

Colibri Announces Proposed Amendments to Debentures and Warrants

Dieppe, New Brunswick--(Newsfile Corp. - July 16, 2025) - Colibri Resource Corporation (TSXV: CBI) ("**Colibri**" or the "**Company**") announces its intention to amend certain terms of its currently outstanding 10% unsecured convertible debentures (the "Debentures") that were originally issued in two tranches by the Company through private placement on August 1 and August 31, 2023 (see the Company's news releases of August 4, September 12 and September 22, 2023). As at the date hereof, there is US\$619,000 of Debentures outstanding. The Company also intends to amend the terms of 3,720,792 outstanding common share purchase warrants (the "Warrants") and 11,049 finders' options (the "Finder's Options") which were issued in conjunction with the Debentures.

The Debentures mature as to US\$444,000 on August 1, 2025 and US\$175,000 on August 31, 2025 with 10% annual interest payable quarterly and upon maturity. The principal amount of the Debentures are currently convertible into common shares at a price of C\$0.50 per Common Share after adjusting for a share consolidation effected on June 13, 2025 (see the Company's news release dated June 11, 2025). The Debentures carry a fixed foreign exchange rate of C\$1.30 for each US\$1 of principal for conversion purposes. Interest on the Debentures may not be converted to Common Shares.

In respect of the Warrants, each Warrant currently entitles the holder to acquire one Common Share at a price of C\$0.60 per share (after adjusting for the aforementioned share consolidation) with 2,637,582 Warrants expiring on August 1, 2025 and 1,083,200 expiring on August 31, 2025.

Each Finder's Options currently entitles the holder to acquire one Common Share at a price of C\$0.60 per share (after adjusting for the aforementioned share consolidation) expiring on August 31, 2023.

The Company intends to amend the Debentures as follows:

(a) The maturity date will be extended for an additional two years to August 1, 2027 and August 31, 2027 respectively and the conversion price will be reduced to C\$0.25 per Common Share;

(b) alternatively, debenture holders will be offered the option to convert the Debentures at a price of C\$0.15 per Common Share on the current maturity date.

All other terms of the Debentures remain unchanged.

The Company intends to amend the term of the Warrants and the Finder's Options by extending their expiry date an additional two years and reducing the exercise price to C\$0.25.

In accordance with TSX Venture Exchange policy, any amended Warrants and Finder's Options will include an accelerated expiry clause such that the exercise period of the amended Warrants and Finder's Options will be reduced to 30 days if, for any ten consecutive trading days during the unexpired term of the amended Warrants and Finder's Options, the closing price of the Company's Common Shares exceeds \$0.30.

Insiders of the Company currently hold 135,400 Warrants (the "Insider Warrants"). The application of any amendments to the Insider Warrants constitutes a "related party transaction" within MI 61-101 - *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**") but are exempt from the MI 61-101 valuation and minority approval requirements for related party transactions under sections 5.5(a) and 5.7(1)(a) as neither the fair market value (as determined under MI 61-101) of the subject matter of, nor the fair market value of the consideration for, the transaction, insofar as it involves the Related Parties, exceeds 25% of the Company's market capitalization (as determined under MI 61-101).

Any amendments to the Debentures, Warrants and Finder's options are subject to acceptance of the

TSX Venture Exchange.

Reasoning for the Proposed Amendments

Strategic Timing to Advance Pilar and Drive Shareholder Value

The Company is taking proactive steps to strengthen its balance sheet and align capital with its most compelling near-term growth opportunity, the advancement of the Pilar Gold & Silver Project. The Company's proposed restructuring of the Debentures comes at a pivotal time, as Pilar progresses toward bulk sampling, supported by strong recent and historical exploration results.

Momentum Toward Test Mining

Colibri's joint venture partner, Tocvan Ventures, announced on June 18, 2025, that engineering and design for a 50,000-tonne pilot leach facility is now complete, with the permitting process well underway. Tocvan has indicated it does not foresee delays in approvals and intends to commence construction following final permit acceptance. If successful, a pilot test mine run of Pilar materials could generate a relatively meaningful amount of cash flow over a short period, helping to reduce Colibri's near-term capital requirements and further de-risking its 49% interest in the project.

Pilar Drill & Bulk Sample Results Highlight Gold-Silver Potential

Over multiple exploration phases, drilling at Pilar has consistently returned broad zones of oxidized near-surface gold mineralization, along with high-grade intercepts-critical for the economics of the upcoming test mine. Highlights include:

2025 (Diamond Drilling - JES-25 Series):

- 83.5 @ 1.3 g/t Au from surface, including 10.3 g/t over 9.7m
- 64.9 m @ 1.2 g/t Au, including 3.0 m @ 21.6 g/t Au and 209 g/t Ag-marking the first high-grade intercept along the North Hill trend (JES-25-108)

2023 Bulk Sample:

A 1,200-tonne surface sample yielded an average head grade of 1.9 g/t Au with a calculated recovery rate of approximately 62%, confirming the presence of near-surface mineralization amenable to heap leach or vat leach processing.

Historical Drilling (2020-2022):

- 116.9 m @ 1.2 g/t Au, including 10.2 m @ 12.0 g/t Au and 23 g/t Ag (Phase III)
- 94.6 m @ 1.6 g/t Au, including 9.2 m @ 10.8 g/t Au (Phase I)
- 47.7 m @ 0.7 g/t Au, including 3.0 m @ 5.6 g/t Au and 22 g/t Ag (Phase II)

(Above technical information cited in Tocvan Ventures Corp. news release dated June 18th, 2025 which was reviewed and approved by Brodie A. Sutherland, qualified person for Tocvan Ventures Corp.)

Together, these results demonstrate the continuity, scale, and metallurgical potential of gold mineralization at Pilar, while outlining multiple high-grade near-surface zones that could meaningfully contribute to the upcoming bulk test mine.

What This Means for Shareholders

- The pilot plant is nearing approval, and Colibri's 49% stake positions it to potentially benefit directly from the Pilar's bulk sample / test phase's outcome.
- The restructuring of the Debentures will reduce immediate financial obligations, freeing up capital to support the Pilar bulk sample / test mine program and broader exploration.
- With gold prices trading near historic highs, the ability to advance a high-grade, near-surface gold system into production under a low-capex pilot structure presents a compelling opportunity to unlock value for shareholders.

By aligning its financial position with Pilar's development timeline, Colibri is taking a disciplined, shareholder-first approach to unlocking value from one of the most advanced gold projects in Sonora. For Debenture holders, they will now have the opportunity to participate significantly in the potential upside in the Pilar Gold & Silver Project.

ABOUT COLIBRI RESOURCE CORPORATION

Colibri is a Canadian-based mineral exploration company listed on the TSX-V (CBI) and is focused on acquiring, exploring, and developing prospective gold & silver properties in Sonora, Mexico. The Company holds three high potential precious metal projects: 1) 49% Ownership of the Pilar Gold & Silver Project which is believed to hold the potential to be a near term producing mine, 2) 100% of EP Gold Project in the significant Caborca Gold Belt which has delivered highly encouraging exploration results and is surround by Mexico's second largest major producer of gold on four sides, and 3) a 60% interest in the Diamante Gold & Silver Project..

For more information about all Company projects please visit: www.colibriresource.com.

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Notice Regarding Forward-Looking Statements

This news release contains "forward-looking statements". Statements in this press release which are not purely historical are forward-looking statements and include any statements regarding beliefs, plans, expectations or intentions regarding the future. Actual results could differ from those projected in any forward-looking statements due to numerous factors. These forward-looking statements are made as of the date of this news release, and the Company assumes no obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those projected in the forward-looking statements. Although the Company believes that the plans, expectations and intentions contained in this press release are reasonable, there can be no assurance that they will prove to be accurate.



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