

Lions Bay Announces Further Implementation of South African Gold Strategy

Vancouver, British Columbia--(Newsfile Corp. - March 23, 2026) - Lions Bay Capital Inc. (TSXV: LBI) ("**LBI**" or the "**Company**") announces it has increased its loan facility with Metals One plc ("**Metals One**") from CAD \$4.0 million facility to CAD \$10.0 million to provide additional funds to accelerate the creation of a vertically integrated gold business in South Africa through Lions Bay Resources (LBR). LBR is currently owned as 47.5 per cent each by LBI and the Salamander mining Group with the balance of 5 per cent owned by Metals One.

Metals One has announced its intention to convert USD \$1.8 million of its loan facility into additional equity in LBR so that its ownership of LBR would increase to 30 per cent and both LBI and the Salamander Group would reduce to 35 per cent each.

In other significant developments LBR has reached preliminary agreement with the Business Rescue Practitioner of the Vantage Goldfields Group on suitable terms for the purchase of the assets and settlement of creditors. It is expected further details will be available in the next few days.

Additional Loan to Lions Bay Capital

To be applied by towards LBR's Vantage acquisition plan

Further to the Company's news release on December 23, 2025, Lions Bay has signed a binding term sheet to increase its loan facility to CAD \$10.0 million (the "Facility"), with the funds to be applied by LBI towards LBR's Vantage acquisition plan and for general working Capital.

LBI has an authorised South African Reserve Bank channel for regulated lending and repatriation of funds in and out of South Africa and has therefore been determined by LBI, Metals One and LBR that advancing funds to LBI pursuant to the Facility is the most suitable route to provide the necessary funding to LBR to advance its strategy.

The Facility is secured through:

- First-ranking fixed and floating charges over all of LBI's assets, property, rights and undertakings including (but not limited to):
 - LBI's common shares of Fidelity Minerals Corp. (TSX-V: FMN | FSE: S5GM | SSE: MNYC) 16,926,506 common shares
 - LBI's ordinary shares held (and to be held) in LBR (being 499 ordinary shares at the date of this agreement) granted by LBI in favour of Metals One
 - All loan accounts to LBR held by LBI granted by LBI in favour of Metals One
 - All debt owing to LBI from GNT Mining in the amount of US\$2.2 million, granted by LBI in favour of Metals One
 - All of LBR's present and future right, title, benefit and interest in and to the LBR Bank Account and all monies from time to time standing to the credit of the LBR Bank Account, together with all other rights and benefits accruing to or arising in connection with the LBR Bank Account (including, but not limited to, entitlements to interest)
 - Interest will be charged at 20% pa, which will be passed on to LBR
- First-ranking fixed and/or floating charges over the following LBR assets:
 - LBR's bank accounts and all present and future monies credited to it;

- a fixed charge over the Vantage tailings;

LBR and LBI are required to use their best endeavours to procure that certain other significant shareholders of LBR grant a fixed charge over their shares in LBR in favour of the Company.

The Facility contains certain cross-default provisions which amongst other matters deals with the performance of LBR in relation to the acquisition of the Vantage assets and the application of the proceeds of the Facility. The Facility contains market standard representations and warranties from both LBI and LBR in favour of the Company.

Metals One is an insider of Lions Bay and the loan is considered a "related party transaction" under **Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions** ("MI 61-101").

Strategic Investment in Lions Bay Resources (LBR)

LBR to acquire cogeneration plant in Newcastle, South Africa

Metals One has announced its intention to convert USD \$1.8 million of convertible loan notes ("CLNs") into shares of LBR for a direct holding of 30%. It has advanced the full amount in order to facilitate LBR's imminent settlement of the USD \$1.36 million acquisition of a cogeneration plant located in the Karbochem Industrial Park, Newcastle, South Africa (the "Plant").

LBR is a South African private company formed last year to create a vertically integrated South African gold business. It is jointly owned by LBI, Metals One and by the Salamander Mining management team ("Salamander") headed by Graham Briggs (Non-Executive Chairman), the former CEO of Harmony Gold, South Africa's largest gold producer and Lloyd Birrell (CEO), the founder and former CEO of Theta Gold (ASX:TGM).

LBR will acquire the fluidised bed cogeneration Plant for USD \$1.36 million with a view to restarting the production of steam and power. The Plant was inspected and verified by TerraVista Solutions P. Ltd in October 2025 and ascribed a replacement value of USD \$39.6 million.

Pending confirmatory research and studies, the Plant may be reconfigured to include a gold concentrate roasting complex, an alternative solution to exporting gold-bearing concentrate from South Africa to Asian smelters for a significant discount to the value of the contained gold.

The Plant currently has the below specifications and associated infrastructure:

- 2 x 30 tonnes per hour ("TPH") Thermax combustion boilers
- 6 MW GE-Triveni steam turbine
- The Plant is configured to take coal from local dumps and biomass as feedstock
- Boiler house, turbine, control room and motor control centre
- Compressed air plant and electrical sub-station
- Inclined conveyor to six silos (1,500m³ each)

The Plant has three potential revenue streams being the production of electricity and steam, and gold roasting. Subject to receipt of a competent person's report, it is expected that the Plant will require approximately USD \$4.5 million of investment to restart production of steam and power.

Update re Lions Bay Resources Offer for Vantage Goldfields

Plan to acquire Vantage agreed

Further to the Company's announcement on December 24, 2025, Lions Bay is pleased to provide an update on LBR's offer for all the assets of the Vantage Goldfields Group ("Vantage").

Vantage was placed in Business Rescue following a crown pillar collapse at the Lily mine in 2016 and

comprises numerous mining leases in the Barberton region of South Africa with a historical resource inventory of 4.5 million ounces of gold^{*}, a central metallurgical complex and extensive underground development.

Following several months of negotiations, LBR has now agreed on a plan with the Business Rescue Practitioner ("BRP") for the acquisition of the Vantage assets. The BRP is expected to sign and publish the plan imminently at which point LBI will announce further details including the final terms of the plan.

The Vantage acquisition could provide all the necessary gold-bearing concentrate feed (having historically produced such concentrates) for LBR's gold roaster project in Newcastle, should LBR decide to reconfigure the Plant to include a gold concentrate roasting complex.

LBR is also considering the possibility that the Plant could feed power into the grid in Newcastle which would become available for use at the Vantage mines, through South Africa's wheeling charge system. This may have advantages including avoiding periodic load shedding customary in South Africa and above-inflation power price increases.

Historical resource based on a Competent Persons' Report ("Report**") dated January 1, 2015, prepared by Minxcon Consulting (Pty) Limited and authored by D van Heerden. B.Eng. (Min. Eng.), M.Comm. (Bus. Admin.), ECSA, FSAIMM, AMMSA. The Report was prepared in compliance with the South African Code for the Reporting of Exploration Results, Mineral Resources and Mineral Reserves (July 2009 Amended Edition) ("the SAMREC Code") and the South African Code for the Reporting of Mineral Asset Valuation (July 2009 Amended Edition) ("the SAMVAL Code") and Section 12 of the Johannesburg Stock Exchange listing requirements. Mineral resources that are not mineral reserves do not have demonstrated economic viability. A qualified person has not done sufficient work to classify the historical estimate as current mineral resources and the Company is not treating the historical estimate as a current mineral resource.*

About Lions Bay Capital Inc.

Lions Bay Capital Inc. is a mining finance and investment company focused on unlocking the value of overlooked or underperforming resource assets, with a strategic emphasis on gold and copper. Unlike traditional exploration companies, Lions Bay raises capital to invest in compelling opportunities rather than deploying funds on high-risk exploration or excessive executive overhead. The company specializes in identifying resource projects that have been neglected due to lack of funding or poor management execution. By leveraging deep industry expertise, Lions Bay provides both capital and strategic support to enhance project value and investor returns.

Lions Bay is led by Executive Chairman John Byrne, a veteran of the mining sector with over 50 years of experience as an analyst, investor, and operator. Under his leadership, the company brings a disciplined, value-driven approach to mining investment.

On behalf of the Board of Lions Bay.

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