



**Western Exploration**  
A Legacy of Discovery



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## **WESTERN EXPLORATION AND CRYSTAL PEAK MINERALS PROVIDE UPDATE ON PREVIOUSLY-ANNOUNCED RTO TRANSACTION, INCLUDING \$6 MILLION SUBSCRIPTION RECEIPT FINANCING**

**Toronto, ON – October 12, 2021** – Western Exploration LLC ("**Western**") and Crystal Peak Minerals Inc. ("**Crystal**") (TSXV: CPM.H) (OTC: CPMMF) (together, the "**Parties**") are pleased to provide an update, further to their joint news release dated February 19, 2021, on their previously-announced transaction that would result in Western completing a "reverse take-over" (under the policies of the TSX Venture Exchange) (the "**RTO**") of Crystal by way of a plan of arrangement under Division 5 of Part 9 of the *Business Corporations Act* (British Columbia).

### ***Subscription Receipt Financing***

Crystal is pleased to announce that it anticipates closing, on October 13, 2021, a brokered private placement of 2,248,936 subscription receipts of Crystal ("**Subscription Receipts**") at a price of \$2.65 per Subscription Receipt, for aggregate gross proceeds of approximately \$6 million (the "**Offering**"). The Offering is being led by Canaccord Genuity Corp. ("**Canaccord**") and Stifel Nicolaus Canada Inc., as co-lead agents, and Cormark Securities Inc. (collectively, the "**Agents**").

The Subscription Receipts will be governed by the terms of a subscription receipt agreement (the "**Subscription Receipt Agreement**") to be entered into among Crystal, Canaccord (on behalf of the Agents), and TSX Trust Company (the "**Subscription Receipt Agent**"), as subscription receipt agent. Each Subscription Receipt will entitle the holder thereof to receive, upon satisfaction of the Escrow Release Conditions (as defined below) and without the payment of any additional consideration, one unit of Crystal (each, a "**Unit**"), with each Unit comprised of one (1) Post-Consolidation Crystal Share (as defined below), and one (1) share purchase warrant of Crystal (each, a "**Warrant**"). Each Warrant will entitle the holder thereof to acquire one additional Post-Consolidation Crystal Share (each, a "**Warrant Share**"), at an exercise price of \$3.975 per Warrant Share at any time during the period ending 24 months following the closing of the Offering. As used herein, "**Post-Consolidation Crystal Share**" means a common share of Crystal (each, a "**Crystal Share**"), as constituted following the completion of a consolidation of the Crystal Shares to be undertaken in connection with the RTO, on the basis of a ratio of one (1) post-consolidation Crystal Share for each 363.30 pre-consolidation Crystal Shares.

In connection with the Offering, Crystal is expected to pay the Agents a cash commission of approximately \$265,145 (the "**Commission**"), representing the aggregate of (i) a cash commission of 6% on proceeds of the Offering raised from purchasers not on a president's list of Western (the "**President's List**"), and (ii) a cash commission of 3% on proceeds of the Offering raised from purchasers on the President's List. In addition, Crystal is expected to issue to the Agents an aggregate of 89,957 broker warrants of Crystal (the "**Broker Warrants**"), with each Broker Warrant entitling the holder thereof to acquire, following the satisfaction of the Escrow Release Conditions, one common share (each, a "**Resulting Issuer Share**") in the capital of the issuer resulting from the completion of the RTO (the "**Resulting Issuer**") at an exercise price of \$3.05 per share, at any time prior to the date that is 12 months following the closing of the RTO.

The gross proceeds of the Offering less 25% of the Commission and certain expenses of the Agents (such net amount, the "**Escrowed Proceeds**") will be deposited with the Subscription Receipt Agent on closing of the Offering, to be held in escrow pending satisfaction or waiver of certain conditions (collectively, the "**Escrow Release Conditions**") specified in the Subscription Receipt Agreement, including, without limitation, the completion or satisfaction of all conditions precedent to the RTO, substantially in accordance with the Arrangement Agreement (as defined herein, and as may be further amended from time to time), to the satisfaction of Canaccord, acting reasonably. Provided that the Escrow Release Conditions are satisfied or waived (where permitted) prior to 5:00 p.m. (Toronto time) on January 11, 2022 (the "**Escrow Release Deadline**"), the remaining 75% of the Commission (and any interest earned thereon) and certain expenses of the Agents will be released to the Agents from the Escrowed Proceeds, and the balance of the Escrowed Proceeds (together with interest earned thereon) will be released to Crystal. However, in the event that the Escrow Release Conditions are not satisfied by the Escrow Release Deadline, the proceeds of the Offering will be returned to the holders of the Subscription Receipts and the Subscription Receipts will be cancelled.

The Parties have obtained the conditional approval of the TSX Venture Exchange (the "**TSXV**") for completing the Offering for aggregate gross proceeds of up to \$11.5 million, and may close one or more additional tranches of the Offering, depending on market demand.

The net proceeds from the Offering, together with any cash on hand of Western, is expected to be available to the Resulting Issuer following the completion of the RTO for (i) the recommended Phase 1 exploration program for both Wood Gulch-Gravel Creek and Doby George budgeted at US\$2.84 million, as described in the updated technical report for the Aura Project, (ii) other exploration and development work planned at the Aura Project (as defined below), and (iii) general working capital purposes.

The issue price of \$2.65 per Subscription Receipt pursuant to the Offering remains subject to the approval of the disinterested shareholders of Crystal at the meeting of shareholders expected to be held by Crystal in connection with the RTO, in December 2021.

### ***Amendment to Arrangement Agreement***

On February 19, 2021, the Parties entered into an arrangement agreement in respect of the RTO (the "**Arrangement Agreement**"), as amended on July 12, 2021 to (i) extend the completion deadline of the RTO to October 29, 2021, and (ii) amend the basis of consolidation of the Crystal Shares to a ratio of one (1) post-consolidation Crystal Share for each 363.30 pre-consolidation Crystal Shares.

Earlier today, the Parties entered into a second amending agreement to the Arrangement Agreement to, among other things, further extend the completion deadline of the RTO to January 31, 2022.

The extension provides the Parties with additional time to obtain the various court, shareholder and regulatory approvals required to complete the RTO, including the approval of the TSXV, and complete any required pre-closing reorganizations and transaction structuring matters. Subject to the receipt of all required approvals, and the timely satisfaction (or waiver, where permitted) of all closing conditions for the RTO, the Parties anticipate that the RTO will close in late December 2021.

Please see the joint news release of the Parties dated February 19, 2021 for additional information about the RTO. Full particulars of the RTO will be described in a Form 3D1 (*Information Required in an Information Circular for a Reverse Takeover or Change of Business*)(the "**Information Circular**") to be filed, in due course, on SEDAR ([www.sedar.com](http://www.sedar.com)) under Crystal's issuer profile.

### ***Selected Financial Information***

The following table sets out certain selected financial information regarding Western. The selected information was prepared in accordance with International Financial Reporting Standards.

	(as at December 31, 2018)	(as at December 31, 2019)	(as at December 31, 2020)	(as at June 30, 2021) (unaudited)
Current Assets	\$126,735	\$538,974	\$1,096,982	\$267,028
Total Assets	\$8,664,434	\$9,000,629	\$9,862,134	\$11,270,426
Current Liabilities	\$1,038,646	\$1,528,478	\$1,568,242	\$2,191,313
Total Liabilities	\$1,283,508	\$1,887,911	\$1,969,782	\$2,693,238
Shareholders' Equity (Deficiency)	\$(42,552,345)	\$(44,188,994)	\$(51,409,367)	\$(63,487,460)

### ***About Western Exploration LLC***

Western is a private company organized under the laws of the State of Nevada. Western has been engaged in the acquisition, exploration and development of precious metals mineral properties in Nevada since its inception in 1997. Its principal asset is the Aura gold silver project (the "**Aura Project**") located in Elko County, Nevada approximately 120 kilometers north of the city of Elko, Nevada.

No work has been done on the Aura Project subsequent to the joint news release of the Parties dated February 19, 2021 in respect of the RTO.

Western's head office is located at 121 Woodland Avenue, Suite 140, Reno, NV 89523.

#### **For further information, please contact Western Exploration LLC:**

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### ***About Crystal Peak Minerals Inc.***

Crystal is a public company organized under the laws of the Yukon Territory, whose shares are listed for trading on the NEX board of the TSXV. Crystal was previously engaged in the acquisition, exploration and development of a sulfate of potash project in the United States, but currently does not have an active business, and is investigating new business opportunities.

Crystal's head office is located at 10808 South River Front Parkway, Suite 343, South Jordan, Utah, 84095.

#### **For further information, please contact Crystal Peak Minerals Inc.:**

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Vice President Operations & Corporate Secretary  
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## **Cautionary Statements**

*Completion of the RTO is subject to a number of conditions, including but not limited to, the acceptance of the TSXV and the receipt of the various court, shareholder, and regulatory approvals, and the RTO cannot close until such approvals have been obtained. Accordingly, there can be no assurance that the RTO will be completed as proposed, or at all.*

*Investors are cautioned that, except as disclosed in the Information Circular to be prepared and filed in connection with the RTO, any information released or received with respect to the RTO may not be accurate or complete and should not be relied upon.*

*This news release shall not constitute an offer to sell or the solicitation of an offer to buy any securities in any jurisdiction, nor will there be any sale of any securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.*

***The TSXV has in no way passed upon the merits of the proposed RTO. Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this news release. No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein.***

## **Forward-Looking Statements**

*This news release contains certain forward-looking information and forward-looking statements within the meaning of applicable Canadian securities laws (collectively "**forward-looking statements**"). All statements contained in this news release that are not statements of historical fact should be considered forward-looking statements. Forward looking statements are often identified by terms such as "may", "should", "anticipate", "expect", "potential", "believe", "intend" or the negative of these terms and similar expressions. Specifically, forward-looking statements in this news release include but are not limited to, statements related to the RTO and the Offering (including, without limitation, (i) the timing of the completion of the Offering and the RTO, (ii) the anticipated use of the net proceeds of the Offering, (iii) the satisfaction or waiver of the Escrow Release Conditions and the payment of the Commission, and (iv) the conversion of the Subscription Receipts). Forward-looking statements reflect the current views and intentions of the management of the Parties with respect to future events based on current information available to management of the Parties, and are necessarily subject to certain risks and uncertainties that could cause actual results to differ materially from those expressed or implied in such forward-looking statements. Such risks and uncertainties include, without limitation, (i) general business, economic, competitive, political and social uncertainties, (ii) delay or failure to receive any necessary board, shareholder or regulatory approvals (including, the approval of the TSXV), for the completion of the RTO, (iii) the risk that an applicable regulatory authority may not approve the RTO on the terms proposed, or at all, (iv) the risk that the Escrow Release Conditions may not be satisfied prior to the Escrow Release Deadline, (v) the occurrence of unanticipated events and factors which impede or prevent the Parties' respective future business plans, and (vi) such other factors beyond the control of the Parties (including, such those set out in Crystal's public disclosure documents available on SEDAR ([www.sedar.com](http://www.sedar.com)) under Crystal's issuer profile). Readers are cautioned that the assumptions used in the preparation of such forward-looking statements (including, but not limited to, the assumption that (i) the Escrow Release Conditions will be satisfied in accordance with its terms and on or prior to the Escrow Release Deadline, (ii) all applicable board, shareholder and regulatory approvals for the*

*RTO will be secured in a timely manner, (iii) the RTO will be completed on the terms agreed upon by the parties in the Arrangement Agreement, within the timeframe anticipated by the Parties, (iv) the terms and conditions of the RTO will not change substantially, based on the receipt of further tax, corporate and securities law advice for each of the Parties, and (v) there will not be any unanticipated changes in laws or delays), although considered reasonable by management of the Parties at the time of preparation, may prove to be imprecise and result in actual results differing materially from those anticipated, and as such, undue reliance should not be placed on forward-looking statements. Should any such risk factor affect any of the Parties 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. Accordingly, readers are cautioned not to place undue reliance on forward-looking statements as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur.*

*The forward-looking statements included in this news release are made as of the date of this news release and neither Crystal nor Western undertakes any obligation to publicly update such forward-looking statements to reflect new information, subsequent events or otherwise unless required by applicable securities laws. All forward-looking statements contained in this news release are expressly qualified by this cautionary statement.*