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Tintina Announces Investment in Chile and Debt Reorganization

TORONTO, Feb. 06, 2024 (GLOBE NEWSWIRE) -- Tintina Mines Limited ("Tintina" or the "Company") (TSXV: TTS) is pleased to announce that it has entered into an agreement dated as of today's date with Andean Belt Resources SpA ("ABR"), a mining exploration company incorporated under the laws of Chile, to acquire a 65%-75% equity ownership interest in ABR for cash consideration in the amount of \$4,000,000 (USD). As described in greater detail below, ABR is a related party of the Company. The terms of the agreement are set out in a term sheet signed by both of the parties, and it is anticipated that a definitive agreement regarding the transaction will be negotiated and entered into in due course.

ABR owns approximately 22,819 hectares across five different properties in Chile, with the flagship property being the Domeyko Sulfuros project in Northern Chile. Management believes that this investment will enable the Company to gain a majority interest in the ABR portfolio which will also grant it access to high quality exploration projects located in a geographically favourable setting in Chile. It is anticipated that, as a result of the acquisition, the Company will hold between 65%-75% of the issued and outstanding share capital of ABR, with the exact percentage to be determined based on due diligence and exchange rates. As described below, this will be a related party transaction for the Company.

The funds provided as consideration for the acquisition are intended to be used primarily to finance exploration and technical studies at the Domeyko Sulfuros property in Chile. The immediate plan will be to conduct a comprehensive exploration of the primary sulfide mineralization at the Domeyko Sulfuros property, with the central objective of advancing the project towards a resource definition stage supported by reports generated in accordance with international standards.

"We are excited about this investment, our first outside of Canada, since this gives us access to a world-class exploration portfolio with great potential to generate substantial value to our shareholders," stated Eugenio Ferrari, CEO and Director of Tintina Mines.

In addition, the Company also has reached an agreement with its shareholder and sole creditor, Mr. Juan Enrique Rassmuss, to fully reorganize the Company's debt (currently in the amount of \$12,071,484.57 (CAD)). The proposed debt reorganization would take place through two processes. The first is a partial conversion through the issuance of the lower of (i) 252,382,833 new common shares of the Company and (ii) such number of common shares of the Company that would result in no less than 10% of the common shares of the Company being in the "public float" (as defined in the policies of the TSX Venture Exchange), at a price of \$0.03 per common share for an aggregate of up to \$7,571,484.57 (CAD). The second component of the debt reorganization is the restructuring and reprofiling of the remaining debt (in the amount of approximately \$4,500,000 (CAD)) that is anticipated to enhance the investment profile of the Company mainly by eliminating the current shareholders' deficiency and suspending the on-demand condition for a period of two years. This will be a related party transaction for the Company and will only be completed subject to the approval of the investment in ABR.

Both of the transactions described above are subject to all necessary regulatory and other approvals, including but not limited to the approval of the TSX Venture Exchange and the approval of the shareholders of the Company. Additional terms and details relating to each of the transactions described herein will be provided in further press releases.

Both of the transactions described above are “related party transactions” under the policies of the TSX Venture Exchange and Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* (“MI 61-101”) due to the involvement of Mr. Juan Enrique Rassmuss in each transaction. Mr. Rassmuss is the President and Chairman and a director of the Company, and also holds approximately 30% of the issued and outstanding common shares of the Company. With respect to the investment into ABR, the local ownership entity for the ABR properties is affiliated with the Rassmuss Group of Companies, a diversified conglomerate with over 50 years of experience operating across various industries, including mining, oil and gas, metallurgy, and textiles in South America. Juan Enrique Rassmuss is the President and CEO of the Rassmuss Group.

As these are related party transactions, shareholder approval on a disinterested basis will be required in order to each of them to proceed. The Company intends to rely on the exemption from the valuation requirement found in section 5.5(b) of MI 61-101.

With respect to the transactions described in this press release: (i) there are no finder’s fees payable; and (ii) the Company is not taking on any long term debt.

Trading in the common shares of the Company is currently halted and it is not anticipated that trading will resume prior to the completion of the transactions described herein.

About Tintina

Tintina is a Canadian-based company with over twenty years of experience in the junior mining industry. Tintina currently owns two main properties, both of which are located in Yukon. The common shares of Tintina are listed for trading on the TSXV under the symbol “TTS”.

Tintina Contact:

Tintina Mines Limited
Mr. Jing Peng
82 Richmond Street East
Toronto, Ontario
M5C 1P1
Phone: (416) 848-9888
Email: jpeng@marrellisupport.ca

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Forward-looking Statements

This press release contains forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties and assumptions and accordingly, actual results and future events could differ materially from those expressed or implied in such statements. You are hence cautioned not to place undue reliance on forward-looking statements. All statements other than statements of present or historical fact are forward-looking statements and the forward-looking statements in this press release include but are not limited to statements regarding completion of the transactions described in this press release on the terms described herein, or at all, and the potential benefits of such transactions. Forward-looking statements include words or expressions such as “proposed”, “will”, “subject to”, “near future”, “in the event”, “would”, “expect”, “prepared to” and other similar words or expressions. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is based on assumptions made in good faith and believed to have a reasonable basis. Such assumptions include, without limitation: that existing the Company will be able to negotiate definitive terms with respect to the transactions described herein on the terms as currently expected or at all; and that the Company will be able to receive all necessary approvals that are required in order to complete such transactions.

Factors that could cause future results or events to differ materially from current expectations expressed or implied by the forward-looking statements include: the risk that the terms of a definitive agreement cannot be reached or cannot be reached; the risk that the Company will not obtain all necessary approvals for the transactions described herein to proceed; general business, economic, competitive, political and social uncertainties; the state of capital markets; failure to

realize the anticipated benefits of the transactions described herein; other unforeseen events, developments, or factors causing any of the aforesaid expectations, assumptions, and other factors ultimately being inaccurate or irrelevant; and any risks associated with the ongoing COVID-19 pandemic.

You can find further information with respect to these and other risks in filings made with the Canadian securities regulatory authorities that are available at www.sedarplus.ca. The Company disclaims any obligation to update or revise these forward-looking statements, except as required by applicable law.