

Guardian Announces Acquisition of Yukon Mining Property

Calgary, Alberta--(Newsfile Corp. - March 5, 2021) - Guardian Exploration Inc. (TSXV: GX) (the "**Corporation**" or "**Guardian**") announces that it has completed the acquisition (the "**Acquisition**") from DG Resources Management Ltd. ("**DGM**") and Graydon Kowal ("**Kowal**" and together with DGM, the "**Vendors**") of their interests in and to a mining property known as the Mount Cameron Property located in the Mayo Mining District in the Yukon (the "**Assets**"). The acquisition was first announced in the Corporation's press release dated May 21, 2020.

In consideration for the Assets, the Corporation issued 4,000,000 Common Shares in the share capital of Guardian to the Vendors and a 2% Net Smelter Royalty, which Net Smelter Royalty shall be repurchaseable by Guardian from the Vendors at a price of \$1,000,000 for a period of five years. The Corporation also assumed debt in the amount of \$50,000 owed by Graydon Kowal to Dahrouge Geological Consulting Ltd. (an affiliate of DGM) and debt in the amount of \$10,000 owed by DGM to Dahrouge Geological Consulting Ltd. (the "**Debt Assumption**"). The debt assumed by the Corporation bears no interest and is payable in increments of \$15,000 semi-annually until repaid.

In connection with the Acquisition, the Corporation completed a private placement (the "**Private Placement**") whereby an aggregate of 2,000,000 Flow-Through Units at a price of \$0.10 per unit, and an aggregate of 2,100,000 Ordinary Units were issued at a price of \$0.05 per unit, for aggregate gross proceeds of \$305,000.00.

Flow-Through Units consist of one Common Share issued on a tax flow-through basis and one warrant issued on a tax flow-through basis ("**Flow Through Warrant**"). Each Flow-Through Warrant will entitle the holder to purchase one non-flow-through Common Share ("**Ordinary Share**") at a price of \$0.15 for a period of three years from the date of issuance.

Ordinary Units consist of one Ordinary Share and one non-flow-through warrant ("**Ordinary Warrant**"). Each Ordinary Warrant entitles the holder to purchase one additional Ordinary Share at a price of \$0.25 for a period of three years from the date of issuance.

The Flow-Through Warrants and the Ordinary Warrants are subject to an acceleration clause, such that if the closing price of the Corporation's common shares trading on the Exchange is greater than \$0.15 (for the Flow-Through Warrants) or \$0.25 (for the Ordinary Warrants) for 30 consecutive trading days, the Corporation may, by giving notice to the holders, accelerate the warrant expiry date whereby such warrants will expire on the 30th day after the date on which the notice is provided.

The Corporation intends to use the proceeds from the Private Placement in order to fund the proposed work program for the Assets. The gross proceeds from the sale of the Flow-Through Units will be used for expenditures which qualify as "Canadian exploration expenses" ("**CEE**") and "flow-through mining expenditures" both within the meaning of the *Income Tax Act* (Canada). The Corporation will renounce such CEE in accordance with the rules and regulations of the *Income Tax Act* (Canada).

There will be a hold period of four months and one day on all securities issued under the Private Placement.

No finder's fees were paid in respect of the Private Placement.

Closing of the Acquisition, Private Placement and Debt Assumption were subject to the conditional approval from the TSX Venture Exchange, which has been obtained.

Related Party Transaction

Because Graydon Kowal is one of the Vendors of the Assets and is also a director of the Corporation and is its President and CEO, the Acquisition was a "Related Party Transaction" under Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). Additionally, Mr. Kowal purchased an aggregate of 1,000,000 Flow-Through Units and 600,000 Ordinary Units under the Private Placement, which purchases would also be considered Related Party Transactions. The Corporation relied upon the exemptions from the minority shareholder approval and valuation requirements set out in Sections 5.7(1)(a) and 5.5(a), respectively, of MI 61-101.

The Acquisition and Private Placement were approved by the directors of the Corporation by resolution, with Graydon Kowal declaring his interest in the outcome of the resolutions and abstaining from voting with respect thereto.

A material change report regarding the Private Placement was not filed 21 days before the completion of the Private Placement as 21 days prior to the completion of the Private Placement, completion of the Private Placement was uncertain and therefore did not at that time constitute a material change. A material change report regarding the Acquisition was filed on August 24, 2020; however, as completion of the Private Placement was a condition to the completion of the Acquisition, completion of the Acquisition was also uncertain as of 21 days prior to completion.

Early Warning

Prior to the Acquisition, Mr. Kowal owned an aggregate of 66,490,085 common shares in the capital of the Corporation, or 89.5% of the common shares of the Corporation then issued and outstanding (diluted and undiluted). As a result of the Acquisition and Private Placement, Mr. Kowal now owns 70,090,085 common shares of the Corporation which comprise 85.0% of the common shares of the Corporation issued and outstanding, undiluted, or 82.9%, fully diluted. Mr. Kowal also holds Flow-Through Warrants and Ordinary Warrants which, together, entitle him to purchase an additional 1,600,000 common shares of the Corporation for a period of three years, subject to acceleration.

In the future, depending on economic or market conditions or matters relating to the Corporation Mr. Kowal may choose to either acquire additional securities or dispose of securities of the Corporation. Mr. Kowal has no present intention to acquire additional securities of the Corporation.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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

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