



NEWS RELEASE

Excelsior Mining Announces Extension of Nebari Loan and US\$5,500,000 Financing

- **Strong Support with Extension and Funding Provided by Three Major Stakeholders**
 - **Provides Liquidity and Reduces Future Interest Obligation Under the Loan**

November 30, 2023

Excelsior Mining Corp. (TSX: MIN) (FSE: 3XS) (OTCQB: EXMGF) ("Excelsior" or the "Company") is pleased to announce that it and its wholly-owned subsidiary Excelsior Mining Arizona, Inc. ("**Excelsior Arizona**") has agreed with Nebari Natural Resources Credit Fund I LP ("**Nebari**") to extend the maturity date of its existing \$15 million credit facility to June 30, 2026. In addition, the Company has entered into agreements for a \$5.5 million financing (the "**Financing**") with Greenstone and Triple Flag. All dollar amounts in this press release are in United States dollars.

Dr. Stephen Twyerould, President & CEO of Excelsior commented: "We are very pleased with the support from Nebari, Greenstone and Triple Flag for the execution of the Company's development and operating strategy. The loan extension and funding will allow Excelsior the runway to advance the Nuton Option on the Johnson Camp Mine and complete the preparation for the well stimulation program."

Credit Agreement Extension

The Company, Excelsior Arizona and Nebari have entered into a Third Amendment to the Amended and Restated Credit Agreement (the "**Third Amended ARCA**"). The Third Amended ARCA provides for the extension of the maturity date of the existing \$15 million credit facility to June 30, 2026 (the "**Extension**"). Nebari has also agreed to reduce the interest rate (the "**Rate Reduction**") to 10.5% plus a rate supplement (the "**Rate Supplement**") equal to the greater of (i) the forward-looking secured overnight financing rate (administered by CME Group Benchmark Administration Limited or a successor administrator) for a tenor of 3 months and (ii) 1.50%.

As consideration for the Third Amended ARCA as it relates to the Extension and Rate Reduction, subject to Toronto Stock Exchange approval, the Company is required to issue common shares of the Company ("**Common Shares**") to nominees of Nebari in a number equal to US\$1,050,224, converted to Canadian dollars at an exchange rate equal to the average market rate posted by the Bank of Canada for the 5 days preceding the issuance, divided by C\$0.155 (US\$0.11405). This amount includes a cash extension bonus plus an amount equal to the total additional amount of interest that would have been payable to the maturity date of the credit facility prior to the Rate Reduction.

In addition the early amortization of the credit facility has been extended such that the Company will begin amortizing the principal amount of the facility (and pro-rata repayment bonus (the "**Repayment Bonus**") amount that already exists under the credit facility) in monthly instalments payable on the last day of each month of (i) commencing June 2024 to and including December 2024, seven equal monthly installments of \$206,000.00; (ii) commencing January 2025 to and including December 2025, twelve equal monthly installments of \$257,500.00; and (iii) commencing January 2026 to June 2026, six equal monthly installments of \$309,000.00.

The Third Amended ARCA is subject to certain conditions including completion of the Financing by December 31, 2023, conclusion of certain agreements with Triple Flag International Ltd. ("**Triple Flag**") and the approval of the Toronto Stock Exchange.

Financing

To satisfy the condition to complete the Financing under the Third Amended ARCA, the Company has agreed to a transaction with Triple Flag and Greenstone Excelsior Holdings LP ("**Greenstone**") on the following terms: (i) Greenstone shall sell 1.5% of its total 3% gross revenue royalty on the Johnson Camp Mine to Triple Flag for consideration of \$5.5 million in cash (the "**Royalty Sale**"); and (ii) Greenstone will concurrently complete a \$5.5 million financing with the Company that consists of \$3.1 million in Common Shares (the "**Share Offering**") and \$2.4 million principal amount of convertible debentures (the "**Debenture Offering**").

Pursuant to the Share Offering, the Company shall issue Greenstone a total of 27,180,000 Common Shares at a price of US\$0.11405 (C\$0.155) per Common Share for aggregate gross proceeds of \$3.1 million.

Pursuant to the Debenture Offering, Greenstone will subscribe for a total of \$2.4 million principal amount of convertible debentures (the "**Debentures**"). The terms of the Debentures include:

- a maturity date of September 30, 2026 (the "**Maturity Date**") and the principal amount, together with any accrued and unpaid interest, will be payable on the Maturity Date, unless earlier converted in accordance with their terms;
- the Debentures bear interest (the "**Interest**") at the rate of 10.5% per annum plus the Rate Supplement, which Interest will be payable on the Maturity Date, unless earlier converted into Common Shares;
- subject to the receipt of disinterested shareholder approval from the holders of the Common Shares at a duly and validly call meeting (the "**Shareholder Approval**"), the principal amount of the Debenture is convertible into Common Shares at the option of the holder (or at the option of the Company on 30 days prior notice) at a conversion price of US\$0.11405 per Common Share;
- subject to receipt of the Shareholder Approval, the accrued and unpaid Interest is convertible into Common Shares at a conversion price equal to the volume weighted average trading price on the Toronto Stock Exchange for the five trading days prior to the date of conversion; and
- the Debentures are unsecured.

The Company intends to use the proceeds of the Share Offering and Debenture Offering for project development expenses and working capital. The closing of the Share Offering and Debenture Offering is subject to customary conditions, including the approval of the Toronto Stock Exchange.

Additional Information

Nebari and Triple Flag are at arm's length to the Company. There are no commissions or finders' fees payable in connection with the transactions discussed in this news release. There is no assurance that the conditions to the Third Amended ARCA or closing of the Royalty Sale, Share Offering or Debenture Offering will be satisfied.

Greenstone and its affiliated entities currently hold 116,028,937 Common Shares (representing 41.86% of the Company's current issued and outstanding Common Shares). Greenstone also owns and controls 1,250,000 options to acquire Common Shares and a convertible debenture with principal amount of \$1.5 million that is convertible into 7,894,736 Common Shares. Upon closing of the Debenture Offering and conversion of the Debentures held by Greenstone (assuming conversion of all interest payments on the

maturity date, using a conversion price of US\$0.11405 and a SOFR rate of 5.3307%), Greenstone would acquire ownership and control over an additional 57,383,369 Common Shares, representing approximately 20.7% of the Company's current issued and outstanding Common Shares. As a result, together with the Common Shares it currently owns and controls, Greenstone would hold a total of 173,412,306 Common Shares, which will represent, in aggregate approximately 51.83% of the issued and outstanding Common Shares (assuming conversion of only the Debentures held by Greenstone and assuming the conversion of all interest to maturity at US\$0.11405).

Pursuant to Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("MI 61-101"), Greenstone's participation in the Debenture Offering constitutes a "related party transaction" as Greenstone is a related party of the Company. The Company is relying on an exemption from the formal valuation and minority shareholder approval requirements of MI 61-101 pursuant to exemptions contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101 on the basis that at the time Greenstone's participation in the Debenture Offering was agreed to, neither the fair market value of the securities to be distributed in the Debenture Offering nor the consideration to be received for those securities, insofar as the Debenture Offering involved the related party, exceeds 25% of the Company's market capitalization. The Company will not file a material change report related to this financing more than 21 days before the expected closing of the Debenture Offering as required by MI 61-101 since the details of the participation by the related parties of the Company were not settled until just prior to closing and the Company wished to close on an expedited basis for sound business reasons. The Common Shares that will be acquired by Greenstone will be acquired pursuant to an exemption from the prospectus requirement in section 2.3 of National Instrument 45-106.

In order to facilitate the completion of the Royalty Sale, Share Offering and Debenture Offering, the Company will first acquire the 1.5% gross revenue royalty on the Johnson Camp Mine from Greenstone in return for the Common Shares and Debenture and then transfer the royalty to Triple Flag for \$5.5 million in cash. Also, a further condition of the Third Amended ARCA, the holders of the \$3 million principal amount of convertible debentures issued by the Company in February 2023 have agreed to extend the maturity date of such convertible debentures to September 30, 2026.

Other activities in the Company remain on-track and on-budget. Refer to the [October 23, 2023 press release](#) for additional information.

ABOUT EXCELSIOR MINING

Excelsior "*The Copper Solution Company*" is a mineral exploration and production company that owns and operates the Gunnison Copper Project in Cochise County, Arizona. The project is a low cost, environmentally friendly in-situ recovery copper extraction project that is permitted to 125 million pounds per year of copper cathode production. Excelsior also owns the past producing Johnson Camp Mine and a portfolio of exploration projects, including the Peabody Sill and the Strong and Harris deposits.

Excelsior has entered into an agreement with Nuton LLC, a Rio Tinto venture, to further evaluate the use of its Nuton™ copper heap leaching technologies at Excelsior's Johnson Camp mine in Cochise County, Arizona. Under the agreement, Excelsior remains the operator and Nuton funds Excelsior's costs associated with a two-stage work program at Johnson Camp. Nuton has provided a US\$3 million pre-payment to Excelsior for Stage 1 costs and a payment of US\$2 million for an exclusive option to form a joint venture with Excelsior over the Johnson Camp Mine after the completion of Stage 2. If Nuton proceeds to Stage 2, it will make a US\$5 million payment to Excelsior for the use of existing infrastructure at the Johnson Camp mine for the Stage 2 work program. Nuton will also be responsible for funding all of Excelsior's costs associated with Stage 2.

For more information on Excelsior, please visit our website at www.excelsiormining.com.

For further information regarding this press release, please contact:

Excelsior Mining Corp.
Concord Place, Suite 300, 2999 North 44th Street, Phoenix, AZ, 85018.

Shawn Westcott
T: 604.365.6681
E: info@excelsiormining.com
www.excelsiormining.com

Cautionary Note Regarding Forward-Looking Information

This news release contains "forward-looking information" concerning anticipated developments and events that may occur in the future. Forward looking information contained in this news release includes, but is not limited to, statements with respect to: (i) the completion of the conditions to the Third Amended ARCA; (ii) the closing of the Royalty Sale, Share Offering and Debenture Offering; (iii) the use of proceeds of the Share Offering and Debenture Offering; and (iv) future production and production capacity from the Company's mineral projects.

In certain cases, forward-looking information can be identified by the use of words such as "plans", "expects" or "does not expect", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might", "occur" or "be achieved" suggesting future outcomes, or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. Forward-looking information contained in this news release is based on certain factors and assumptions regarding, among other things, the availability of financing to implement the Company's operational plans, the estimation of mineral resources and mineral reserves, the realization of resource and reserve estimates, expectations and anticipated impact of the COVID-19 outbreak, copper and other metal prices, the timing and amount of future development expenditures, the estimation of initial and sustaining capital requirements, the estimation of labour and operating costs (including the price of acid), the availability of labour, material and acid supply, receipt of and compliance with necessary regulatory approvals and permits, the estimation of insurance coverage, and assumptions with respect to currency fluctuations, environmental risks, title disputes or claims, and other similar matters. While the Company considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect.

Forward looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Such factors include risks inherent in the construction and operation of mineral deposits, including risks relating to changes in project parameters as plans continue to be redefined including the possibility that mining operations may not be sustained at the Gunnison Copper Project, risks relating to variations in mineral resources and reserves, grade or recovery rates, risks relating to the ability to access infrastructure, risks relating to changes in copper and other commodity prices and the worldwide demand for and supply of copper and related products, risks related to increased competition in the market for copper and related products, risks related to current global financial conditions, risks related to current global financial conditions and the impact of COVID-19 on the Company's business, uncertainties inherent in the estimation of mineral resources, access and supply risks, risks related to the ability to access acid supply on commercially reasonable terms, reliance on key personnel, operational risks inherent in the conduct of mining activities, including the risk of accidents, labour disputes, increases in capital and operating costs and the risk of delays or increased costs that might be encountered during the construction or mining process, regulatory risks including the risk that permits may not be obtained in a timely fashion or at all, financing, capitalization and liquidity risks, risks related to disputes concerning property titles and interests, environmental risks and the additional risks identified in the "Risk Factors" section of the Company's reports and filings with applicable Canadian securities regulators.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Accordingly, readers should not place undue reliance on forward-looking information. The forward-looking information is made as of the date of this news release. Except as required by applicable securities laws, the Company does not undertake any obligation to publicly update or revise any forward-looking information.