

## FARSTARCAP ANNOUNCES PROPOSED QUALIFYING TRANSACTION TO ACQUIRE BP EXPLORATION CORP.

**Vancouver, BC – March 14, 2025** - Farstarcap Investment Corp. (TSXV: FRS.P) ("**Farstarcap**" or the "**Company**") is pleased to announce that it has entered into a term sheet (the "**Term Sheet**") dated March 12, 2025, with BP Exploration Corp. ("**BPEX**") regarding a proposed transaction to acquire all of the issued and outstanding securities of BPEX (the "**Acquisition**"). Upon completion of the Acquisition, the combined entity (the "**Resulting Issuer**") will continue the business of BPEX as a Tier 2 "mining" issuer. The Acquisition is intended to constitute the "Qualifying Transaction" of Farstarcap, as such a term is defined in Policy 2.4 – "*Capital Pool Companies*" of the TSX Venture Exchange (the "**Exchange**").

The Acquisition is not a "Non-Arm's Length Qualifying Transaction" pursuant to the policies of the Exchange and, as such, the Company is not required to obtain shareholder approval for the Acquisition.

### Terms of the Qualifying Transaction

Subject to the execution of a definitive agreement ("**Definitive Agreement**"), Farstarcap proposes to acquire from the shareholders of BPEX all the issued and outstanding securities of BPEX in exchange for securities of Farstarcap. In consideration of BPEX, Farstarcap will issue one Post-Consolidation Farstarcap Share (as defined below) for every BPEX Share. Farstarcap will also issue convertible securities in exchange for the convertible securities of BPEX, if unexercised prior to closing of the Acquisition, on the same exchange ratio.

As a condition of closing of the Acquisition, Farstarcap will complete a consolidation (the "**Farstarcap Consolidation**") of its common shares on the basis of four (4) pre-consolidation shares of Farstarcap for three (3) post-consolidation Farstarcap Shares (the "**Post-consolidation Farstarcap Shares**").

Prior to closing of the Acquisition, BPEX will also cancel one-third of 9,500,000 common shares of BPEX ("**BPEX Shares**") issued at \$0.005 per BPEX Share (the "**BPEX Founder Shares**") and one-half of 7,283,000 BPEX Shares issued at \$0.025 per BPEX Share (the "**BPEX Seed Shares**"). Each cancelled BPEX Seed Share will be replaced with a common share purchase warrant (the "**BPEX Warrant**") exercisable at \$0.10 per common share for a period of five years from the date of issue. Upon completion of the Acquisition, Farstarcap will issue one Post-Consolidation Farstarcap Share for every Post-consolidation BPEX Shares as consideration for the Acquisition (the "**Consideration Shares**").

The closing of the Acquisition will also be conditional upon Farstarcap completing a concurrent private placement financing (the "**Concurrent Financing**") for minimum gross proceeds of \$1,000,000 and maximum gross proceeds of \$2,500,000. Farstarcap intends to use the net proceeds of the Concurrent Financing for exploration and working capital purposes. The terms of the Concurrent Financing will be disclosed in a subsequent news release issued by Farstarcap.

Farstarcap intends to make an application for a waiver from the Exchange's sponsorship requirements.

No finder's fee will be payable by either Farstarcap or BPEX in connection with the Acquisition.

The Acquisition is conditional upon, among other things, completion of due diligence to the satisfaction of the parties, entry into a Definitive Agreement, approval from the Exchange and such other conditions that are customary for this type of transaction.

## **Other Information**

Farstarcap will issue additional news releases related to the final legal structure and final terms of the Acquisition, post-closing capitalization of the Resulting Issuer, financial information regarding BPEx, the names and background of insiders of the Resulting Issuer and other material information as it becomes available.

Trading in the common shares of Farstarcap is presently halted. The common shares of Farstarcap will remain halted until the Acquisition is completed and approved by the Exchange.

## **About BP Exploration Corp.**

BPEx is a private company existing under the laws of the province of British Columbia. BPEx has two silver projects in Bolivia, the Cosuño Project and Titiri Project.

The Cosuño Project is a 3,375 Ha project that has a 5-year community agreement (to April 2028) and existing drill permit. Cosuño is held by BPEx through a wholly owned subsidiary under a September 2022 Share Purchase Agreement whereby 52% is vested and the remaining 48% must be acquired for US\$2.15 million by September 2028. US\$100,000 is due September 2025 and US\$150,000 is due September 2026.

The Titiri Project is a 4,900 Ha project acquired through application; title is pending. MOU signed with the 9 communities within the project area. Positive prior consultation has been completed with communities. The application is held by BPEx through a wholly owned subsidiary.

The Titiri and Cosuño projects are each subject to a 2% NSR. Each NSR can be repurchased by BPEx at anytime for US\$5,000,000. There is a one-time right to purchase 100% of each NSR for US\$2,500,000, exercisable within five years from the commencement of drilling of each project.

Farstarcap will assume a requirement to issue to certain shareholders of BPEx a payment of 3,500,000 common shares or the cash equivalent, at Farstarcap's election, as a one-time milestone payment upon a NI 43-101 resource estimate (inferred or better) totalling at least 70,000,000 oz Silver Equivalent first being established at Cosuño or Titiri.

## **Proposed Management and Board of Directors of the Resulting Issuer**

Subject to Exchange approval, on completion of the Acquisition, it is currently anticipated that the board of directors of the Resulting Issuer will consist of five (5) directors. It is anticipated that on completion of the Acquisition, three (3) of the four (4) current directors of Farstarcap will resign, and Konstantine Tsakumis will resign as Chief Executive Officer of Farstarcap. Four representatives of BPEx will be appointed as directors of the Resulting Issuer, and Tim Shearcroft will be appointed as Chief Executive Officer of the Resulting Issuer.

## **Contact Information**

**Farstarcap Investment Corp.**  
Konstantine Tsakumis

**BP Exploration Corp.**  
Tim Shearcroft

CEO, Director  
Tel: 604-961-9442  
Email: [kontsakumis@shaw.ca](mailto:kontsakumis@shaw.ca)

CEO, Director  
Tel: 604-307-7032  
Email: [bpx@telus.net](mailto:bpx@telus.net)

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities described herein in the United States. The securities described herein have not been registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities law and may not be offered or sold in the "United States", as such term is defined in Regulation S promulgated under the U.S. Securities Act, unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration requirements is available.

Completion of the Acquisition is subject to a number of conditions, including but not limited to, Exchange acceptance and if applicable pursuant to Exchange Requirements, majority of the minority shareholder approval. Where applicable, the Acquisition cannot close until the required shareholder approval is obtained. There can be no assurance that the Acquisition 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 Acquisition, any information released or received with respect to the Acquisition may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative. The TSX Venture Exchange Inc. has in no way passed upon the merits of the proposed Acquisition and has neither approved nor disapproved the contents of this press release.

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

### **Forward-Looking Statements**

Certain statements in this news release are forward-looking statements or information, which include completion of the Acquisition and related Concurrent Financing, development of technologies, future plans, regulatory approvals and other matters. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such information can generally be identified by the use of forwarding-looking wording such as "may", "expect", "estimate", "anticipate", "intend", "believe" and "continue" or the negative thereof or similar variations. 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, including but not limited to, business, economic and capital market conditions, the ability to manage operating expenses, security threats, and dependence on key personnel. Such statements and information are based on numerous assumptions regarding present and future business strategies and the environment in which the Company will operate in the future, including the demand for its products, anticipated costs, and the ability to achieve goals. Factors that could cause the actual results to differ materially from those in forward-looking statements include, failure to obtain regulatory approval, the continued availability of capital and financing, litigation, increase in operating costs, the impact of Covid-19 or other viruses and diseases on the Company's ability to operate, failure of counterparties to perform their contractual obligations, government regulations, loss of key employees and consultants, and general economic, market or business conditions. Forward-looking statements contained in this news release are expressly

qualified by this cautionary statement. The reader is cautioned not to place undue reliance on any forward-looking information.

There can be no assurance that the Acquisition or Concurrent Financing will be completed or, if completed, will be successful.

The forward-looking statements contained in this news release are made as of the date of this news release. Except as required by law, the Company disclaims any intention and assumes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Additionally, the Company undertakes no obligation to comment on the expectations of, or statements made by, third parties in respect of the matters discussed above.

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