

Sabre Gold Announces Financial Restructuring And Change Of Leadership To Move Permitted Copperstone Gold Project In Arizona Toward Production

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Vancouver, Oct. 24, 2022 - [Sabre Gold Mines Corp.](#) (TSX: SGLD, OTCQB: SGLDF) ("Sabre Gold" or the "Company") announced today the appointment of Mr. Andrew Elinesky as Chief Executive Officer/President and Director of Sabre Gold. Mr. Elinesky succeeds Giulio Bonifacio, who has retired from his role as Chief Executive Officer/President and Director effective October 23, 2022 to dedicate more time to his family and pursue other business interests. The Company has made several coordinated moves to significantly enhance its overall ability to attract construction funding to return its fully-permitted Copperstone gold project towards production.

Significant highlights include:

- Appointment of Andrew Elinesky, CPA, as President, CEO and Director effective immediately
- Retirement of 4.5% Gross Production Royalty on Copperstone
- Retirement of outstanding long-term debt in the amount of US\$3.65 million dollars
- Extension of remaining outstanding debt by one year to December 31, 2024
- Sale of the Company's 1% NSR on the Kerr-Addison Mine claims owned by Gold Candle Ltd. for total consideration of US\$7.4 million (providing for the royalty retirement and the debt reduction)
- Private Sale of 14,500,000 shares of C2C Gold Corp. for net proceeds of CDN\$800,000
- Implementation of the 1:10 share consolidation previously approved by shareholders on December 17, 2021.

The steps outlined above will provide the Company with working capital as well as significantly reduce its debt and extend the payment terms of the remaining debt. These steps have been taken to pave the way for advancing continuing discussions with potential financial partners to return the fully-permitted Copperstone Gold Mine in southwestern Arizona to production.

Andrew Elinesky, CEO

Mr. Andrew Elinesky brings over 20 years of experience as a CFO and senior leader for publicly traded companies in both Canada, the U.S. and the United Kingdom. With a focus on corporate financings, M&A and integration experience, he was previously the CFO for Skylight Health Group Inc. and Reclaim Inc. Prior to that, Andrew was with McEwen Mining Inc. for 11 years in increasing roles of responsibility having spent his last 5 years there as Senior Vice-President and CFO where he managed equity and debt financings of over \$150M, multiple acquisitions, operational development, and, government and ESG relations.

Andrew Elinesky stated "I look forward to taking on the role of Chief Executive Officer at Sabre Gold and thank the Board of Directors for this opportunity. Sabre Gold is one of the very few gold companies that has a fully licensed and permitted quality asset in a safe jurisdiction that, with final construction and operational capital, becomes a revenue source for the Company adding significant value for the shareholders. I see the key advantages of Copperstone's Arizona location, a long established pro-mining jurisdiction, minimal capital needs, the removal of the 4.5% royalty and the increased health of our balance sheet as combining to make this asset a compelling financeable project. With a strong team behind me, Sabre Gold has a bright future moving Copperstone into the construction phase with the final step of arranging project financing."

"The Company is very pleased to have someone with Andrew's capabilities and strong background in finance and mining choosing to lead our company. We have every confidence in Andrew and given the Company's moves announced today I think he is in a good position to maneuver the Company's prime asset,

Copperstone, through project financing and into production over the coming quarters." Said William M. Sheriff, Chairman of Sabre Gold Inc.

The Company also wishes to thank Mr. Giulio T. Bonifacio who will have stepped down in order to dedicate more time to his family and other business interests.

William Sheriff, Chair of Sabre Gold added, "On behalf of the Board of Directors, we welcome Andrew in his new role as Chief Executive Officer. We also thank Giulio Bonifacio, former CEO, who over the past two years, integrated Golden Predator and Arizona Gold to create [Sabre Gold Mines Corp.](#) The combined resource of the Yukon project plus the fully permitted and licensed Copperstone Mine in southwestern Arizona provide sound brownfield projects with established resources for Sabre Gold to advance towards production. His work in establishing relationships and opening the doors to likely financiers while managing the merger of the two entities and the sale of the royalty has brought us to this position where we are ready to take on project financings in order to return Copperstone to production."

Royalty Purchase

The Company has entered into a letter of intent (the "LOI") with Trans Oceanic Minerals Company Ltd. ("TOMCL"), a company owned by Fahad Al Tamimi, a director of the Company and Braydon Capital Corporation ("Braydon" and together with TOMCL, the "Purchasers"), a Company owned by Claudio Ciavarella, a director of the Company, setting forth the terms on which the Purchasers are prepared to acquire from the Company the 1% net smelter returns royalty (the "GC Royalty") granted to the Company by Candle Gold Ltd. ("Gold Candle") pursuant to the Net Smelter Royalty Agreement between the parties dated February 11, 2015 (the "CG Royalty Agreement")(the "Transaction"). The proposed purchase price for the CG Royalty is US\$7,400,000 to be satisfied by the Purchasers as follows:

- US\$1,800,00 credit applied by TOMCL against payment in the amount of US\$1,800,000 to be made by the Company to TOMCL as repayment of some of the outstanding debt owed by the Company to TOMCL pursuant to certain promissory notes;
- US\$1,850,000 credit applied by Braydon against payment in the amount of \$US1,850,000 to be made by the Company to Braydon as repayment of some of the outstanding debt owed by the Company to Braydon pursuant to certain promissory notes; and
- US\$3,750,000 to be satisfied by the transfer by TOMCL of all of its right and interest in 4.5% Gross Production Royalty on the Copperstone Gold Mine (the "Copperstone Royalty") to the Company.

Under the terms of the CG Royalty Agreement, the Company must provide the grantor of the GC Royalty, Gold Candle, the right to acquire the GC Royalty on the same terms as provided in the LOI. In the event that Gold Candle exercises its right to acquire the GC Royalty, on payment of the purchase price by Gold Candle, a break fee of US\$500,000 is payable by the Company to the Purchasers.

In connection with the Transaction, the LOI also provides that TOMCL and Braydon will extend the maturity date on their respective promissory notes to December 31, 2024 upon completion of the Transaction.

The Company has granted TOCML and Braydon exclusivity for the Transaction until the earlier of (a) execution of the definitive agreement in respect of the Transaction (the "Definitive Agreement"), and (b) November 30, 2022.

The completion of the Transaction is subject to the parties entering into a Definitive Agreement and customary terms and conditions to be included in the Definitive Agreement.

Sale of CTOC shares

The LOI also provides for the sale by the Company to TOCML 14,500,000 shares in the capital of [C2C Gold Corp.](#) that are currently held by the Company for an aggregate consideration of CDN\$800,000. The purchase will be completed subject to customary representations and warranties to be provided by the Company to TOCML. (the "CTOC Share Sale")

The Board of Directors of the Company has established an *ad hoc* committee of independent directors (the "Independent Committee") which supervised the negotiation of the LOI. The Independent Committee is in the process of negotiating the Definitive Agreements in respect of the Transaction and the CTOC Share Sale, and there can be no assurance that the Transaction and the CTOC Share Sale will be completed. The Transaction, the CTOC Share Sale and the extension of the promissory notes will be subject to the requirements of Multilateral Instrument 61-101 - *Protection of Minority Securityholders in Special Transactions*.

Share Consolidation

Pursuant to shareholder approval received on December 17, 2020 the Company will consolidate all of its Common Shares on the basis of one new post consolidation Common Share for every ten existing pre-consolidation Common Shares (the "Consolidation"). The Board of Directors of the Company has approved the Consolidation ratio, and expects the Consolidation to be completed during the week of November 7, 2022. The Consolidation reduces the number of issued and outstanding Common Shares from 632,916,250 to approximately 63,291,625. Proportionate adjustments will be made to the Company's outstanding stock options, warrants, restricted share units, deferred share units and convertible notes. No fractional Common Shares will be issued pursuant to the Consolidation and any fractional Common Shares that would have otherwise been issued will be rounded down to the nearest whole Common Share. A letter of transmittal with respect to the Consolidation will be mailed to the Company's registered shareholders. All registered shareholders will be required to send their certificate(s) representing pre-Consolidation Common Shares, along with a properly executed letter of transmittal, to the Company's registrar and transfer agent, TSX Trust Company, in accordance with the instructions provided in the letter of transmittal. Shareholders who hold their Common Shares through a broker, investment dealer, bank or trust company should contact that nominee or intermediary for their post-Consolidation positions. A copy of the letter of transmittal will be posted on the Company's issuer profile on SEDAR. The Company's ticker symbols are expected to remain unchanged. The Consolidation remains subject to the approval of the TSX. The Company will issue a further press release to advise shareholders of the date the Common Shares will commence trading on a consolidated basis.

About Sabre Gold Mines Corp.

Sabre Gold is a diversified, multi-asset near-term gold producer in North America which holds 100-per-cent ownership of both the fully licensed and permitted Copperstone gold mine located in Arizona, United States, and the Brewery Creek gold mine located in Yukon, Canada, both of which are former producers. Management intends to restart production at Copperstone followed by Brewery Creek in the near term. Sabre Gold also holds other investments and projects at varying stages of development.

Sabre Gold's two advanced projects have approximately 1.5 million ounces of gold in the Measured and Indicated categories, and approximately 1.2 million ounces of gold in the Inferred category. Additionally, both Copperstone and Brewery Creek have considerable exploration upside with a combined land package of over 230 square kilometers that will be further drill tested with high-priority targets currently identified. Sabre Gold is led by an experienced team of mining professionals with backgrounds in exploration, mine building and operations.

For further information please send query to info@sabre.gold or visit the [Sabre Gold Mines Corp.](http://www.sabre.gold) website (www.sabre.gold).

Cautionary Note Regarding Forward Looking Statements

This news release contains forward-looking information under Canadian securities legislation including statements regarding drill results, potential mineralization, potential expansion and upgrade of mineral resources and current expectations on future exploration and development plans. These forward-looking statements entail various risks and uncertainties that could cause actual results to differ materially from those reflected in these forward-looking statements. Such statements are based on current expectations, are subject to a number of uncertainties and risks, and actual results may differ materially from those contained in such statements. These uncertainties and risks include, but are not limited to: the strength of the Canadian economy; the price of gold; operational, funding, and liquidity risks; reliance on third parties, exploration risk, failure to upgrade resources, the degree to which mineral resource and reserve estimates are reflective of

actual mineral resources and reserves; the degree to which factors which would make a mineral deposit commercially viable are present, and the risks and hazards associated with underground operations and other risks involved in the mineral exploration and development industry. Risks and uncertainties about Sabre Gold's business are more fully discussed in the Company's disclosure materials, including its annual information form and MD&A, filed with the securities regulatory authorities in Canada and available at www.sedar.com and readers are urged to read these materials. Sabre Gold assumes no obligation to update any forward-looking statement or to update the reasons why actual results could differ from such statements unless required by law.

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