

1319732 B.C. LTD. AND SENDERO RESOURCES CORP. ANNOUNCE SIGNING OF AMALGAMATION AGREEMENT AND CLOSING OF OVERSUBSCRIBED FINANCINGS

Vancouver, British Columbia—(Newsfile Corp. – April 27, 2023) – 1319732 B.C. Ltd. (the “**Company**”) and Sendero Resources Corp. (“**Sendero**”) are pleased to announce the signing of an amalgamation agreement dated April 27, 2023 (the “**Definitive Agreement**”).

The Company and Sendero are entering into the Definitive Agreement in furtherance of their commitments under their previously announced binding letter agreement dated March 2, 2023. Pursuant to the Definitive Agreement, the Company and Sendero have agreed to complete a three-cornered amalgamation (the “**Transaction**”) pursuant to which the Company intends to acquire all of the issued and outstanding common shares of Sendero (“**Sendero Shares**”) in exchange for the issuance of common shares of the Company (“**Company Shares**”).

Following the completion of the Transaction, the Company (the “**Resulting Issuer**”) will hold all of the assets of and continue the business of Sendero under the name “Sendero Resources Corp.” (the “**Name Change**”). In connection with the Transaction, the Resulting Issuer will seek to list its common shares for trading on the TSX Venture Exchange (the “**Exchange**”).

The Company is also pleased to announce that Sendero has closed the previously announced brokered private placement (the “**Subscription Receipt Offering**”) of subscription receipts (“**Subscription Receipts**”) and closed a tranche of the previously announced non-brokered private placement (the “**Non-Brokered Offering**”, and together with the Subscription Receipt Offering, the “**Offerings**”) of units (“**Non-Brokered Units**”) for aggregate gross proceeds of \$5,212,450. The Offerings were previously announced in the Company’s news release dated March 3, 2023 (the “**Initial News Release**”). The Company issued 11,014,500 Subscription Receipts under the Subscription Receipt Offering at a price of \$0.20 per Subscription Receipt, for gross proceeds to Sendero of approximately \$2,202,900, pursuant to an agency agreement dated the date hereof among Echelon Wealth Partners Inc. (“**Echelon**”), who acted as lead agent, M Partners Inc. and PI Financial Corp. (collectively, the “**Agents**”), the Company and Sendero. Each Subscription Receipt will be automatically exchanged, for no additional consideration, into one unit (a “**Unit**”) of Sendero upon the satisfaction of certain escrow release conditions, including the satisfaction of all conditions precedent to the consummation of the Transaction. Each Unit is comprised of one Sendero common share and one-half of one Sendero common share purchase warrant (each whole warrant, a “**Warrant**”). Each Warrant will entitle the holder to purchase one additional common share at an exercise price of \$0.30 at any time prior to the second anniversary of the date of issuance. The Company issued 15,047,750 Non-Brokered Units under the Non-Brokered Offering at a price of \$0.20 per Non-Brokered Unit, for a gross proceeds to Sendero of approximately \$3,009,550. Each Non-Brokered Unit is comprised of one Sendero common share and one-half of one common share purchase warrant with the same terms as the Warrants underlying the Subscription Receipts. The Company and Sendero had previously announced the intent to raise up to \$4,000,000 in gross proceeds in the Offerings, but increased the aggregate size of the Offerings due to investor demand. Sendero may issued additional Non-Brokered Units in subsequent closings under the Non-Brokered Offering.

Following the completion of the Transaction, including the completion of by the Company of a share split and certain other reorganization transactions described in more detail in the Company’s news release dated April 26, 2023, it is anticipated that an aggregate of approximately 59,395,583 Resulting Issuer Shares will be issued and outstanding, and: (a) current Sendero common shareholders will hold

27,333,333 Resulting Issuer Shares, representing approximately 46% of the outstanding Resulting Issuer Shares; (b) subscribers of Subscription Receipts will hold 11,014,500 Resulting Issuer Shares, representing approximately 19% of the outstanding Resulting Issuer Shares; (c) subscribers of Non-Brokered Units will hold 15,047,750 Resulting Issuer Shares, representing approximately 25% of the outstanding Resulting Issuer Shares; and (d) current Company common shareholders will hold 6,000,000 Resulting Issuer Shares, representing approximately 10% of the outstanding Resulting Issuer Shares, each on an undiluted basis.

Sendero paid \$126,122.50 in fees and issued 630,612 finders warrants to eligible finders in the Non-Brokered Offering. The Company paid fees and issued broker warrants to the Agents in connection with the Subscription Receipt Offering described further in the Initial News Release.

Overview of Sendero Resources

Sendero was incorporated on August 4, 2020 under the laws of the Province of British Columbia. Through its wholly owned subsidiary, Barton SAS, Sendero holds a 100% interest of the 120 km² Peñas Negras Project (the “**Property**”), located in the Vicuna district of Argentina. The Property is surrounded by significant copper discoveries belonging to Filo Mining (Filo Del Sol Project), Lundin Mining (Josemaria Project), and NGEx Minerals (Los Helados Project). Sendero will look to take advantage of its experience and operational knowledge to advance high priority drilling targets.

Further details regarding Sendero and the Property are disclosed in the Initial News Release.

Overview of 1319732 B.C. Ltd.

The Company is an unlisted reporting issuer that was incorporated on August 13, 2021 under the laws of the Province of British Columbia. The Company was formerly a subsidiary of Rio Verde Industries Inc. (“**Rio**”). Pursuant to the terms and conditions set out in an arrangement agreement dated September 9, 2021 between Rio, the Company and certain other parties, the parties conducted a court approved statutory plan of arrangement, as a result of which, the Company was spun out from Rio and became a reporting issuer in British Columbia and Alberta. The Company has not carried on any active business since September 9, 2021.

Further Information

For further information concerning the Transaction, please refer to the Initial Press Release and the Company’s new release dated April 26, 2023, which are each available under the Company’s SEDAR profile at www.sedar.com.

Further updates will be provided as the Transaction progress and upon the parties receiving conditional approval from the Exchange. The Company and Sendero intend to file a listing application (Form 2B) with the Exchange.

All information contained in this press release with respect to Sendero and 131 (but excluding the terms of the Transaction) 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.

For further information, please contact:

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Forward-Looking Information

This press release contains “forward-looking information” and “forward-looking statements” (collectively, “**forward-looking statements**”) within the meaning of applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this press release. Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as “expects”, or “does not expect”, “is expected” “anticipates” or “does not anticipate”, “plans”, “budget”, “scheduled”, “forecasts”. “estimates”, “believes” or intends” or variations of such words and phrases or stating that certain actions, events or results “may” or “could”, “would”, “might” or “will” be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements. In this press release, forward-looking statements relate, among other things, to: the Transaction and certain terms and conditions thereof; the business of 131 or Sendero; the Offerings; and shareholder and regulatory approvals. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to: general business, economic, competitive, political and social uncertainties; the delay or failure to receive shareholder or regulatory approvals necessary to complete the Transaction, the delay or failure to timely satisfy the escrow release conditions related to the subscription receipts and the ability of the Company to obtain a sponsorship waiver. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on the forward-looking statements and information contained in this press release. Except as required by law, neither 131 nor Sendero assume any obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change, except as required by law.

Cautionary Statement

Completion of the Transaction is subject to a number of conditions, including but not limited to, Exchange acceptance. 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 management information circular or filing 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. Trading in the securities of the Resulting Issuer should be considered highly speculative. The Exchange has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this news release.

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