

GLEN EAGLE RESOURCES INC.

December 10, 2024

TSX-V: GER

GLEN EAGLE RESOURCES INC. ANNOUNCES OPTION AGREEMENT, GEM SETTLEMENT AGREEMENT, AND SHAREHOLDER APPROVAL OF THE OPTION AGREEMENT

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MONTRÉAL, QUÉBEC – GLEN EAGLE RESOURCES INC. (TSX-V: GER) (“**Glen Eagle**” or the “**Company**”) announces that at its special meeting of shareholders held on December 3, 2024, it received the necessary approval from its shareholders with respect to the transactions contemplated by the share purchase option agreement dated September 23, 2024 (the “**Option Agreement**”) with Cobra Oro De Honduras, S.A. DE C.V. (“**Cobra**”), a corporation existing under the laws of Honduras, and Gold Max, S DE R.L. (the “**Purchaser**”), a corporation existing under the laws of Honduras whereby Glen Eagle granted the Purchaser an exclusive right and option (the “**Option**”) to purchase all the issued and outstanding shares in the capital of Cobra (the “**Cobra Shares**”) and thus, the rights to all real property, mining claims/licenses and similar rights in real property related to or in connection with the Cobra Oro processing plant, located in Honduras (the “**Property**”). The Purchaser is not a Non-Arm’s Length (as such term is defined in accordance with the policies of the TSX Venture Exchange (the “**TSXV**”)) party to the Company.

All dollar amounts disclosed herein are in Canadian dollars, unless stated otherwise.

Pursuant to the terms and conditions of the Option Agreement, subject to the fulfillment of the Option Condition Precedent (as defined below), to acquire the Cobra Shares, the Purchaser shall:

- (i) subject to the terms and conditions of the Settlement Agreement (as defined and described below) make cash payments to Glen Eagle in an aggregate amount of USD\$3,256,275 (the “**Cash Payments**”) comprised as follows:
 - a. USD\$48,590 as of September 30, 2024 and \$48,590 as of October 1, 2024 (collectively, the “**Committed Payment**”);
 - b. USD\$72,885 on November 1, 2024;
 - c. USD\$97,180 on the first of each month for a period of 31 months beginning December 1, 2024; and
 - d. USD\$73,630 on July 1, 2027;
- (ii) pay, or cause Cobra to pay: (A) any liabilities not disclosed in the most recent balance sheet of Cobra and (B) any maintenance costs required to keep the Property in good standing (“**Maintenance Costs**”) and incurred after the effective date of the Option Agreement (the “**Effective Date**”); and
- (iii) comply with all and any applicable environmental, tax and mining laws, regulations, mandates, contracts and/or orders.

“**Option Condition Precedent**” means Cobra must have no outstanding liabilities other than those disclosed: (A) in the most recent balance sheet of Cobra and (B) the Maintenance Costs incurred between July 1, 2024 and the Effective Date.

As of the date of this press release, the Company has received the Committed Payments (due as of September 30, 2024 and October 1, 2024) and partial payment for the respective Cash Payment due as of November 1, 2024. The Company anticipates that the balance of the respective Cash Payments owing as of November 1, 2024 and December 1, 2024 will be received during the month of December 2024.

The Purchaser may accelerate the timeline of the Cash Payments in whole or in part, and in its sole discretion. Upon completion of the Cash Payments, the Purchaser will be deemed to have exercised the Option and earned a 100% exclusive ownership interest in the Cobra Shares.

Other than with respect to its obligation to pay the Committed Investment, the Purchaser may elect to terminate the Option and any ensuing obligations at any time by delivering notice to Glen Eagle. Upon termination, the Purchaser shall have no rights or interests to the Cobra Shares.

The Option constitutes a “Reviewable Transaction” as defined in Policy 5.3 - *Acquisitions and Dispositions of Non-Cash Assets* (“**Policy 5.3**”) of the TSXV’s Corporate Finance Manual. On November, 5, 2024, the Company received conditional approval from the TSX Venture Exchange with respect to the Option. For further details with respect to the shareholder approval of the Option, refer to the Management Information Circular of the Company dated October 30, 2024 and available on the Company’s SEDAR+ profile at www.sedarplus.ca.

Settlement Agreement

The Company also announces that it entered into a settlement agreement (the “**Settlement Agreement**”) with GEM Global Yield LLC SCS (“**GEM**”) and GEM Yield Bahamas Limited (“**GYBL**”) with respect to the dispute arising pursuant to a share subscription share agreement entered into between the Company, GEM, and GYBL. As disclosed in the Company’s press release dated September 16, 2022 and March 15, 2024, respectively, an arbitral award was rendered on September 8, 2022, by the International Centre for Dispute Resolution (the “**Arbitral Award**”) against the Company with respect to such matter and the Company chose not to appeal the enforcement of the Arbitral Award in Québec (the “**Homologation Judgment**”).

Pursuant to the Settlement Agreement:

- (i) Glen Eagle will pay \$1,800,000 to GEM (the “**Settlement Amount**”) as follows:
 - a. Glen Eagle will remit directly to GEM, 40% of all Cash Payments received pursuant to the Option Agreement (or any other agreement relating to the sale of the Property); and
 - b. Glen Eagle will remit 20% of gross proceeds from any and all equity financings completed after the date of the Settlement Agreement.
- (ii) If the Option Agreement is terminated or another agreement is not entered into with respect to the sale of the Property for at least \$3,000,000 within 120 days of the date of the Settlement Agreement, Glen Eagle shall be liable to pay to GEM the balance of the outstanding Settlement Amount within ten (10) days of the expiry of such 120 day period.

If Glen Eagle defaults upon the Settlement Agreement or the Settlement Amount, GEM and GYBL shall be entitled to the full effect of the Arbitral Award and Homologation Judgment.

Director Resignation

Glen Eagle also announces that one of its directors, Jean Labrecque, resigned as a director of the Company. The Company thanks Mr. Labrecque for his hard work and wishes him all the best in his next endeavor.

About Glen Eagle

Glen Eagle Resources Inc. is a small producer and an exploration company of precious metals in Canada and the Central America area.

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Certain of the statements and information in this news release constitute “forward-looking statements” or “forward-looking information”. Any statements or information that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as “expects”, “anticipates”, “believes”, “plans”, “estimates”, “intends”, “targets”, “goals”, “forecasts”, “objectives”, “potential” or variations thereof or stating that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved, or the negative of any of these terms and similar expressions) that are not statements of historical fact may be forward-looking statements or information. Forward looking statements or information relate to, among other things: (i) the payment of the Cash Payment; (ii) the exercise of the Option; (iii) the fulfillment of the Company’s obligations under the Option Agreement, including the payment of the finder’s fee, transfer of the Cobra Shares; and (iv) the payment of the Settlement Amount and fulfillment of the terms described in the Settlement Agreement.

Forward-looking statements or information are subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual events or results to differ from those reflected in the forward-looking statements or information, including, without limitation, the need for additional capital by the Company through financings, the receipt of the Cash Payments, the completion of the Option Agreement and Settlement Agreement pursuant to the terms agreed upon; the speculative nature of exploration and the stages of the Property; the effect of changes in commodity prices; and regulatory risks regarding the approval of the transactions contemplated therein. This list is not exhaustive of the factors that may affect any of the Company’s forward-looking statements or information. Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors

that cause results not to be as anticipated, estimated, described or intended. Accordingly, readers should not place undue reliance on forward-looking statements or information.

The Company's forward-looking statements and information are based on the assumptions, beliefs, expectations and opinions of management as of the date of this news release, and other than as required by applicable securities laws, the Company does not assume any obligation to update forward-looking statements and information if circumstances or management's assumptions, beliefs, expectations or opinions should change, or changes in any other events affecting such statements or information.

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