Talisker Resources Ltd.

Talisker (taliskerresources.com) is a junior resource company involved in the exploration of gold projects in British Columbia, Canada. Talisker's projects include the Bralorne Gold Complex, an advanced stage project with significant exploration potential from a historical high-grade producing gold mine as well as its Spences Bridge Project where the Company holds ~85% of the emerging Spences Bridge Gold Belt and several other early-stage Greenfields projects. With its properties comprising 282,403 hectares over 258 claims, three leases and 198 crown grant claims, Talisker is a dominant exploration player in the south-central British Columbia. The Company is well funded to advance its aggressive systematic exploration program at its projects.

Qualified Person

The technical information contained in this news release has been approved by Leonardo de Souza (BSc, AusIMM (CP) Membership 224827), Talisker's Vice President, Exploration and Resource Development, who is a "qualified person" within the meaning of National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*.

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 benefits of the Transaction, the anticipated timing for completion of the Transaction and receiving the required regulatory and court approvals, as well as the operations of the Company and the timing which could be affected by the current global COVID-19 pandemic. 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.

While Talisker considers these assumptions to be reasonable based on information currently available, 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 and the COVID-19 pandemic, access and supply risks, reliance on key personnel, operational risks, and regulatory risks, including risks relating to the acquisition of the necessary licenses and permits, financing, capitalization and liquidity risks.


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.



Ladner Gold Project Showing Former Producing Mines and Mineral Occurrences (CNW)

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