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Elmag Files Early Warning Report

NEWS RELEASE – EARLY WARNING REPORT ISSUED PURSUANT TO NI 62-103

ACQUISITION OF SECURITIES OF CANADIAN SPIRIT RESOURCES INC.

MONTREAL, Nov. 11, 2020 (GLOBE NEWSWIRE) -- This press release is being disseminated as required by National Instrument 62-103 in connection with the filing of an Early Warning Report regarding the acquisition of securities of Canadian Spirit Resources Inc. (the "**Corporation**").

On November 9, 2020, Elmag Investments Inc. (Investissements Elmag Inc.) (the "**Acquiror**") purchased 20,000,000 units of the Corporation ("**Units**") pursuant to the non-brokered private placement offering of the Corporation at a price of \$0.05 per Unit for an aggregate purchase price of \$1,000,000 and received an additional 12,000,000 common shares in the capital of the Corporation ("**Common Shares**") pursuant to the settlement of \$600,000 of debt of the Corporation held by the Acquiror at a deemed price of \$0.05 per Common Share (collectively, the "**Acquisitions**"). Each Unit is comprised of one Common Share and one Common Share purchase warrant (a "**Warrant**"), with each Warrant exercisable to purchase one Common Share at a price of \$0.08 per Common Share for a period of two years. Mr. Luigi Liberatore, a director of the Corporation, is the deemed beneficial owner of the securities acquired by the Acquiror pursuant to the Acquisitions as the Acquiror is a holding company controlled by Mr. Luigi Liberatore.

Immediately prior to the Acquisitions, the Acquiror held 100,168,067 Common Shares representing approximately 51.06% of the issued and outstanding Common Shares on an undiluted basis. Following the Acquisitions, the Acquiror holds 132,168,067 Common Shares, representing approximately 57.92% of the issued and outstanding Common Shares on an undiluted basis or approximately 63.1% on a fully-diluted basis assuming exercise of the Warrants.

The Units and Common Shares were acquired for investment purposes only and not for the purpose of exercising control or direction over the Corporation. The Acquiror may, from time to time, increase or decrease its shareholding or continue to hold securities of the Corporation as it may determine appropriate in the normal course of investment activity. In the future, the Acquiror may, directly or indirectly, acquire additional securities of the Corporation or dispose of such securities subject to a number of factors, including, without limitation, general market and economic conditions and other investment and business opportunities available.

A copy of the Early Warning Report to be filed by the Acquiror will be available on SEDAR under the Corporation's profile on www.sedar.com.

This early warning news release is issued under the early warning provisions of Canadian securities legislation, including National Instrument 62-104 - *Take-Over Bids and Issuer Bids* and National Instrument 62-103 - *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues*.

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this press release nor have they approved nor disapproved the content thereof.

For further information, contact:

Elmag Investments Inc. (Investissements Elmag Inc.)

3650 Boulevard Pitfield
Pierrefonds, QC H8Y 3L4

Attention: Marie-Josée Liberatore, Secretary

Telephone: +1 (514) 844-9373

Email: mj.liberatore@elmag.ca