

Castlebar Capital Corp. Executes Agreement Respecting Proposed Qualifying Transaction

Vancouver, British Columbia--(Newsfile Corp. - January 22, 2021) - **Castlebar Capital Corp. (TSXV: CBAR.P)** ("Castlebar" or the "Company") is pleased to announce that it has entered into a definitive agreement respecting the Company's previously announced proposed transaction respecting the Southern Spectrum mineral property (the "Property") in British Columbia (the "Transaction") (see Castlebar's press release dated December 11, 2020). Castlebar has now entered into a sale, assignment, assumption and amending agreement dated January 22, 2021 (the "Definitive Agreement") with 1162832 B.C. Ltd. ("1162832") and Christopher R. Paul & Michael A. Blady (collectively, the "Optionor"), pursuant to which Castlebar will assume all of 1162832's right, title and interest, as optionee, in and to a property option agreement (the "Option Agreement") dated January 10, 2019, as amended September 10, 2020, respecting the Property.

Pursuant to the Definitive Agreement, as consideration for the assignment of the Option Agreement by 1162832 to Castlebar, Castlebar: (a) has paid \$10,000 to 1162832 as a non-refundable deposit; (b) will issue 500,000 common shares of Castlebar to 1162832 on the closing date of the Transaction (the "Closing Date"); and (c) will issue an additional 1,000,000 Castlebar shares to 1162832 on the date which is six months from the Closing Date. The Definitive Agreement will also amend the Option Agreement, which will provide Castlebar with the right to earn a 100% interest in the Property (subject to a 3% net smelter returns royalty in favour of the Optionor) on the terms described in Castlebar's December 11, 2020 press release.

The Transaction is subject to completion of certain conditions precedent, including without limitation: the preparation and filing of a Filing Statement with the TSX Venture Exchange (the "Exchange"); completion by Castlebar of a private placement for gross proceeds of no less than \$500,000; and receipt of all necessary regulatory and Exchange approvals.

The Transaction is intended to qualify as Castlebar's "Qualifying Transaction" as defined by Policy 2.4 of the Exchange. Following closing, the resulting issuer (the "Resulting Issuer") will be a "Mining" issuer under the policies of the Exchange. Trading of the common shares of Castlebar will remain halted in connection with the dissemination of this press release and will recommence at such time as the Exchange may determine, having regard to the completion of certain requirements pursuant to Exchange Policy 2.4. Further details of the proposed Transaction will follow in future press releases.

About Castlebar

Castlebar is a capital pool company in accordance with Exchange Policy 2.4 and its principal business is the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction.

For additional information, please refer to the Company's disclosure record on SEDAR (www.sedar.com) or contact the Company as follows: Lucas Birdsall, CEO, at (778) 549-6714.

Cautionary Note

Completion of the transaction 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 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. 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 transaction and has neither approved nor disapproved the contents of this press release.

Forward-Looking Information

Certain statements contained in this press release constitute "forward-looking information" as such term is defined in applicable Canadian securities legislation. The words "may", "would", "could", "should", "potential", "will", "seek", "intend", "plan", "anticipate", "believe", "estimate", "expect" and similar expressions as they relate to Castlebar, including, the completion of the Transaction and the Private Placement and pro forma information regarding the Resulting Issuer, are intended to identify forward-looking information. All statements other than statements of historical fact may be forward-looking information. Such statements reflect Castlebar's current views and intentions with respect to future events, and current information available to them, and are subject to certain risks, uncertainties and assumptions, including, without limitation: the ability to obtain all requisite approvals (and otherwise satisfy all closing conditions) for the Transaction; the estimation of capital requirements; the estimation of operating costs; the timing and amount of future business expenditures; and the availability of necessary financing. Many factors could cause the actual results, performance or achievements that may be expressed or implied by such forward-looking information to vary from those described herein should one or more of these risks or uncertainties materialize. Such factors include but are not limited to: changes in economic conditions or financial markets; an escalation of the current COVID-19 pandemic; increases in costs; litigation; legislative, environmental and other judicial, regulatory, political and competitive developments; and exploration or operational difficulties. This list is not exhaustive of the factors that may affect forward-looking information. These and other factors should be considered carefully, and readers should not place undue reliance on such forward-looking information. Should any factor affect Castlebar in an unexpected manner, or should assumptions underlying the forward-looking information prove incorrect, the actual results or events may differ materially from the results or events predicted. Any such forward-looking information is expressly qualified in its entirety by this cautionary statement. Moreover, Castlebar does not assume responsibility for the accuracy or completeness of such forward-looking information. The forward-looking information included in this press release is made as of the date of this press release and Castlebar undertakes no obligation to publicly update or revise any forward-looking information, other than as required by applicable law.

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

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