

# Alexandria Minerals to be Acquired by Well-Financed Chantrell / Osisko RTO Vehicle to be Renamed "O3 Mining Inc."

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Chantrell Enters Into Definitive Arrangement Agreements With (i) Osisko Mining For Previously-Announced Spin-Out Transaction, And (ii) Alexandria Minerals For Business Combination With The Resulting Issuer &ndash; "O3 Mining Inc."

"O3 Mining Inc." Will Be Well-Capitalized And, With The Support of Management of Osisko Mining, Its Mission Will Be To Acquire and Develop Mining Properties, With A Bias Towards Gold Properties Located In Ontario and Québec.

O3 Mining Inc. will:

- be well-capitalized with approximately C\$28-30 million in cash and marketable securities;
- be supported by the proven board and management team of Osisko Mining; and
- have a mandate to acquire and develop prospective add gold properties and advanced staged gold assets in the sound jurisdictions of Ontario and Québec.

TORONTO, Ontario, May 14, 2019 -- [Chantrell Ventures Corp.](#) (NEX:CV.H) ("Chantrell") is pleased to announce that it has entered into a definitive arrangement agreement with [Alexandria Minerals Corp.](#) (TSX-V:AZX; OTCQB:ALXDF; Frankfurt:A9D) ("Alexandria") dated May 14, 2019 (the "Alexandria Arrangement Agreement"), pursuant to which, among other things, following the acquisition of certain non-core assets of [Osisko Mining Inc.](#) (OSK:TSX) ("Osisko Mining") by Chantrell, which will result in the reverse-take over (the "Reverse Take-Over") of Chantrell by Osisko Mining, the resulting issuer, which will be renamed "O3 Mining Inc." ("O3 Mining" or the "Resulting Issuer"), will acquire all of the issued and outstanding common shares of Alexandria pursuant to a statutory plan of arrangement under Section 192 of the *Canada Business Corporations Act* (the "Alexandria Arrangement").

Under the Alexandria Arrangement, shareholders of Alexandria ("Alexandria Shareholders") (other than Alexandria Shareholders validly exercising their dissent rights, if any) will be entitled to receive 0.010309 common shares of O3 Mining (on a post-Consolidation (as defined below) basis) in exchange for each Alexandria share held immediately prior to the effective time of the Alexandria Arrangement.

The Alexandria Arrangement has been priced based on deemed value of CDN \$3.88 per common share of O3 Mining (on a post-Consolidation (as defined below) basis), being the purchase price of subscription receipts issued under Chantrell's CDN \$18.2 million financing, and values the common shares of Alexandria at CDN \$0.04 per share. The deemed purchase price of CDN \$0.04 per common share of Alexandria represents a premium of approximately 18% over the five-day volume weighted average price ("VWAP") and approximately 23% over the 20-day VWAP of common shares of Alexandria on the TSX Venture Exchange as of the close of trading on May 13, 2019.

Walter Henry, the Interim President and Chief Executive Officer of Alexandria commented: "This transaction will fold Alexandria's key Val d'Or land package into O3 Mining's exploration properties at an early stage of O3 Mining's history. With its proven team of Québec explorers, strong balance sheet and available sources of funding, we believe that the O3 team will be able to apply their technical expertise to properly explore the Alexandria properties and maximize their long-term potential for all of O3 Mining's stakeholders, including Alexandria's current shareholders."

Chantrell is also pleased to announce, further to its announcements dated February 20, 2019 and March 27, 2019, that it has entered into a definitive arrangement agreement with Osisko Mining dated May 14, 2019 (the "Osisko Arrangement Agreement"), pursuant to which, among other things, certain non-core assets of Osisko Mining will be transferred to Chantrell, resulting in the Reverse Take-Over of Chantrell by Osisko Mining, by way of a statutory plan of arrangement under Section 182 of the *Business Corporations Act* (Ontario).

See press releases of Chantrell dated February 20, 2019 entitled "[Osisko Mining Inc. Announces Transaction to Spinout Non-Core Assets to Chantrell Ventures Corp.](#)" and dated March 27, 2019 entitled "[Osisko Mining Inc. – Chantrell Ventures Corp. Transaction Update](#)".

#### Alexandria Acquisition

On May 14, 2019, Chantrell and Alexandria entered into the Alexandria Arrangement Agreement pursuant to which, among other things, O3 Mining will acquire all of the issued and outstanding common shares of Alexandria pursuant to a statutory plan of arrangement under Section 192 of the *Canada Business Corporations Act*. Under the Alexandria Arrangement, Alexandria Shareholders (other than Alexandria Shareholders validly exercising their dissent rights, if any) will be entitled to receive 0.010309 common shares of O3 Mining (on a post-Consolidation basis) in exchange for each Alexandria share held immediately prior to the effective time of the Alexandria Arrangement.

#### Alexandria Approvals

Completion of the Alexandria Arrangement is subject to, among other things, (i) the closing of the Reverse Take-Over, (ii) approval of the TSX Venture Exchange, (iii) approval of the Ontario Superior Court of Justice (Commercial List), (iv) approval of the Alexandria Arrangement Resolution (as defined below), and (v) the satisfaction or waiver of certain other customary conditions for a transaction of this nature.

#### Alexandria Meeting

Shareholders of Alexandria will be asked to approve a special resolution to authorize the Alexandria Arrangement (the "Alexandria Arrangement Resolution") at a special meeting of Alexandria Shareholders (the "Alexandria Meeting"). The requisite approval of the Alexandria Arrangement Resolution will be at least two-thirds (66&#8532; percent) of the votes cast on the Alexandria Arrangement Resolution by the Alexandria Shareholders, voting as a single class, present in person or by proxy at the Alexandria Meeting.

The Alexandria Meeting is expected to be held in late June 2019 to consider the Alexandria Arrangement Resolution. A management information circular of Alexandria containing additional details about the Alexandria Arrangement will be mailed to Alexandria Shareholders in connection with the Alexandria Meeting.

#### Other Terms

The Alexandria Arrangement Agreement includes representations, warranties and covenants typical of a transaction of this nature, along with customary non-solicitation, right to match, and fiduciary provisions. In addition, Alexandria has agreed to pay a termination fee of CDN \$875,000 to Chantrell if the Alexandria Arrangement Agreement is terminated in certain circumstances, including if Alexandria enters into an agreement with respect to a superior proposal or if the Board of Directors of Alexandria (the "Alexandria Board") withdraws its recommendation with respect to the Alexandria Arrangement.

Completion of the Alexandria Arrangement is subject to a condition that Alexandria Shareholders holding no more than 10% of the outstanding common shares of Alexandria will have exercised dissent rights in respect of the Alexandria Arrangement.

In connection with the Arrangement Agreement and the transactions contemplated therein, Chantrell and

Alexandria have, among other things, agreed that: (i) Chantrell will cause Osisko to provide certain loan advances to Alexandria prior to the effective time of the Alexandria Arrangement; and (ii) the Alexandria Shareholders are expected to hold approximately 14.5% of the issued share capital of O3 Mining upon completion of both the Alexandria Arrangement and the Reverse Take-Over.

Separately, Alexandria terminated the proposed royalty sale that was announced on April 1, 2019 after Alexandria and the applicable third party failed to agree on terms and conditions necessary for the sale.

The Alexandria Board unanimously recommends that Alexandria Shareholders vote in favour of the resolution to approve the Alexandria Arrangement at the Alexandria Meeting. The recommendation of the Alexandria Board is supported by a fairness opinion by INFOR Financial Inc. to the effect that, as of the date of their opinion, and subject to the assumptions, limitations and qualifications set out in such opinion, the consideration to be received by Alexandria Shareholders pursuant to the Alexandria Arrangement is fair, from a financial point of view, to the Alexandria Shareholders.

Each director and officer of Alexandria has entered into a voting support agreement with Chantrell to, among other things, vote their common shares of Alexandria in favour of the Alexandria Arrangement and to otherwise support its completion of the Alexandria Arrangement, subject to the provisions of the voting support agreement.

The Alexandria Arrangement is expected to close in July 2019. The Alexandria Arrangement Agreement, which describes the full particulars of the Alexandria Arrangement, will be made available on SEDAR ([www.sedar.com](http://www.sedar.com)) under Alexandria's issuer profile.

#### Reverse Take-Over by Osisko Mining

On May 14, 2019, Chantrell and Osisko Mining entered into the Osisko Arrangement Agreement pursuant to which, among other things, certain non-core assets of Osisko Mining will be transferred to Chantrell, resulting in the Reverse Take-Over of Chantrell by Osisko Mining, by way of a statutory plan of arrangement under Section 182 of the *Business Corporations Act* (Ontario).

See press releases of Chantrell dated February 20, 2019 entitled "[Osisko Mining Inc. Announces Transaction to Spinout Non-Core Assets to Chantrell Ventures Corp.](#)" and dated March 27, 2019 entitled "[Osisko Mining Inc. &ndash; Chantrell Ventures Corp. Transaction Update](#)".

The assets of Osisko Mining to be transferred to Chantrell pursuant to the Reverse Take-Over include: (i) the Marban deposit (located in Québec's Abitibi gold mining district between Val-d'Or and Malartic); (ii) the Garrison deposit (located in the Larder Lake Mining Division in north east Ontario); (iii) certain other exploration properties and earn-in rights; and (iv) a portfolio of selected marketable securities (collectively, the "Transferred Assets").

Pursuant to the Reverse Take-Over, Osisko Mining will transfer the Transferred Assets to Chantrell in exchange for an aggregate of 24,977,898 common shares of O3 Mining (after giving effect to the Consolidation). Each common share of Chantrell being issued in exchange for the Transferred Assets will have a deemed value of CDN \$3.88 per share, as determined by the board of directors of Chantrell.

In connection with the Reverse Take-Over, Chantrell will also, among other things: (i) change its name to "O3 Mining Inc." or such other name as may be acceptable to applicable regulatory authorities; (ii) replace all directors and officers of the Resulting Issuer; (iii) obtain conditional listing approval for the listing of the Resulting Issuer on the TSX Venture Exchange; (iv) consolidate the common shares of the Resulting Issuer on a 40:1 basis, subject to adjustment (the "Consolidation"); (v) continue from British Columbia to Ontario (the "Continuance"); and (vi) complete the conversion of the outstanding subscription receipts of Chantrell for the underlying securities.

The Reverse Take-Over was negotiated at arm's length. Trading of Chantrell's common shares has been halted pending further filings with the TSX Venture Exchange.

Chantrell may, from time to time, acquire further assets in exchange for common shares of Chantrell or cash prior to, or following the completion of, the Reverse Take-Over.

### *Chantrell Approvals*

Completion of the Reverse Take-Over is subject to, among other things, (i) approval of the TSX Venture Exchange, (ii) approval of the Ontario Superior Court of Justice (Commercial List), (iii) approval by the shareholders of Chantrell ("Chantrell Shareholders") of the RTO Resolution (as defined below) and certain other resolutions described below, and (iv) the satisfaction or waiver of certain other customary conditions for a transaction of this nature.

### *Chantrell Meeting*

Chantrell Shareholders will be asked to approve special resolutions to, among other things, authorize the Reverse Take-Over (the "RTO Resolution"), the Continuance (the "Continuance Resolution") and the Consolidation (the "Consolidation Resolution") at a special meeting of Chantrell Shareholders (the "Chantrell Meeting"). The requisite approvals of the RTO Resolution, the Continuance Resolution and the Consolidation Resolution will, in each case, be at least two-thirds (66&#8532; percent) of the votes cast on the RTO Resolution, the Continuance Resolution and the Consolidation Resolution, as the case may be, by the Chantrell Shareholders, voting as a single class, present in person or by proxy at the Chantrell Meeting.

Chantrell Shareholders who own or control, directly or indirectly, approximately 63.7% of the outstanding common shares of Chantrell have entered into a voting support agreement with Osisko Mining to, among other things, vote their common shares of Chantrell in favour of the resolutions described above, subject to the provisions of the voting support agreement.

The Chantrell Meeting is expected to be held in late June 2019 to, among other things, consider the RTO Resolution, the Continuance Resolution and the Consolidation Resolution. A management information circular of Chantrell containing additional details about the Reverse Take-Over, the Continuance, the Consolidation and the Alexandria Arrangement will be mailed to Chantrell Shareholders in connection with the Chantrell Meeting.

### *Other Terms*

The Osisko Arrangement Agreement includes representations, warranties and covenants typical of a transaction of this nature, along with customary non-solicitation, right to match, and fiduciary provisions. In addition, Chantrell has agreed to pay a termination fee of CDN \$3 million to Osisko Mining if the Osisko Arrangement Agreement is terminated in certain circumstances, including if Chantrell enters into an agreement with respect to a superior proposal or if the Board of Directors of Chantrell withdraws its recommendation with respect to the Reverse Take-Over. Osisko Mining has agreed to pay a termination fee of CDN \$1 million to Chantrell if the Osisko Arrangement Agreement is terminated in certain circumstances.

Completion of the Reverse Take-Over is subject to a condition that Chantrell Shareholders holding no more than 5% of outstanding common shares of Chantrell will have exercised dissent rights in respect of the Reverse Take-Over.

The Osisko Arrangement Agreement, which describes the full particulars of the Reverse Take-Over, will be made available on SEDAR ([www.sedar.com](http://www.sedar.com)) under Chantrell's issuer profile.

The Reverse Take-Over is expected to close in July 2019. The closing of the Reverse Take-Over is not conditional on the closing of the Alexandria Arrangement.

### *Advisors*

Cassels Brock & Blackwell LLP is acting as Chantrell's legal advisor. Cormark Securities Inc. has provided a

fairness opinion to the Board of Directors of Chantrell that the Alexandria Arrangement is fair, from a financial point of view, to the Chantrell Shareholders, subject to the assumptions, limitations and qualifications set out in such fairness opinion.

Sprott Capital Partners is acting as Alexandria's financial advisor and Aird & Berlis LLP is acting as Alexandria's legal advisor. As mentioned above, INFOR Financial Inc. was also engaged by the Alexandria Board as an independent financial advisor to provide an independent fairness opinion in respect of the Alexandria Arrangement.

Bennett Jones LLP is acting as Osisko Mining's legal advisor.

#### About Chantrell Ventures Corp.

Chantrell's mission is to enhance shareholder value through the acquisition and development of mining properties, with a bias towards gold projects in Ontario and Québec.

#### About Osisko Mining Inc.

Osisko is a mineral exploration company focused on the acquisition, exploration, and development of precious metal resource properties in Canada. Osisko holds a 100% interest in the high-grade Windfall Lake gold deposit located between Val-d'Or and Chibougamau in Québec and holds a 100% undivided interest in a large area of claims in the surrounding the Urban Barry area and nearby Quévillon area (over 3,500 square kilometres).

#### About Alexandria Minerals Corporation

[Alexandria Minerals Corp.](#) is a Toronto-based junior gold exploration and development company with its strategic property located in the world-class mining district of Val d'Or, Québec. Alexandria's focus is on its flagship property, the large Cadillac Break Property package in Val d'Or, which hosts important, near-surface, gold resources along the prolific, gold-producing Cadillac Break, all of which have significant growth potential.

#### *Cautionary Note Regarding Forward-Looking Information*

*This news release contains "forward-looking information" within the meaning of the applicable Canadian securities legislation that is based on expectations, estimates and projections as at the date of this news release. The information in this news release about the completion of the spin-out transaction and business combination described herein, the timing of the various shareholder meetings, the expected timing and contents of the management information circulars, the expecting timing of the closing of the spin-out transaction and business combination, and other forward-looking information includes but is not limited to information concerning: the intentions, plans and future actions of the companies participating in the transactions described herein (collectively the "Participating Companies") and other information that is not historical facts.*

*Any statements that involve 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 information and are intended to identify forward-looking information.*

*This forward-looking information is based on reasonable assumptions and estimates of management of the Participating Companies, at the time it was made, involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Participating Companies to be materially different from any future results, performance or achievements expressed or*

*implied by such forward-looking information. Such factors include, among others, risks relating to the completion of the transactions described herein; risks relating to property interests; the global economic climate; metal prices; dilution; ability of Chantrell to complete further acquisitions; environmental risks; and community and non-governmental actions. Although the forward-looking information contained in this news release is based upon what management believes, or believed at the time, to be reasonable assumptions, the Participating Companies cannot assure shareholders and prospective purchasers that actual results will be consistent with such forward-looking information, as there may be other factors that cause results not to be as anticipated, estimated or intended, and neither the Participating Companies nor any other person assumes responsibility for the accuracy and completeness of any such forward-looking information. The Participating Companies do not undertake, and assumes no obligation, to update or revise any such forward-looking statements or forward-looking information contained herein to reflect new events or circumstances, except as may be required by law.*

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The distribution of the Chantrell Shares in connection with the transactions described herein will not be registered under the United States Securities Act of 1933 (the "U.S. Securities Act") and the Chantrell Shares may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws. This news release shall not constitute an offer to sell or the solicitation of an offer to buy the Chantrell Shares, nor shall there be any offer or sale of the Chantrell Shares in any jurisdiction in which such offer, solicitation or sale would be unlawful.

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