

# Wolf Acquisition Corp. Announces LOI for Proposed Business Combination

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- The transaction assembles an experienced management team, capital, and a highly prospective gold project in Nevada, the leading gold producing state in the U.S.
- Hot Spring Property covers 11,894 acres of contiguous claims at the intersection of the Battle Mountain and Getchell-Comstock Gold Trend, a gold producing region with multiple large-scale producing mines (e.g. Midas and Fire Creek mines)
- Target zone is open along strike and at depth, historically drilled down to only 220 meters and has significant potential for a large-scale epithermal deposit
- Pro forma, the companies have more than \$2 million in cash on hand, with funded exploration currently underway, and no debt
- Brings together team with decades of mining, capital markets, corporate execution and public company expertise and has been directly involved in creating billions of dollars in market capitalization for previous companies

TORONTO, Oct. 14, 2020 - [Wolf Acquisition Corp.](#) ("Wolf" or the "Company") (TSX-V: WOLF.P) is pleased to announce that it has entered into a non-binding letter of intent dated October 5, 2020 (the "LOI") with respect to a proposed reverse takeover of the Company (the "Proposed Transaction") by CX One Inc. ("CX One") and Frontera Gold Corp. ("Frontera"), anticipated to be completed by way of a three-cornered amalgamation. It is anticipated that the Proposed Transaction will constitute a "Qualifying Transaction" pursuant to Policy 2.4 of the TSX Venture Exchange Inc. ("TSXV"). Following the completion of the Proposed Transaction, the resulting entity (the "Resulting Issuer") will hold all of the assets and continue the business of CX One and Frontera, namely the exploration and development of a gold property located in Nevada, USA, under the name "Bald Eagle Gold Corp.".

Following the completion of the Proposed Transaction, but before giving effect to the CX One Financing, it is anticipated that former shareholders of Wolf will hold approximately 14.5%, shareholders of CX One will hold approximately 42.7%, and shareholders of Frontera will hold approximately 42.8% of the outstanding common shares of the Resulting Issuer (the "Resulting Issuer Shares").

## Hot Springs Property, Nevada

Nevada is the preeminent jurisdiction for gold in the U.S. and produced over 80% of total U.S. gold production in 2018 (U.S. Geological Survey). The Hot Springs Property is located at the intersection of the Battle Mountain and Getchell-Comstock Gold Trends, a gold producing region of Nevada (the "Property"). The Property spans 11,894 continuous acres and Frontera has the right to acquire a 50% joint venture interest in the claims. Well-known historical and producing mines are associated with these gold trends and produce from Carlin-type and epithermal gold deposits, including the Midas (Hecla Mining) (approximately 60 kilometers from Hot Springs), Fire Creek (Hecla Mining) (approximately 100 kilometers from Hot Springs), Twin Creeks (Newmont) (approximately 30 kilometers from Hot Springs), and Getchell / Turquoise Ridge (Barrick, Newmont) (approximately 25 kilometers from Hot Springs) mines. The Midas and Fire Creek mines host epithermal gold deposits and Twin Creeks and Getchell / Turquoise Ridge hosts Carlin-type gold mines.

Historical exploration results confirm numerous gold occurrences within the property, both at surface and depth, as evidenced by surface sampling and drilling results. Initial data indicates the potential for a low-sulphide epithermal hosted gold deposit similar to other large producing mines in the vicinity. Key historical exploration includes drill results of 82.3 meters of 0.8 g/t gold from 1.5 meters to 83.8 meters of depth including 1.5 meters of 32.5 g/t bonanza grade gold, and 42.7 meters of 0.7 g/t gold from 32.0 meters to 74.7 meters of depth (including 13.7 meters of 1.2 g/t gold). The property has never been drilled below 220 meters and remains open at depth and along strike. Recently identified higher-grade epithermal gold deposits are being defined at depths greater than previous drilling at the Property, in the current gold cycle. A parallel untested zone has been identified and provides another target to be tested during the initial work

program. 8,175 meters of drilling has been historically completed at the Property.

Osgood Mountains Gold LLC ("Osgood") is the registered holder of the claims which compose the Property. Pursuant to an option agreement between Frontera and Osgood, Frontera has the option to fund a current work program (the "Program") for the Property. Upon funding of the Program, Frontera will earn a 50% undivided interest in a joint venture which solely owns and operates the Hot Springs Project. The full funding for the Program is US\$670,000. Frontera has funded the first 50% of the Program, and intends to fund the second 50%, thereby converting its option on the Property into a 50% undivided joint venture interest, which will operate the exploration and development programs for the Property.

Drilling permits for the property have recently been received by Osgood from the Bureau of Land Management. Current exploration activities include CSAMT (magnetotellurics) surveys, a popular geophysical survey method commonly utilized to define epithermal gold deposits and define drill targets. This initial exploration program is fully funded, and the second phase of exploration to include drilling is expected to commence in December 2020 and will also be fully funded with existing cash on hand.

The historical drill results included in this press release were taken from several unpublished reports, none of which are NI 43-101 compliant. The historic drill results were generated in drilling campaigns completed on the Property by Brican Resources between 1985 and 1986, completing 32 RC holes; AMAX Exploration Inc. between 1987 and 1988 drilling 18 RC holes; Homestake Mining, completing 5 drill holes; and Cordex/Piedmont in 2007 completing 41 drill holes. In total 91 RC holes have been drilled on the Property for a total of 26,825 feet. Readers are cautioned that Frontera has not completed the work required to independently analyze and verify the results of previous operators nor has a qualified person done sufficient work to verify this historical information. Frontera believes this information is reliable and relevant as it was completed by reputable companies that use industry standard drilling and sampling practices.

The technical information in this news release pertaining to geological data and its interpretation has been prepared by Mark T. Smethurst, P.Geo., Senior Geologist of the Frontera Gold Corp., and a "qualified person" within the meaning of National Instrument 43-101 – Standards of Disclosure for Mineral Projects.

### **Proposed Transaction**

The Letter of Intent provides that the parties will negotiate and enter into a definitive agreement in respect of the Proposed Transaction on or before November 3, 2020 (the "Definitive Agreement"), to be completed by way of three-cornered amalgamation resulting in CX One and Frontera becoming wholly-owned subsidiaries of Wolf (the Resulting Issuer). It is anticipated that the Resulting Issuer will continue the business of CX One and Frontera under the name "Bald Eagle Corp." (the "Name Change").

Completion of the Proposed Transaction will be subject to a number of conditions including, among others, completion of the Share Split (as defined below), the continuance of Frontera under the Canada Business Corporation Act (the "Continuance"), and the CX One Financing (described below), shareholder approval, if required, completion or waiver of sponsorship, receipt of all required regulatory approvals, including the approval of the TSXV, completion of satisfactory due diligence reviews, satisfaction of all initial listing requirements of the TSXV and all requirements under the policies of the TSXV relating to the completion of the Proposed Transaction, and the execution of the Definitive Agreement.

In connection with the completion of the Proposed Transaction, it is anticipated that, (A) Wolf will complete a share split of its outstanding common shares (each, a "Wolf Share") on an 1.2:1 basis (the "Share Split"), (B) as consideration for the Proposed Transaction, holders of the issued and outstanding common shares of CX One ("CX One Shares") will receive one (1) post-Share Split common share of the Resulting Issuer (each, a "Resulting Issuer Share") for each one (1) CX One Share held, and holders of the issued and outstanding common shares of Frontera ("Frontera Shares") will receive 3.5 post-Share Split Resulting Issuer Shares for each one (1) Frontera Share held, (C) all outstanding options to purchase CX One Shares shall be exchanged on an equivalent basis for options to purchase Resulting Issuer Shares, and (D) CX One will complete a financing for minimum aggregate gross proceeds of C\$1,500,000 (the "CX One Financing").

Following the completion of the Proposed Transaction and the Share Split, but before giving effect to the CX One Financing, the Resulting Issuer will have approximately 82.1 million Resulting Issuer Shares issued and outstanding.

A filing statement or management information circular, as applicable, will be prepared and filed in accordance with the policies of the TSXV.

### **Proposed Management Team and Board of Directors**

Subject to applicable shareholder and TSXV approval, on completion of the Proposed Transaction, the board of directors of the Resulting Issuer will be reconstituted to be comprised of the following individuals:

***Mr. Sidney Himmel, President, Chief Executive Officer and Director***

Mr. Himmel has over 30 years of corporate and finance experience in the Canadian markets, having worked as an executive and director of public companies, and corporate finance, institutional sales and research professional for notable Canadian and US financial institutions, including Deloitte, TD Securities and Merrill Lynch Canada. His experience also includes the completion of significant financial transactions and commercial partnerships internationally as well as the oversight and development of management teams and boards. Mr. Himmel holds Bachelor of Science (Chemistry) and Bachelor of Arts (Business and Finance) degrees, both from the University of Toronto. Mr. Himmel received the Chartered Accountant designation in 1981.

***Mr. Darren Collins, Chief Financial Officer***

Mr. Collins has over 15 years of corporate experience as an executive, director advisor of private and public companies. His expertise spans mergers and acquisitions, debt and equity financings, go-public transactions, commercial partnerships, accounting, and corporate governance. In recent engagements as CFO, he has led fundraisings totaling over \$100 million in equity capital and launched active M&A programs for early stage companies over the last 5 years. Prior to his current corporate activities, Darren worked for several investment and merchant banks, including Alegro Capital, LP in London, UK, Scotia Capital Inc. and Quest Capital Corp. (now known as Sprott Resource Lending Corp.) in Toronto, Canada. Mr. Collins holds a Bachelor of Commerce degree in finance from Dalhousie University.

***Mr. Mark Smethurst, Senior Geologist***

Mr. Smethurst has over 25 years of experience in the mining and metal-mineral resource development industry. He has held previous appointments including Vice President of Resource Development, Chief Operating Officer and Board Director for exploration companies. He has participated in sourcing capital to fund corporate development projects and has been responsible for assessing properties for acquisition and development. He has been instrumental in key discoveries and has had multiple successes in expanding resources for companies. He is a Qualified Person as defined by National Instrument 43-101 and is currently a Level 3 CFA candidate. He holds a Bachelor of Science in geology from the University of Toronto and a Master of Science in geophysics from the University of Windsor.

***Mr. Peter Simeon, Independent Director***

Mr. Simeon has over 18 years of experience as a lawyer focused on securities, corporate finance, and mergers and acquisitions. Since February 2015 he has been a partner at Gowling WLG (Canada) LLP and has extensive experience in corporate commercial and securities law. Prior to 2015, he was a partner at a boutique corporate law firm in Toronto. Mr. Simeon has a Bachelor of Arts from Queen's University and a law degree from Osgoode Hall at York University. Mr. Simeon acts as an independent director for several publicly traded companies in Canada.

***Mr. Marc-Andre Lavoie, Independent Director***

Mr. Lavoie has over 25 years of corporate experience in the capital markets and venture capital and has extensive experience in mining exploration and resource development in multiple jurisdictions. His expertise spans corporate finance and project finance for resource companies, corporate governance, executive and board management, and financial reporting. Mr. Lavoie was previously senior capital markets professional with BNP Paribas in New York and London. Mr. Lavoie has a BA from St Francis Xavier University, an M.Sc (Econ.) from London School of Economics and an M.Phil from Cambridge University.

***Mr. Raymond Harari, Independent Director***

Mr. Harari is the founder of Canalis Capital, a merchant bank focused on disruptive industries. Prior to founding Canalis, Mr. Harari worked at Credicorp Bank in its private wealth group in Panama and Nomura's consumer and retail investment banking group based in New York City. Mr. Harari graduated with honors from the University of Pennsylvania with a Bachelor of Science in systems engineering and a minor in engineering entrepreneurship and mathematics. Mr. Harari is an active angel investor across the technology, mining, fashion, cannabis, e-commerce, and energy sectors. Mr. Harari also served as the deputy director of the Chamber of Commerce, Industry and Agriculture of Panama.

## **Sponsorship**

Sponsorship of the Proposed Transaction may be required by the TSXV unless an exemption or waiver from this requirement can be obtained in accordance with the policies of the TSXV. Wolf intends to apply for a waiver of the sponsorship requirement, however there is no assurance that a waiver from this requirement can or will be obtained.

## **Additional Terms**

The Wolf Shares are currently halted from trading pending completion of the Proposed Transaction. A comprehensive press release with further particulars relating to the Proposed Transaction, financial particulars, descriptions of the proposed management of the Resulting Issuer and the CX One Financing will follow in accordance with the policies of the TSXV.

Further updates and more fulsome particulars of the Proposed Transaction will be provided as the Transaction progresses and upon the parties entering into a binding Definitive Agreement.

All information contained in this press release with respect to Wolf, CX One and Frontera was supplied by the parties respectively for inclusion herein, and each party and its directors and officers have relied on the other party for any information concerning the other party.

## **About Frontera Gold Corp.**

Frontera Gold Corp. is a private gold exploration company incorporated under the Business Corporations Act (BC) and focused on the Hot Springs Property in Nevada, USA. The Hot Springs Property is located at the intersection of the Battle Mountain and Getchell-Comstock Gold Trend, a known gold producing region in the state of Nevada. The property spans 11,894 contiguous acres and has the potential for large-scale economic gold deposits.

## **About CX One Inc.**

CX One Inc. is a private company incorporated under the Canada Business Corporations Act, formerly focusing on biotechnology, which has recently transitioned to focus its activities on gold exploration and development. The principle asset of the company is approximately \$1.6 million of cash.

## **About Wolf Acquisition Corp.**

Wolf is designated as a Capital Pool Company under Exchange Policy 2.4. Wolf has not commenced commercial operations and has no assets other than cash. Wolf's objective is to identify and evaluate businesses or assets with a view to completing a Qualifying Transaction. Any proposed Qualifying Transaction must be approved by the Exchange and, in the case of a Non-Arm's Length Qualifying Transaction, must also receive majority approval of the minority shareholders. Until the completion of a Qualifying Transaction, Wolf will not carry on any business other than the identification and evaluation of businesses or assets with a view to completing a proposed Qualifying Transaction.

## **CAUTIONARY NOTES**

*Completion of the Proposed Transaction is subject to a number of conditions including but not limited to, Exchange acceptance and if applicable pursuant to TSXV requirements, majority of the minority shareholder approval. Where applicable, the Proposed 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 Proposed Transaction, any information released or received with respect to the Proposed Transaction may not be accurate and should not be relied upon. Trading in the securities of Wolf should be considered highly speculative*

*The TSX Venture Exchange has in no way passed upon the merits of the Proposed Transaction and has neither approved nor disapproved the contents of this news release.*

*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 release.*

*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. Any securities referred to herein have not 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 of an exemption from such registration is available.*

## **Forward-Looking Information**

*This press release contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain acts, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking information in this press release may include, without limitation, the future operating or financial performance of Wolf, the proposed terms and anticipated completion of the CX One Financing, the proposed terms and conditions of the Definitive Agreement, including the completion of the Share Split, Continuance, Name Change and the reconstitution of the board of the Resulting Issuer, the anticipated completion of the Proposed Transaction, the estimates of potential quantity, grade, and metal and mineral content at the Property, Frontera's assessment of the reliability and relevance of the historical drill results; the completion of the remaining Program funding payments by Frontera, the conversion of Frontera's option into a joint venture interest, the ability of the joint venture to operate the exploration and development programs for the Property, and the anticipated timing of the second phase exploration work. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Wolf, as the case may be, to be materially different from those expressed or implied by such forward-looking information. Although Wolf has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. Wolf does not undertake to update any forward-looking information, except in accordance with applicable securities laws.*

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## **For further information:**

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