

Puma Exploration Inc. Welcomes Kinross Gold as Strategic Investor to Explore and Develop the Williams Brook Project

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RIMOUSKI, Oct. 24, 2024 - [Puma Exploration Inc.](#) (TSXV: PUMA, OTCQB: PUMXF) (the "Company" or "Puma") is pleased to announce the execution on October 23, 2024 of a definitive option agreement (the "Option Agreement") with KG Exploration (Canada) Inc., a wholly-owned subsidiary of [Kinross Gold Corp.](#) (TSX: K, NYSE: KGC) ("Kinross") with respect to the Williams Brook, Portage and Jonpol properties (collectively, the "Williams Brook Project") located in Northern New Brunswick, Canada (see Figure 1).

Figure 1. Puma's land holdings in Northern New Brunswick

Under the terms of the Option Agreement, Kinross will have, subject to certain conditions, the option to earn a 65% interest in the Project by funding a minimum of \$16,750,000 in exploration expenditures during a period of five (5) years (including a firm commitment of \$2,000,000 with at least 5,000 metres of drilling during the first 18 months).

In connection with the Option Agreement, Kinross has also agreed to subscribe under a concurrent private placement for treasury common shares of the Company, representing approximately 9.9% of its issued and outstanding shares.

Puma's President and CEO Marcel Robillard stated, *"We believe in the region's potential to host Canada's next major gold camp. I am delighted to welcome Kinross, the first major gold producer to establish a presence in New Brunswick. I look forward to working with its first-in-class exploration and development team to grow the region's potential". Most of the first \$2M will be directed towards drilling (5,000 metres) and other identified targets on the Williams Brook property. The drilling program will continue to test and define the Lynx Gold Zone previously intersected by Puma (5.55 g/t Au over 50.15 m, 2.49 g/t Au over 63.05 m, 5.15 g/t Au over 23.15 m, 2.77 g/t Au over 42.80 m, 1.24 g/t Au over 98.05 m, 3.97 g/t Au over 22.10 m, 3.12 g/t Au over 35.35 m)".*

He also emphasized the financial benefits of the agreement, *"Within four (4) years and with only \$12.75 M of expenditures (as of May 31, 2024), Puma successfully defined a high-grade gold zone at the Williams Brook property, the Lynx Gold Zone that attracted a Tier One gold producer. With juniors still struggling despite gold's all-time high price, this significant injection of cash over the next five years, especially Kinross's firm commitment over the next 18 months, will significantly accelerate exploration and unlock the Project's value. Kinross' commitment represents a stamp of approval on Williams Brook's potential, and having Puma as the operator speaks to Kinross' confidence in the strength of our exploration team."*

Under the Option Agreement, Puma will act as the Operator and will be assisted by a technical committee comprised of two (2) representatives of each company. The Option Agreement confirms Kinross's trust in Puma's expertise and skill in driving exploration forward. As Operator, Puma will also receive management fees that will contribute directly to Puma's treasury.

Option Agreement Highlights

To earn a 65% interest in the Project, Kinross will have to fund \$16.75M in exploration expenditures as follows:

- \$2.0 M in the first 18 months with a commitment for 5,000 metres of drilling (Firm Commitment);
- \$3.0 M in the second year;
- \$3.0M in the third year;
- \$4.0M in the fourth year; and
- \$4.75M in the fifth year.

As Operator, Puma will receive management fees on an annual basis equal to 10% of annual expenditures until a cumulative amount of \$1,000,000 has been incurred, and (ii) 5% of annual expenditures for any expenditures in excess of such cumulative amount of \$1,000,000.

Upon exercise of the option, Kinross and Puma will form a joint venture on an initial basis of 65% for Kinross and 35% for Puma. Both companies will have to contribute in accordance with their respecting participating interest or be diluted under a customary dilution clause. Under certain circumstances, including if a participant's interest in the joint venture is diluted to ten percent (10%) or less, its interest will automatically convert to a 2% net smelter returns (NSR) royalty, half of which (1%) can be purchased for US\$1,500,000.

Concurrent Private Placement of \$1,011,473.47

As part of the Option Agreement, Kinross has agreed to subscribe under a non-brokered private placement for 16,857,891 treasury common shares of the Company at a price of \$0.06 per share for aggregate gross proceeds of \$1,011,473.47 (the "Offering"). The net proceeds of the Offering will be used by the Company to explore its other projects and for general corporate and working capital purposes.

Puma and Kinross have also agreed on the terms of an investor rights agreement (the "IRA"), pursuant to which, among other things, Kinross will be granted on the closing date of the Offering the right to participate in future equity financings in order to maintain its ownership percentage in the Company or acquire up to 19.9% of the total of common shares of the Company issued and outstanding after issuance of new securities.

The Option Agreement and Private Placement were negotiated at arms' length, and there were no finder's fees associated therewith. Closing of both the Option Agreement and the Offering remains subject to certain closing conditions, including the approval of the TSX Venture Exchange. All securities issued under the Offering will have a statutory hold period of four months and one day.

The transaction with Kinross is aligned with the Company's DEAR business model of Discovery, Exploration, Acquisition and Royalties to generate maximum value for shareholders with low share dilution. The Company expects to release news regarding its short to medium-term strategy for its other 100% held properties in the coming weeks.

Qualified Person

The content of this press release was prepared by Marcel Robillard, President and Dominique Gagné, P.Geo., qualified persons as defined by NI 43-101, who supervised the preparation of technical information that forms part of this news release.

About Puma's Assets in New Brunswick

Puma has accumulated an impressive portfolio of prospective gold landholdings in Northern New Brunswick - the Williams Brook, JonPol, Portage, TIMM and Jacquet River properties. They are all located near the Rocky Brook Millstream Fault ("RBMF"), a major regional structure formed during the Appalachian Orogeny and a significant control for gold deposition in the region. Puma's work to date has focused on the Williams Brook property, but prospecting and surface exploration work on the other properties have confirmed their potential for significant gold mineralization. Puma retains its 100% interest in the TIMM and Jacquet River properties and will continue to advance their development.

About Puma Exploration

Puma Exploration is a Canadian-based mineral exploration company with precious metals projects in New Brunswick, near Canada's Famous Bathurst Mining Camp. Puma has a long history in Northern New Brunswick, having worked on regional projects for over 15 years. Puma's successful exploration methodology, which combines old prospecting methods with detailed trenching and up-to-date technology such as Artificial Intelligence, has been instrumental in facilitating an understanding of the geology and associated mineralized systems in the region. Armed with geophysical surveys, geochemical data and consultants' expertise, Puma has developed a perfect low-cost exploration tool to discover gold at shallow depths and maximize drilling results.

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A photo accompanying this announcement is available at
<https://www.globenewswire.com/NewsRoom/AttachmentNg/bfb62025-70de-4c6a-b9e0-754a207cde17>

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