

Sendero Resources Corp. Announces Private Placement Financing for up to \$4,000,000, Contemplated Listing on TSX Venture Exchange and the Entering into of a Definitive Agreement for Business Combination with 1319732 B.C. Ltd.

Vancouver, British Columbia--(Newsfile Corp. - March 3, 2023) - **Sendero Resources Corp.** ("**Sendero**"), a private company incorporated under the laws of the Province of British Columbia with mineral assets in the Peñas Negras region of Argentina, is pleased to announce a proposed financing for aggregate gross proceeds of \$4,000,000 and the entering into of a binding letter agreement dated March 2, 2023 (the "**Agreement**") with 1319732 B.C. Ltd. ("**131**" or the "**Company**"), an unlisted reporting issuer in British Columbia and Alberta. Pursuant to the Agreement, Sendero and 131 will complete a three-cornered amalgamation (the "**Transaction**"), subject to the terms and conditions outlined below, with the ultimate result that the resulting successor of the Company (the "**Resulting Issuer**") will continue on as a reporting issuer and 100% owner of the business of Sendero. Concurrently with the completion of the Transaction, the Resulting Issuer will seek to list its common shares for trading on the TSX Venture Exchange (the "**Exchange**").

Overview of Sendero Resources

Sendero, through its wholly owned subsidiary, Barton SAS, 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.

Concurrent Private Placement Financings

Sendero will be conducting a brokered private placement (the "**Brokered Financing**") led by Echelon Wealth Partners Inc. ("**Echelon**") as lead agent and sole bookrunner, and including M Partners Inc. (together with Echelon, the "**Agents**") for up to \$3,000,000 in gross proceeds of subscription receipts (the "**Subscription Receipts**"). The Agents will be granted an option to increase the size of the Brokered Financing by up to 25% at the discretion of Echelon in its capacity as lead agent (the "**Agents' Option**").

Each Subscription Receipt will be sold at an issue price of \$0.20 and 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 proceeds of the Brokered Financing will be held by a third party trust company. In the event the escrow release conditions are not satisfied within 120 days of the closing of the Brokered Financing (as such date may be extended by Echelon in its capacity as lead agent) (the "**Escrow Release Deadline**"), then such proceeds will be returned to the holders of the Subscription Receipts.

The "Escrow Release Conditions" will include the following:

- i. all conditions, including the Company raising a minimum of \$250,000, to the completion of the Non-Brokered Offering, shall have been satisfied, and Echelon shall have received written confirmation from Sendero to such effect;
- ii. all conditions to the completion of the Transaction pursuant to the definitive agreement entered into by the parties (other than the release of the escrowed funds), shall have been satisfied, and the lead agent shall have received written confirmation from each of Sendero and 131 to such effect;

iii. the Resulting Issuer shares being conditionally approved for listing on the Exchange and the completion, satisfaction or waiver of all conditions precedent to such listing (other than the release of the escrowed funds);

iv. the receipt of all regulatory, shareholder and third-party approvals, if any, required by Sendero and/or 131 in connection with the Transaction;

v. the distribution of: (A) the common shares underlying the subscription receipts; and (B) the Resulting Issuer shares to be issued in exchange for the common shares of Sendero pursuant to the Transaction being exempt from applicable prospectus and registration requirements of applicable securities laws; and

vi. Sendero and Echelon delivering a release notice to the escrow agent confirming the conditions in (i) through (iv) have been satisfied.

Upon satisfaction of the Escrow Release Conditions and prior to the Escrow Deadline, the escrow agent will release the escrowed funds to Sendero, less the escrowed portion of the Agents' fees and expenses incurred after the closing date which will be released to Echelon.

Concurrently with the Brokered Financing, Sendero will conduct a non-brokered private placement (the "**Non-Brokered Financing**", and together with the Brokered Financing, the "**Financings**") of Units for up to \$1,000,000 in gross proceeds on identical economic terms to the Brokered Financing. Units sold in the Non-Brokered Financing will not be subject to escrow release conditions.

The net proceeds of the Financings will be used for exploration on the Property, working capital, and general corporate purposes.

A cash fee equal to 7.0% of the aggregate gross proceeds of the Brokered Offering (including upon exercise of the Agents' Option) shall be payable to the Agents with 50% payable on the closing of the Brokered Offering and 50% payable upon the satisfaction of the Escrow Release Conditions. In addition, Sendero shall issue warrants to the Agents (collectively, the "**Broker Warrants**" and each a "**Broker Warrant**") equal to 7.0% of the Units sold in the Brokered Offering (including the Agents' Option). Each Broker Warrant entitles the holder thereof to acquire one Resulting Issuer common share at the issue price, for a period equal to the term of the warrants forming a part of the Units, from the closing date (collectively, the "**Agents' Fee**"). The Subscription Receipts will be offered for sale to purchasers in: (i) all of the provinces and territories of Canada as agreed upon between Sendero and Echelon, pursuant to available private placement exemptions; (ii) the United States on a private placement basis pursuant to available exemptions from the registration requirements under the United States Securities Act of 1933, as amended; and (iii) offshore jurisdictions pursuant to available prospectus or registration exemptions in accordance with applicable laws.

This release does not constitute an offer to sell and is not a solicitation of an offer to buy any securities in the United States. The securities of Sendero and 131 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 may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws unless pursuant to an exemption from such registration.

Proposed Management and Directors of Resulting Issuer

The following sets out the names and backgrounds of all persons who are expected to be the officers and directors of the Resulting Issuer.

Hernan Vera, CEO

Mr. Vera has held Executive and Director positions with several mining companies, including as VP of Barrick Gold Corporation and Yamana Gold Inc. and GM of AngloGold Ashanti Limited. He has over 34 years of experience in exploration, mine operations, construction and metallurgical plants in South America, North America and Africa. He led the Cerro Vanguardia (AngloGold Ashanti), Veladero (Barrick Gold) and Gualcamayo (Yamana Gold) mines from feasibility to production.

Michael Wood, Executive Chairman

Mr. Wood is the Co-Founder and CEO of Reyna Gold Corp, Co-Founder and CFO of Reyna Silver Corp , Director of Emerging Markets Capital, a mining focused investment company based in Hong Kong, and Director and Chair of Audit Committee of Cassiar Gold Corp. He holds an MBA from Hong Kong University of Science and Technology and BSc Economics Cardiff University.

Marco Roque, Director

Mr. Roque is the CEO of Cassiar Gold Corp. and Director of Infinitum Copper . He is a former banker at Millennium BCP, and Barclays with a focus on commodities derivatives and structured products. Mr. Roque is a CFA charterholder and holds an MBA from Hong Kong University of Science and Technology and London Business School, and a Masters in Finance from Nova School of Business and Economics in Lisbon.

Jimmy Lim, Director

Mr. Lim is the Senior Advisor to Morgan Stanley Asia General Industrials Group, Director of 5E Advanced Materials, Inc. and of Stanmore Resources Limited. He has over 20 years of experience in energy metals and mining, he is a former Morgan Stanley, Goldman Sachs and JP Morgan Resources Banker. Mr. Lim recently led a \$1.4 billion Stanmore Resources Limited acquisition from BHP Group Limited for the South Walker Creek and Poitrel metallurgical coal mines.

Zachary Goldenberg, Director

Zachary Goldenberg is the principal of Liberty Venture Partners, a Toronto-based advisory and investment firm focused on startup and growth companies in rapidly emerging industries. A corporate lawyer by background, Zach has significant experience in both the private and public markets as an advisor, investor and board director and has spent much of the past decade working with companies transitioning from private to public navigate the Canadian public venture markets and to source and close strategic transactions. Zach is a graduate of the combined JD / HBA from Western Law and Ivey School of Business, is a member of the TSX Venture Exchanges Ontario Advisory Committee and is a recipient of ICD.D designation from the Institute of Corporate Directors.

Transaction Summary

Prior to closing of the Transaction, 131 will complete a share split (the "**Adjustment**") such that 131 will have an aggregate of 6,000,000 common shares outstanding on a post-Adjustment basis, inclusive of a finder's fee payable to Triforce Ventures SA. Following the Adjustment and as part of the Transaction, Sendero shareholders will receive one Resulting Issuer common share for each Sendero common share. It is anticipated that the Transaction will proceed as a three-cornered amalgamation, with Sendero amalgamating with a newly incorporated wholly owned subsidiary of 131 with the result that the Resulting Issuer will be a parent company of the successor entity to Sendero following the amalgamation, however, the final structure of the Transaction is subject to tax and legal considerations. The Transaction is an arm's length transaction. Completion of the Transaction is conditional on, among other matters, completion of the Financings, and the conditional approval for the listing of the Resulting Issuer's common shares on the Exchange.

Further Information

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:

Sendero Resources Corp.

Michael Wood, Executive Chairman

Email: michael@sendero-resources.com

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 Financings; the listing application; 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; and the delay or failure to receive shareholder or regulatory approvals. 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 and if applicable, disinterested shareholder approval. 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 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 news release.

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