

# Philippine Metals Announces Proposed Acquisition of ReVolve Renewable Power Limited

Vancouver, British Columbia--(Newsfile Corp. - June 24, 2021) - **Philippine Metals Inc. (TSXV: PHI)** ("**PMI**" or the "**Company**") is pleased to announce that it has entered into a letter of intent dated June 16, 2021 with ReVolve Renewable Power Limited ("**ReVolve**") pursuant to which the parties will, inter alia, negotiate a plan of arrangement agreement whereby PMI will acquire all of the outstanding shares of ReVolve in exchange for shares of PMI (the "**Acquisition**"). The Acquisition will constitute a reverse takeover ("**RTO**") under the policies of the TSX Venture Exchange (the "**TSXV**") and is an arm's length transaction. All currency figures quoted herein are in Canadian dollars unless stated otherwise.

## Information Concerning ReVolve

ReVolve Renewable Power Limited ([www.revolve-renewablepower.com](http://www.revolve-renewablepower.com)) is in the business of developing utility scale renewable energy generation projects in North America with a particular focus on wind, solar and battery storage technologies.

ReVolve was established in 2012 and since then has successfully built a diversified portfolio of projects across the different renewable energy technologies in both the US and Mexican markets. It currently has a portfolio of 2.23 gigawatts ("GW") of projects under active development and a further 1.16GW of greenfield opportunities, which it is in the process of converting to its pipeline in the near term.

This pipeline including these greenfield opportunities is split between 1.33GW of wind projects, 370MW of solar projects, 1.67GW of solar & battery storage projects and a 20MW dedicated battery storage project.

ReVolve is in the process of rapidly expanding its pipeline and development activities in the US and is targeting an active portfolio of up to 3GWs under development by the end of 2022 in addition to a 2GW target for Mexico.

ReVolve's business model is based on identifying greenfield project development opportunities focusing on strong renewable resource areas, proximity / availability of capacity on the local transmission network as well as environmental considerations. These projects are then brought through the development cycle with the company obtaining the necessary federal, state and other permits and authorisations required for the project as well as securing the necessary interconnection capacity in order for the project to commence construction.

ReVolve then adopts an asset monetisation strategy, whereby it looks to sell development rights to its projects to other Utilities, Independent Power Producers (IPP's) or Institutional Investors active in the renewable energy sector. ReVolve intends on continuing to implement this strategy for its active development pipeline, while retaining the flexibility to change this strategy if the opportunity arises to a construct, finance and operate model focused on generating longer term revenue and cashflow.

The ReVolve team has already successfully completed the development of 324MW of projects realising over US\$17m from the sales of individual project shares, the provision of development services and other transaction related fees related to these projects.

The renewable energy market is expected to be one of the fastest growing segments of the energy industry as global economies and companies transition to a net zero carbon position by 2050 as established under the Paris Climate Agreement. This growth will be driven by (i) the replacement of existing fossil fuel generators to renewable energy alternatives and (ii) a significant increase in overall electricity generation / demand as a result of the electrification of the transportation sector as well as

other end use sectors and the expected increase in green hydrogen production.

According to the IRENA World Energy Transitions Outlook March 2021

(<https://www.irena.org/publications/2021/March/World-Energy-Transitions-Outlook>), under their 1.5°C Scenario by 2050 electricity would be the main energy carrier with over 50% (direct) share of total final energy electricity requiring a three-fold increase in electricity generation by the same date. By 2050, 90% of total electricity needs would be supplied by renewables requiring an increase in renewable generation from 2,500GW today to over 27,700GW by 2050. This will require more than 840GW of new renewable generation capacity additions each year up from around 200GW added in recent years. The US market is expected to experience a large share of this forecasted growth particularly with the recent policy changes and supports announced by the Biden administration.

## Transaction Summary

Pursuant to the Transaction, it is anticipated that PMI will consolidate its outstanding common shares on the basis of one new share ("New PMI Shares") for every four old shares. PMI will then issue 35,100,000 New PMI Shares in exchange for 100% of the issued and outstanding shares of ReVolve (which currently has 14,108,762 common shares issued and outstanding). Additionally, ReVolve is currently undertaking a financing of between €2,000,000 and €5,000,000 at approximately €0.815 per unit totalling between 2,453,988 and 6,134,969 units (the "ReVolve Private Placement"), with each unit comprising one common share and one common share purchase warrant, with each full warrant giving the holder the right to acquire one additional common share at a price of €1.20 per share for a period of eighteen months). Each unit issued in the ReVolve Private Placement will be exchanged for 2.5 New PMI Shares resulting in an effective price of C\$0.50 per New PMI Share and one warrant to acquire a further New PMI Share at an effective price of C\$0.75 per New PMI. As a result, it is expected that PMI will issue a total of between 41,234,969 and 50,437,423 New PMI Shares to existing shareholders of ReVolve and subscribers under the ReVolve Private Placement, with such final number dependent on the sum raised in the ReVolve Private Placement.

Additionally, PMI will complete a separate financing of a minimum of C\$1,500,000 in the form of subscription receipts (the "PMI Financing"). The PMI Financing will be priced at no less than C\$0.50 per Unit, with each Unit comprising one New PMI Share and one warrant to acquire a new PMI Share at a price of C\$0.75 per New PMI Share for a period of eighteen months from closing of the financing.

The final structure of the Transaction is subject to receipt of tax, corporate and securities law advice for both PMI and ReVolve.

The Transaction will not be a related party transaction under applicable securities and TSXV rules. No deposit or advance has been made, or is anticipated to be made, by PMI to ReVolve in connection with the Transaction. PMI currently has 20,118,338 common shares issued and outstanding, as well as 1,000,000 stock options exercisable at C\$0.07 per share (which includes 150,000 common options that were previously announced but have yet to be issued to an Independent Director of PMI). As previously stated, the share capital of PMI will be consolidated on the basis of one New PMI Share for every four existing shares.

The Transaction is subject to a number of terms and conditions, including, but not limited to: the completion of a minimum PMI Financing of not less than C\$1,500,000, the parties entering into a definitive agreement with respect to the Transaction (such agreement to include representations, warranties, conditions and covenants typical for a transaction of this nature); the completion of satisfactory due diligence investigations by the parties on or before July 31, 2021; receipt of all necessary board and shareholder approvals; completion of the financing described above and receipt of the approval of either the TSX Venture Exchange. A request will be made to the TSXV for a waiver of the sponsorship requirements contained in TSXV Policy 2.2 – *Sponsorship and Sponsorship Requirements*, but there is no assurance that such waiver will be granted. There can be no assurance that the Transaction will be completed as proposed or at all.

Trading in the shares of PMI is expected to remain halted until the Transaction has been completed. Further details concerning the Transaction (including additional financial information) and other matters will be announced if and when a definitive agreement is reached.

Until the earlier of the termination date of the LOI and the closing date of the Transaction, each of the Company and ReVolve agree to negotiate in good faith exclusively with each other in respect of the Transaction and shall not (and will not, directly or indirectly, permit any of their representatives to): (i) enter into, or continue, or do anything to facilitate or encourage negotiations with any other person that reasonably could be expected to lead to any Acquisition Proposal (as defined below) other than the Transaction; or (ii) directly or indirectly provide information to any person, solicit, or do anything to facilitate or encourage expressions of interest from any other person in respect of any such a transaction.

Each of the Company and ReVolve agree to promptly disclose to the other any unsolicited offer it receives for: (i) the purchase of their respective shares, or any portion thereof; (ii) the purchase of all or substantially all of its respective assets; or (iii) any amalgamation, arrangement, merger, business combination, take-over bid, tender or exchange offer, variation of a take-over bid, tender or exchange offer or similar transaction (an "Acquisition Proposal"), as applicable, made to its board of directors or management, or directly to its securityholders.

## **Management and Board of Resulting Issuer**

Upon completion of the Transaction, it is expected that the board of directors of the Company (or the "Resulting Issuer") will be comprised of Omar Bojorquez, Steve Dalton and a number of the existing ReVolve board members. The Resulting Issuer has not yet selected its chief financial officer. Brief biographies of the individuals named above are provided below.

***Omar Bojorquez, President & Director*** - Mr. Bojorquez is a co-founder of ReVolve and has been a key driver of the development of ReVolve since inception. He has been involved in the renewable energy industry for the last twelve years and has been responsible for leading the project development activities in Mexico including the 324MW of projects fully developed by the company. Prior to founding ReVolve Omar was a deputy Commercial Counsellor with the National Bank of Foreign Trade (or "Bancomext"). He has a Bachelors of Law from Universidad Panamericana as well as an Advanced Diploma in International Law and Legal Studies from Universidad Nacional de Educación a Distancia (U.N.E.D.)

***Steve Dalton, Chief Executive Officer & Director*** - Mr. Dalton is a co-founder of ReVolve and has been involved in various aspects of the renewable energy sector since 2004. Along with Omar, he has been a key part of the executive management team that has driven the development of the business with a particular focus on the commercial and financing activities undertaken by ReVolve. Steve has also led ReVolve's efforts to expand into the US market building the portfolio and pipeline to over 2GW today. He has a background as a project financier working for the Irish subsidiary of Royal Bank of Scotland and during this role led the financing of over 500MW or 35+ renewable energy projects. He has also successfully developed other wind generation and battery storage projects and has provided corporate finance advice to various other independent developers of renewable energy projects. He has a Bachelors of Business Studies and Accountancy from LSB College (now Dublin Business School) and is a member of the Institute of Directors in Ireland.

***Roger Norwich, Director & Chairman*** - Dr. Norwich is a co-founder of ReVolve and has been the company Chairman and a major shareholder since 2012. He has wide-ranging board experience with publicly-listed companies including Rio Alto Mining Limited, Otis Gold Corp, Excellon Resources Inc. (TSX:EXN) and Asante Gold Corp (CSE:ASE) as well as serving on the board of various private enterprises. He was a founding Director of Mexican Silver Mines Ltd., which completed a merger with Rio Alto Mining Limited ("Rio Alto") in 2009. He remained an Independent Director of Rio Alto (which has since been acquired by Tahoe Resources Inc.) through to June of 2014, a period during which Rio Alto grew from a development asset through to a mid-tier gold producer. Currently, Dr. Norwich is non-Executive Chairman of Mexico-based Grupo Minero Panuco S.A. de C.V, a private company which has

producing copper and gold assets in Mexico. He is also a Director of Inkron Limited, a private company based in Hong Kong which is involved in nanometal (nanocopper and nanosilver) production for the electronics industry. Dr. Norwich has a B.A. in Geology and Archaeology (1974) from Manchester University England. He also holds Bachelor of Medicine and Bachelor of Surgery degrees from Manchester University.

**Joseph O'Farrell, Non-Executive Director** - Mr O'Farrell has over 30 years corporate experience in the energy and mining industry. He is a co-founder of ReVolve and is also a major shareholder. He has managed several energy companies and is a former director of OilQuest Resources plc and Nighthawk Energy plc, having been a director of these two companies at the time of their respective flotations on the Alternative Investment Market (AIM) in London. He has assisted several companies working in conjunction with corporate advisers in pre-IPO fundraising and project acquisition and has a track record in equity fund raising for both public and private companies. He is currently a director of Union Jack Oil plc (AIM:UJO).

**Finn Lyden, Non-Executive Director** - Finn is a Fellow of the Irish Academy of Engineers and also of the Institute of Chartered Accountants in Ireland. His career includes twelve years consulting with two of the Big Four Accounting Firms, followed by seven years as Development Manager Mainland Europe with CRH plc. He was CEO of the SIAC Construction Group for eighteen years. He is an investor in and Director of a number of exciting young companies. He is Chairman of the Board of Vasorum Ltd, which has an FDA approved closure device for punctures in the femoral artery. He is also Chairman of the Board of Trustap Ltd, which provides payment security for online transactions. He has been an active investor in renewable energy for a long time and was an early shareholder in ReVolve.

**Jonathan Clare, Non-Executive Director** - Mr Clare is a former career diplomat with the UK Foreign & Commonwealth Office having served over 15 years overseas in Latin America and North America in senior political and commercial roles. Experienced business development executive with exposure to multiple industrial sectors predominantly in the Americas over the last 20 years. Former Head of Mission in Monterrey leading the energy, mining and advanced engineering commercial teams with UK Trade and Investment (2007-2012). Jonathan has supported leading UK and US consultancies covering security, policy strategy and business intelligence in the Americas since 2012. Former board member of British Chamber of Commerce and Energy and Security Committees in Mexico (2012-2015). Since 2019 Mr Clare has been actively supporting initiatives dedicated to renewables, sustainable reforestation, risk mitigation, and emerging and advanced technologies. Science and Business Management graduate from Royal Holloway University of London (1992) with modules in Japanese management principles and special projects in energy and renewables. Post graduate studies within Foreign & Commonwealth Office at Kings College and London School of Economics in international relations and national security.

**JP Maguire, Non-Executive Director** - Mr. Maguire has over 20 years' experience in capital markets ranging from future options markets in Sydney for Man Financial, equity trading, treasury and FX sales for various other financial institutions as well as head of equity trading for Dolmen Stockbrokers from 2005- 2010. He has been involved in raising over €500m from the equity and debt markets for a various sectors and more recently focussed on businesses in the renewable energy and decarbonisation sector. He is currently a senior executive with Cantor Fitzgerald where he has held many senior roles at the firm in Dublin and is also non-executive director of Farra Marine Limited, an offshore wind service business focused on the UK and Europe. Mr Maguire is a graduate of Dublin Business School and holds a Bachelor of Business Administration (B.B.A). He is a Registered Stockbroker and a QFA with the IOB (Institute of Bankers) and holds Level 4 cert IMC (Investment Management) from the CFA Society UK. He is also a member of the Institute of Directors in Ireland and the CISI (Chartered Institute for Securities and Investment).

PMI has a right to appoint a Director to the board of the Resulting Issuer; information on this individual will be provided at a later date.

## Other Information

ReVolve is an Irish company incorporated on May 19, 2011. Its major shareholders (pre Financing) are as follows:

Shareholder Name	Controlling Party	No of ReVolve Shares	% Held
A Ravenwood Holdings Limited	Roger Norwich	3,078,717	21.8
J & M O Farrell Limited	Joseph O'Farrell	3,078,717	21.8
Omar Bojorquez	n/a	1,221,309	8.7
Twinkleford Limited	Finn Lyden	1,390,677	9.9
Vervos Capital Limited	Steve Dalton	1,221,309	8.7

ReVolve generated revenue of €4,346,493 and €2,484,758 and Profit before Tax of €4,053,281 and €2,241,563 for the financial years ending 30<sup>th</sup> June 2020 and 30<sup>th</sup> June 2019 respectively. As at the 30<sup>th</sup> June 2020 shareholders equity was €4,610,322. All information contained herein is unaudited and prepared on an unconsolidated basis. Additional financial information will be forthcoming as it becomes available.

All information contained in this news release relating to ReVolve was provided by ReVolve to the Company for inclusion herein. The Company has not independently verified such information and shall bear no liability for any misrepresentation contained therein. Completion of the transaction is subject to a number of conditions, including, but not limited to, either TSXV to list the Company's common shares and the approval of ReVolve shareholders. Where applicable, the Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Transaction will be completed as proposed or at all. Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the Transaction, any information released or received with respect to the transaction may not be accurate or complete and should not be relied upon. The resulting issuer will be a Tier 2 Industrial/Technology company under the rules of the TSXV. Trading in the securities of PMI should be considered highly speculative.

## Termination of Consortium Project Option Agreement

As a result of the proposed Transaction, PMI advises that it has terminated the agreement to acquire a 100% interest in the Consortium Project (see News Release dated February 1, 2021) and has returned the 51% interest it acquired on signing back to the vendor of the project.

## Forward Looking Information

*This news release contains forward-looking statements and other statements that are not historical facts. Forward-looking statements are often identified by terms such as "will", "may", "should", "anticipate", "expects" and similar expressions. All statements other than statements of historical fact included in this release, including, without limitation, statements regarding the transactions, concurrent financings or any contemplated change to the Company, are forward-looking statements that involve risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company's expectations are risks detailed from time to time in the filings made by the Company with securities regulations.*

*The reader is cautioned that assumptions used in the preparation of any forward-looking information*

*may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company. As a result, the Company cannot guarantee that any forward-looking statement will materialize and the reader is cautioned not to place undue reliance on any forward-looking information. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement. The forward-looking statements contained in this news release are made as of the date of this news release and the Company will only update or revise publicly any of the included forward-looking statements as expressly required by Canadian securities law.*

ON BEHALF OF THE BOARD

"Craig T. Lindsay"

Chief Executive Officer

For additional information, please contact:

Craig Lindsay

Tel: (604) 218-0550

Email: [craig@agcap.ca](mailto:craig@agcap.ca)

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

*This News Release does not constitute an offer to sell or a solicitation of an offer to sell any securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "US Securities Act") or any State securities laws, and may not be offered or sold within the United States or to US Persons unless registered under the US Securities Act and applicable State securities laws, or an exemption from such registration is available.*



To view the source version of this press release, please visit

<https://www.newsfilecorp.com/release/88521>