

# Galleon Gold Welcomes Strategic Investment by Pan American Silver and Signs an MOU for Toll Processing at the Bell Creek Mill

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Toronto, August 13, 2025 - [Galleon Gold Corp.](#) (TSXV: GGO) (FSE: 3H90) (the "Company" or "Galleon Gold") is pleased to announce that [Pan American Silver Corp.](#) ("Pan American") has entered into a strategic investment agreement on a non-brokered private placement basis for an unsecured convertible debt financing (the "Debenture") for gross proceeds of C\$8,000,000 (the "Transaction"). In connection with the Transaction, the Company also announces that it has entered into a memorandum of understanding (the "MOU") with [Lake Shore Gold Corp.](#) ("Lake Shore Gold"), a wholly-owned subsidiary of Pan American, for toll processing of mineralized materials from the Company's planned 86,500-tonne bulk sample at its 100% owned West Cache Gold Project in Timmins, Ontario (the "Project" or "West Cache").

## The Debenture

The Debenture has a term of 36 months (the "Term") from the date of issuance, bears interest at a rate of 10.0% per annum, payable in cash or common shares of the Company ("Common Shares") at the option of Pan American at the end of the Term, and is convertible into Common Shares at \$0.45 per share (the "Conversion Price"). Post conversion, Pan American would own 19.59% of the Common Shares on a partially diluted basis and 11.30% of the Common Shares on a fully diluted basis. Pan American will also have participation rights in any future equity or convertible debt financings to hold and maintain up to a 19.9% fully diluted ownership position in Galleon Gold.

At any time during the Term, Pan American can convert any portion of the principal amount of the Debenture into Common Shares at the Conversion Price. If Pan American converts any portion of the Debenture prior to the end of the Term, the accrued interest on such portion to that date will be payable in Common Shares and the price will be based on the higher of (i) the volume-weighted average price of the Common Shares for the last 20 trading days on the TSX Venture Exchange (the "TSXV"), and (ii) the last closing price of the Common Shares on the TSXV. The Company may, subject to Pan American's conversion rights, repay the Debenture in whole or in part, any time following the second anniversary of the date of issuance of the Debenture and prior to the end of the Term.

Proceeds from the Debenture will be used for surface development at the Company's planned bulk sample at West Cache. The Debenture and underlying Common Shares will be subject to a hold period of four months and one day, ending December 14, 2025 in accordance with applicable securities laws. The Transaction is subject to final acceptance of the TSXV.

This news release does not constitute an offer of securities for sale in the United States. The securities being offered have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and such securities may not be offered or sold within the United States absent U.S. registration or an applicable exemption from U.S. registration requirements.

## Toll Processing and Services Agreement MOU

The Company has entered into the MOU with Lake Shore Gold for the toll processing of mineralized materials from the Company's planned 86,500-tonne bulk sample from West Cache. The parties are working towards a definitive agreement ("Definitive Agreement") for the toll processing, which is expected to be completed in the near term. The proposed arrangement would see material transported to Pan American's Bell Creek Mill, located approximately 40 km east of West Cache. The Company will be responsible for delivery of the bulk sample to the mill, as well as the collection and arrangements for the final product. The Company will also enter into a services agreement with Pan American, which will provide the Company with

access to Pan American's team and equipment on a mutually agreed upon basis, providing technical support and manpower as needed.

R. David Russell, President and CEO of Galleon Gold, commented: "Pan American is a well-established operator in the Timmins mining camp and we welcome their strategic investment and endorsement of the Project and of our team. Our metallurgical testing indicates processing at the Bell Creek Mill will yield excellent gold recoveries and dovetail well with Bell Creek's current milling operations. Pan American has a proven template of hauling ore from their Timmins West Complex, located adjacent to West Cache, to their Bell Creek operations. We expect the toll milling arrangement will be beneficial to both companies and we look forward to working with their team to finalize the Definitive Agreement and progress towards Galleon Gold's first pour."

#### Advisor

West Harbour Capital acted as the financial advisor to Galleon Gold on this transaction.

#### Planned Bulk Sample

On April 9, 2025, Ontario's Ministry of Energy and Mines accepted and filed the Company's Closure Plan for West Cache. The approval allows the Company to initiate an advanced exploration program at the Project, which includes the extraction of an 86,500-tonne bulk sample.

The underground test mining program aims to provide integral information for pre-feasibility studies and derisk the Project's progression toward future mine development by collecting data from infill and exploratory drilling, mining method refinement, and mill processing and recovery ratios.

Figure 1 shows the location of the contiguous 11,580 ha property package in relation to producing and past-producing mines in the West Porcupine Gold Camp. The haulage distance between West Cache and the Bell Creek mining operations is approximately 40 km, utilizing Provincial Highway 101 and secondary bypass routes. Figure 2 depicts the box cut, portal, ramp and the four stopes planned to be mined from Zone #9 at a depth of 150 - 210 vertical meters below surface.

Zone #9 is a high-grade metasedimentary-hosted gold zone that extends from the bedrock interface to a known depth of 350 vertical meters below surface. Gold is associated with semi-massive to massive sulphide mineralization and has shown to be well-liberated and amenable to recoveries up to 98% (see our press release dated April 3, 2024). Underground drilling from the bulk sample ramp is planned to ascertain the zone's continuity at depth and its stratigraphic and structural relationship to deeper gold zones known to exist at depths of 550 meters to over 1 kilometer.

#### Figure 1 - West Cache Gold Project Location

To view an enhanced version of this graphic, please visit:

[https://images.newsfilecorp.com/files/1014/262406\\_f5efd6f9d40bcbb4\\_001full.jpg](https://images.newsfilecorp.com/files/1014/262406_f5efd6f9d40bcbb4_001full.jpg)

#### Figure 2 - Planned Portal and Underground Workings for Bulk Sample

To view an enhanced version of this graphic, please visit:

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#### Technical Content and Qualified Person

The technical content of this news release has been reviewed and approved by West Cache Gold Project Manager Leah Page, P. Geo. (ON, NS), a "Qualified Person" as defined in National Instrument 43-101 - Standards of Disclosure for Mineral Projects.

## About the West Cache Gold Project

The West Cache Gold Project is an advanced-stage gold exploration project covering approximately 11,580 ha located 13 km west of Timmins, Ontario on Provincial Highway 101. It is situated in the Western Porcupine Gold Camp along the Destor-Porcupine Fault corridor within the Abitibi greenstone belt, approximately 7 km northeast of Pan American Silver's Timmins West Mine. The mining lease area hosts the current Mineral Resource Estimate near the center, with additional exploration targets to the north and south. The Mineral Resource Estimate is contained within the Porcupine Sedimentary Basin, a favourable litho-structural corridor with over 5 km of strike-length on the Project. Mineralization is open in all directions and at depth.

To view an enhanced version of this graphic, please visit:

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## About Galleon Gold

Galleon Gold is an advanced exploration and development company focused on the West Cache Gold Project in Timmins, Ontario. The Project is located 7 km northeast of Pan American Silver's Timmins West Mine and 14 km southwest of the Hollinger Mine. The Company is gearing up for its first test mining at West Cache. The 86,500-tonne underground bulk sample is designed to provide valuable data for pre-feasibility studies. Galleon Gold's strategy is to systematically de-risk the Project while continuing to grow the asset through grassroots exploration.

## About Pan American

Pan American is a leading producer of silver and gold in the Americas, operating mines in Canada, Mexico, Peru, Brazil, Bolivia, Chile and Argentina. It also owns the Escobal mine in Guatemala that is currently not operating, and holds interests in exploration and development projects. Pan American has been operating in the Americas for over three decades, earning an industry-leading reputation for sustainability performance, operational excellence and prudent financial management. It is headquartered in Vancouver, B.C. and its shares trade on the New York Stock Exchange and the Toronto Stock Exchange under the symbol "PAAS".

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## Forward-Looking Statements

This news release contains certain "forward-looking statements", as defined under applicable Canadian securities laws, that reflect the current views and/or expectations of Galleon Gold with respect to the Transaction and the Definitive Agreement, the Company's long-term strategy, proposed work, plans, bulk sample program and other reports, including the PEA for its projects. Forward-looking statements are based on the then-current expectations, beliefs, assumptions, estimates and forecasts about the business and the markets in which Galleon Gold operates. Some of the statements contained herein may be forward-looking statements which involve known and unknown risks and uncertainties. Without limitation, statements regarding potential mineralization and resources, exploration results, expectations, plans, and objectives of Galleon Gold are forward-looking statements that involve various risks. The following are important factors that could cause Galleon Gold's actual results to differ materially from those expressed or implied by such forward-looking statements: changes in the world-wide price of mineral commodities, general market conditions and uncertainty of access to additional capital, risks inherent in mineral exploration, delays in the receipt of government approvals, risks associated with development, construction, mining operations and third party contractor activities, risks related to unanticipated events related to health, safety and

environmental matters. There can be no assurance that forward-looking statements will prove to be accurate as actual results and future events may differ materially from those anticipated in such statements. Galleon Gold undertakes no obligation to update such forward-looking statements if circumstances or management's estimates or opinions should change. The reader is cautioned not to place undue reliance on such forward-looking statements.

Neither the TSXV nor its Regulation Services Provider (as that term is defined in policies of the TSXV) accepts responsibility for the adequacy or accuracy of this release.

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