

Penbar Capital Ltd. Announces Proposed Qualifying Transaction

Vancouver, British Columbia--(Newsfile Corp. - March 17, 2025) - Penbar Capital Ltd. (TSXV: PEM.P) (the "**Company**") is pleased to announce that it has entered into a definitive amalgamation agreement (the "**Definitive Agreement**") on March 14, 2025, with Eastport Ventures Inc. ("**Eastport**"), an arm's length party, pursuant to which the Company intends to acquire (the "**Acquisition**") all of the issued and outstanding securities of Eastport by way of a three-cornered amalgamation, subject to regulatory approval including that of the TSX Venture Exchange (the "**Exchange**"). The Acquisition is expected to constitute the Company's qualifying transaction under the policies of the Exchange. Upon completion of the Acquisition, subject to all requisite approvals, it is anticipated that the Resulting Issuer (as defined herein) will be a Tier 2 - *Mining issuer*.

About Eastport

The principal business of Eastport is the operation, exploration, and development of mineral properties in Africa. The material property of Eastport is the Matsitama Property, located in Botswana (the "**Core Property**"). Eastport also has an interest in the Foley Property, the Semarule Property, and the Jwaneng, Keng, and Selebi Properties, which are considered non-core properties (together with the Core Property, the "**Properties**").

A summary of the financial information of Eastport for fiscal year ended October 31, 2024 and 2023, disclosed in accordance with TSXV policies, is included in the table below:

	2024 (Unaudited)	2023 (Audited)
Total Revenues	-	-
Total assets	\$1,081,610	\$3,981,576
Total Liabilities	\$2,983,080	\$2,746,620
Basic and diluted loss per share	\$(0.07)	\$(0.05)
Net loss	\$3,911,757	\$2,660,378

Additional financial information with respect to Eastport will be provided in the filing statement to be filed with the TSXV in connection with the Acquisition.

The Acquisition

As set out in the Definitive Agreement, the Company is expected to acquire all of the issued and outstanding common shares of Eastport (the "**Eastport Shares**") pursuant to a three-cornered amalgamation to be completed under the *Business Corporations Act* (Ontario) by the Company, Eastport, and 1001160772 Ontario Ltd., a wholly-owned subsidiary of the Company, incorporated for the purpose of completing the amalgamation (the "**Amalgamation**"). The Amalgamation is expected to result in the issuance, to each shareholder of Eastport (each, an "**Eastport Shareholder**"), 0.7143 of one Post-Consolidation Common Share (as defined below) for each one Eastport Share held by such holder (the "**Exchange Ratio**") immediately prior to the closing of the Qualifying Transaction (the "**Closing**"). The Company expects to issue approximately 58,360,984 Post-Consolidation Common Shares (as defined below) to the Eastport shareholders, assuming a valuation of not less than \$0.25 per share for the Eastport Shares based on the Financing (as defined below). As part of the Amalgamation, all convertible securities of Eastport outstanding immediately prior to the Closing are expected to be replaced with or exchanged for equivalent convertible securities of the Company entitling the holders

thereof to acquire Post-Consolidation Common Shares in lieu of Eastport Shares, adjusted based on the Exchange Ratio. Eastport is a corporation incorporated pursuant to and existing under Business Corporations Act (*Ontario*). The Company does not expect that the Acquisition will be subject to shareholder approval of the Company. Eastport will hold a shareholder meeting or seek written shareholder consent in connection with the Acquisition. The Acquisition is arm's length for the purposes of the Exchange policies. No finder's fees are payable in connection with the Acquisition.

The Amalgamation will result in the reverse takeover of the Company by the Eastport Shareholders and will constitute the Company's Qualifying Transaction. Following the completion of the Qualifying Transaction, the Company, as the issuer resulting therefrom (the "**Resulting Issuer**"), is expected to carry on the current business of Eastport under the name "Eastport Ventures Inc." or such other name as may be determined by Eastport and approved by the shareholders of the Company and be acceptable to the applicable regulatory authorities, including the Exchange. The business of the Resulting Issuer will be primarily focused on mineral exploration and development of the Properties.

Closing is subject to a number of conditions including but not limited to satisfactory due diligence investigations, receipt of all required shareholder approvals and consents, if required, regulatory and third-party approvals and consents, including that of the Exchange and satisfaction of other customary closing conditions. The Acquisition cannot close until the required approvals are obtained. There can be no assurance that the Acquisition will be completed as proposed or at all.

The Definitive Agreement will be posted to the Company's SEDAR+ profile at www.sedarplus.ca and contains additional details regarding the Acquisition.

Resulting Issuer

In connection with the Acquisition, it is anticipated that the Company will, among other things: (i) change its name to "Eastport Ventures Inc." or any other such name that is acceptable to Eastport; (ii) reconstitute the existing directors and officers of the Company with nominees mutually agreed upon by the parties; (iii) enter into employment, consulting or other agreements with key members of the Eastport team and management; (iv) enter into such escrow or pooling agreements as required by the Exchange or as agreed by the parties; and (v) effect a consolidation (the "**Consolidation**") of its outstanding common shares on the basis of not less than three (3) pre-consolidation common shares for every one (1) (the "**Consolidation Ratio**") post-consolidation Common Share (each, a "**Post-Consolidation Common Share**").

As of the date hereof, there are 4,000,000 common shares of the Company issued and outstanding. Upon completion of the Consolidation (assuming the maximum Consolidation Ratio), an aggregate of 1,333,333 Post-Consolidation Common Shares are expected to be issued and outstanding. Further, all outstanding incentive stock options and warrants of the Company will automatically adjust in accordance with their terms to give effect to the Consolidation such that, following the Consolidation, the holders thereof will be entitled to acquire Post-Consolidation Common Shares in lieu of common shares in the capital of the Company (with adjustments to account for the Consolidation Ratio).

Management

Upon completion of the Acquisition, it is proposed that the board of directors and management of the Resulting Issuer will consist of the following individuals:

David Minchin, Chairman of the Board

Mr. David Minchin is a highly accomplished board-level executive with over 20 years of experience in exploration/mining geology and corporate finance. David is Chairman of Helix Exploration, a London-listed helium exploration company with operations in Montana, North America. Prior to this, between 2020 and 2023, he was the Chief Executive Officer at Helium One, and previously, from 2018 to 2020, at ScandiVanadium.

David has extensive M&A and African operational experience. As Director of Geology at African Minerals Exploration & Development (AMED) Funds from 2013 to 2018, he was responsible for allocating and monitoring \$450 million of investment into exploration projects at various stages of development across a diverse array of commodities throughout Africa. Earlier in his career, he served as a Senior Geologist at Cleveland Potash from 2006 to 2013 and worked as a geologist with Rio Tinto and the British Geological Survey.

Burns Singh Tennent-Bhohi, Director, CEO

Mr. Tennent-Bhohi is the Founder, Chairman of the Board, and Chief Executive Officer of The Glenpani Group, a global venture capital conglomerate headquartered in the heart of the City of London, UK. The Glenpani Group is focused on the evaluation and augmentation of a number of asset classes, including distressed asset opportunities, private transactions, investment origination, and asset management. Mr. Tennent-Bhohi has restructured and recapitalised over twenty private and public companies, and has served on the board of directors of several London and Canadian quoted businesses. His current directorships include Evrima plc, Globe Capital Ltd, and Advanced Hydrogen Technologies Group Ltd. He has overseen the completion of transactions with tier one mining blue chips including Rio Tinto. Mr. Tennent-Bhohi earned his MA in Social Sciences (Economics) from the University of Glasgow.

Denise Lok, CFO, Corporate Secretary

Ms. Denise Lok is a Chartered Professional Accountant with extensive experience in corporate finance, financial reporting, and governance. She has spent over 15 years advising and managing financial operations for publicly traded companies across various sectors, including mining, technology, and industrial markets. Previously, she was with PwC in the audit and assurance practice, where she obtained her CPA designation. Throughout her career, she has served as CFO and director for multiple TSX Venture Exchange and Canadian Securities Exchange-listed companies. Ms. Lok holds a Bachelor of Commerce degree in Accounting and Transportation Logistics from the University of British Columbia.

Rickey G. Bonner, Director, Country Geologist

Rickey G. Bonner has over forty years of mineral exploration experience across four continents exploring for copper, gold, uranium, and diamonds. His work has taken him around the world including the former Soviet Union, western and southern Africa, and the Canadian Arctic for major mining groups including BHP and Rio Tinto. As co-founder of Westport Resources Namibia, Mr. Bonner built a significant exploration company for Forsys Metals Corp, a TSX-listed company. This work included advancing their key project, the Valencia uranium deposit (now known as the Norasa deposit), from the exploration stage to a measured resource, at which point the project was delivered for development consideration.

Mr. Bonner is a licenced Professional Geologist (non-practicing) with NAPEG, Canada. He has also held a number of directorships at Canadian public junior exploration companies and founded a number of exploration companies, including Kalahari Key Mineral Resources in Botswana.

David Eaton, Director

Mr. Eaton has over 25 years' experience in public markets with exposure to all aspects of the business as a trader, financier and market maker. Over his career, Mr. Eaton has started many public companies, managing the process from creating the structure, organizing the going public process, and providing post-listing administration support. As Chairman of Baron Global Financial Canada Ltd., Mr. Eaton has a track record of creating companies that bring together solid projects with his network of North American and European investors.

David Newman, Director

Mr. Newman is the former Ambassador of Botswana to the United States of America and has enjoyed a

highly distinguished and decorated career within Botswana's legal industry. From 1990 through to 2004, David Newman worked in Botswana as Managing Partner of legal firm, Collins Newman & Co., where he specialised in corporate, commercial, property and mining transactions, as well as civil litigation, arbitrations, conveyancing, and managing partnership affairs and personnel.

Since 2004, David Newman has devoted himself to public service. Between 2004 to 2015 he served as Judge of the High Court of Botswana, as well as sitting ad hoc on the Court of Appeal. In August 2015, David Newman presented his credentials to President Barack Obama, and was duly appointed as Ambassador of Botswana to the United States of America, a position which he held through to 2020.

Herrick Lau, Director

Mr. Herrick Lau is an experienced investment banking professional who has conducted many public listings, corporate transactions and various advisory services. Mr. Lau was recently Managing Director of Baron Global Financial Canada Ltd. Mr. Lau also has experience as a senior financial executive in public companies. Mr. Lau has acted as CFO and/or director for various public companies listed on the TSX, TSXV and CSE. Mr. Lau is currently a member of the Local Advisory Committee of the TSX Venture Exchange. Mr. Lau obtained his bachelor and master degrees in Business and Economics from Simon Fraser University and is a charter holder of the Chartered Financial Analyst (CFA) designation.

Financing

In connection with the Acquisition, the parties intend to complete a private placement financing (the "**Financing**") of minimum 8,800,000 subscription receipts (each, a "**Subscription Receipt**") of Eastport at a price of not less than \$0.25 per Subscription Receipt, for aggregate gross proceeds of a minimum of \$2,200,000. Prior to the closing of the Acquisition, the subscription funds will be placed in an escrow account designated by both Eastport and the Company. Upon the closing of the Acquisition, the funds held in escrow pursuant to the Financing will be released and each Subscription Receipt will entitle the holder thereof to receive, without paying any further consideration, one (1) Eastport Share. The securities issued pursuant to the Financing will be exchangeable pursuant to the terms of the Definitive Agreement, adjusted pursuant to the Exchange Ratio.

Prior to the Financing and Acquisition, Eastport will complete a private placement financing of up to 8,000,000 units (each, a "**Unit**") at a price of \$0.25 per Unit for aggregate gross proceeds of \$2,000,000. Each Unit will consist of one Eastport Share and one half of one "A" Warrant (each, an "**A Warrant**") and one half of one "B" Warrant (each, a "**B Warrant**"). Each whole A Warrant will entitle the holder thereof to acquire one additional Eastport Share at a price of \$0.25 for a period of 12 months following the listing of the Resulting Issuer on the Exchange. Each whole B Warrant will entitle the holder thereof to acquire one additional Eastport Share at a price of \$0.35 for a period of 24 months following the listing of the Resulting Issuer on the Exchange.

Trading Halt

Trading of the Company's shares has been halted and will remain halted pending the Exchange's receipt of satisfactory documentation and completion of the Acquisition.

Filing Statement

In connection with the Acquisition and pursuant to the requirements of the Exchange, the Company will file a filing statement or a management information circular on its issuer profile on SEDAR+ (www.sedarplus.ca), which will contain details regarding the Acquisition, Eastport, the Financing, and the Resulting Issuer.

Sponsorship of the Acquisition

Sponsorship of a "Qualifying Transaction" of a capital pool company is required by the Exchange unless

exempt in accordance with Exchange policies. The Company anticipates requesting a waiver from sponsorship requirements. However, there is no assurance that a waiver from this requirement can or will be obtained.

Cautionary Statements

Neither the Exchange nor its Regulation Services Provider (as that term is defined in the policies of the Exchange) accepts responsibility for the adequacy or accuracy of this release.

Completion of the Acquisition is subject to a number of conditions including, but not limited to, Exchange acceptance and if applicable, disinterested shareholder approval. Where applicable, the Acquisition cannot close until the required shareholder and Exchange approvals are obtained. There can be no assurance that the Acquisition will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the Acquisition, any information released or received with respect to the Acquisition may not be accurate or complete and should not be relied upon. Trading in the securities of the Company should be considered highly speculative.

The TSX Venture Exchange Inc. has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.

All information contained in this press release with respect to the Company and Eastport was supplied by the parties respectively, for inclusion herein, without independent review by the other party, and each party and its directors and officers have relied on the other party for any information concerning the other party.

*This press release does not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of any of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful, including any of the securities in the United States of America. The securities have not been and will not be registered under the United States Securities Act of 1933 (the "**1933 Act**") or any state securities laws and may not be offered or sold within the United States or to, or for account or benefit of, U.S. persons (as defined in Regulation S under the 1933 Act) unless registered under the 1933 Act and applicable state securities laws, or an exemption from such registration requirements is available.*

On Behalf of the Board of Directors of Penbar Capital Ltd.

Penbar Capital Ltd.

David Eaton

President, Chief Executive Officer, Director

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Forward-Looking Information

This press release includes "forward-looking information" that is subject to assumptions, risks and uncertainties, many of which are beyond the control of the Company. Statements in this news release which are not purely historical are forward looking, including without limitation any statements concerning the expected results of the Acquisition, the completion of the transactions contemplated by the Definitive Agreement, the anticipated timing thereof, completion of the Financing and the expected use of proceeds therefrom. Although the Company believes that any forward-looking statements in this news release are reasonable, there can be no assurance that any such forward-looking statements will prove to be accurate. The Company cautions readers that all forward-looking statements, are based on assumptions none of which can be assured and are subject to certain risks and uncertainties that could cause actual events or results to differ materially from those indicated in the forward-looking statements. Such forward-looking statements represent management's best

judgment based on information currently available. Readers are advised to rely on their own evaluation of such risks and uncertainties and should not place undue reliance on forward-looking statements.

The forward-looking statements and information contained in this news release are made as of the date hereof and no undertaking is given to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws or the Exchange. The forward-looking statements or information contained in this news release are expressly qualified by this cautionary statement.

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