

Standard Tolling Corp. - Update

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White Rock, British Columbia (FSCwire) - [Standard Tolling Corp.](#) (TSX-V: TON, Frankfurt: GA0, “Standard Tolling” or the “Company”) provides the following update.

The MLQ Plant

On October 7, 2015, Standard Tolling and Inca One Gold Inc. (“Inca One”) announced they had entered into a binding letter of intent (the “LOI”) respecting a business combination between Standard Tolling and Inca One. Pursuant to the business combination, the Company and Inca One intended (among other things) to use the gold processing plant being constructed by Standard Tolling’s Peruvian subsidiary Minera La Quinua S.A.C (“MLQ” and the plant, the “MLQ Plant”) as a northern depot to purchase and stockpile ore for shipment to Inca One’s plant in southern Peru for processing.

MLQ had purchased ore and stockpiled it for use in commissioning the MLQ Plant and pursuant to the LOI began shipping that stockpiled ore to Inca One’s plant for processing.

On November 30, 2015, Standard Tolling and Inca One Gold Inc. (“Inca One”) announced the termination of the LOI due to concerns about the permitting of the MLQ Plant and other issues which are described in Standard Tolling’s November 30, 2015 press release.

As the Company disclosed in its November 30, 2015 press release, in response to continuing pressure from the local community and other interested Peruvian parties Standard Tolling agreed to dismantle and relocate the MLQ Plant and related equipment and assets (the “Asset Relocation”) from its current location. The Asset Relocation was commenced but has been halted due to threats to workers’ safety. MLQ owes approximately US\$250,000 to employees and local vendors who are demanding payment.

MLQ owns approximately 2.6 hectares of land where the MLQ Plant was situated. This land may have future value. While some of the MLQ Plant inventory and equipment has been transported to a safe location by Inca One, due to the timing and uncertainty of being able to dismantle and transport the remaining assets comprising the MLQ Plant, it is not known how much value can be salvaged from the MLQ Plant.

The Inca One Loan and Mineral Advance Agreement

Standard Tolling owes an aggregate of US\$2,250,000 in principal plus accumulated interest to the holders of 2,250 ore purchase notes with a face value of US\$1,000 each an aggregate (the “Ore Notes”) of which US\$1,750,000 (the “Ore Purchase Account”) of the Ore Notes was segregated for the purpose of buying ore to feed the MLQ Plant.

Prior to entering into the LOI, Standard Tolling had purchased ore at a cost of approximately US\$380,000 to use to commission the MLQ Plant. Pursuant to the LOI, Standard Tolling loaned Inca One US\$550,000 from the Ore Purchase Account at an interest rate of 20% per annum (the “Inca One Loan”). On October 21, 2015, Standard Tolling and Inca One entered into a mineral purchase advance, processing and repayment agreement (“Mineral Advance Agreement”) pursuant to which a further US\$761,000 from the Ore Purchase Account was advanced to Inca One for the purpose of buying ore. The Company has also spent funds from the Ore Purchase Account to transport stockpiled ore to Inca One’s plant, and a small cash balance remains. Pursuant to the Mineral Advance Agreement, Standard Tolling would be entitled to a profit sharing fee on each advance at the rate of 12% per annum. This profit sharing fee combined with interest on the Inca One Loan was to provide the income to service the amounts owed to the holders of the Ore Notes.

The Inca One Loan and the amounts advanced to Inca One under the Mineral Advance Agreement are due for repayment to Standard Tolling by the end of January 2016. In addition, Inca One owes Standard Tolling for the contained metal in the ore that was successfully transported for processing at the Inca One plant on Inca One’s normal commercial terms for purchasing ore.

MLQ Debt

MLQ owes US\$1,325,000 (the "MLQ Debt") to three creditors (the "MLQ Creditors"). The MLQ Debt must be repaid on December 31, 2015. The Company announced on July 29, 2015, that an agreement in principle had been reached to extend the repayment date of approximately US\$1,000,000 of the debt until June 30, 2016, subject to the completion of formal documentation. Due to the issues at the MLQ Plant described above, the Company does not believe it will be able to complete the negotiation of formal documentation with the MLQ Creditors required to obtain the extension. Standard Tolling does not expect that it will be able to repay the principal or accumulated interest on the MLQ Debt when it matures on December 31, 2015.

Ore Notes

The Ore Notes are in default and Standard Tolling is unable to repay the principal or accumulated interest owed to the holders of the Ore Notes.

Resignation of Len Clough

Len Clough has resigned as Chairman, President, CEO and Director. The Company's Board of Directors is currently in discussions with a potential candidate to fill the resulting vacancy on the Board and to serve as the Company's new President and CEO.

Next Steps

Standard Tolling is insolvent.

The Board of Directors of Standard Tolling is working to devise a solution to the Company's financial difficulties, including ongoing discussions with Inca One respecting a potential asset purchase and debt assumption agreement. Among other things, any such agreement will require the acceptance and agreement of all of the Ore Note holders. There is no assurance that any agreement will be entered into with Inca One or any other person which will address Standard Tolling's financial difficulties.

As the Company has only two directors with the resignation of Len Clough, it does not meet continued listing requirements of the TSX Venture Exchange and the Company understands that the trading halt on the shares of Standard Tolling will continue.

ON BEHALF OF THE BOARD

/s/ Doris Meyer
Doris Meyer, Corporate Secretary

For further information please contact:

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expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results may differ materially from those in forward looking statements. Forward looking statements are based on the beliefs, estimates and opinions of the Company's management on the date the statements are made. Except as required by law, the Company undertakes no obligation to update these forward-looking statements in the event that management's beliefs, estimates or opinions, or other factors, should change.

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