



Dixie Gold Inc. – Disclosure Update to Previously Announced Takeover Transaction

Vancouver, British Columbia – December 28, 2023 – Dixie Gold Inc. (TSX VENTURE: DG) (“**Dixie Gold**” or the “**Corporation**”) today provides an event-related disclosure update to its previously announced transaction (the “**Takeover Transaction**”) with ASX-listed Omnia Metals Group Ltd. (“**Omnia**”)(see news release, Dixie Gold Inc. Announces Friendly-Takeover by Omnia Metals Group Ltd., dated October 27, 2023).

On December 22, 2023, the Corporation was advised by Omnia that Omnia had received response of same date from its listed exchange (the “**ASX**”), pertaining to ‘*in-principle advice*’ regarding the suitability of Omnia for re-admission to its official list if the Takeover Transaction were to be consummated (the “**In-Principle Advice**”). The Corporation expects the In-Principle Advice to allow Omnia to undertake further actions with respect to progressing the previously announced terms of the Takeover Transaction involving Omnia and the Corporation. The Corporation necessarily cautions that the In-Principle Advice is not a guarantee of re-admission for Omnia, that the In-Principle Advice is subject to certain conditions and that the In-Principle Advice does not constitute irrevocable, definitive or final ASX approval as relates to matters under the Takeover Transaction.

Based on continuing mutual effort by the parties to advance the Takeover Transaction to its intended completion, the Corporation has entered into an amending letter also dated December 22, 2023 (the “**Amending Letter**”) with Omnia whereby the parties have increased the duration of the exclusivity period by an additional four (4) week period (the “**Exclusivity Period Extension**”)(see also the Corporation’s news release of October 27, 2023). The Exclusivity Period Extension, which was entered into subsequent to the In-Principle Advice being received, is expected to allow the parties, among other practical and ordinary-course attributes, to continue to work on customary matters that remain outstanding or incomplete and as may otherwise relate to the Takeover Transaction and the parties’ intent to pursue completion of the same on the terms previously announced. There was no additional consideration paid by Omnia to the Corporation in relation to the Exclusivity Period Extension. The Corporation highlights note disclosure from its recent interim financial statements (as available on SEDAR+) that the initial upfront exclusivity fee was received by the Corporation from Omnia as prescribed under the terms of the Takeover Transaction (see also the Corporation’s news release of October 27, 2023).

Following the In-Principle Advice, the Corporation is advised by Omnia that Omnia is expected, in the near-future, to be disseminating a news release announcing the transaction on part of Omnia, the transaction of which was first announced by the Corporation (see news release dated October 27, 2023), the Corporation having been subject to different disclosure timeline requirements and regulations than Omnia. Interested parties may follow announcements by Omnia through their profile page on the ASX website: <https://www.asx.com.au/markets/company/om1>

To the best knowledge of the Corporation, Omnia is to remain under regulatory halt, as first requested by Omnia, and further to the best knowledge of the Corporation is expected to remain under such halt condition in the full period leading to one form of finality or another as relates to the Takeover Transaction, and their potential resumption/re-admission, as circumstances apply, thereafter.

Subject to all necessary approvals, and as previously disclosed (see news release dated October 27, 2023), it is anticipated that the Takeover Transaction would be implemented through a plan of arrangement under provisions of the *Business Corporations Act* (British Columbia) whereby the Corporation would, if the matter is successfully completed, become a wholly owned subsidiary of Omnia.

The Corporation continues to work diligently with Omnia having an objective to consummate the Takeover Transaction, subject to all necessary approvals, during the first half of 2024. The Corporation is supportive of any funding pursuits that Omnia may elect to undertake to advance their corporate standing, inclusive of funds that Omnia may pursue to satisfy the cash consideration component of the Takeover Transaction.

The Takeover Transaction remains subject to various conditions customary in transaction matters of this kind including, without limitation, receipt of all necessary regulatory approvals, shareholder approvals, court approval(s) and the entering into of an arrangement agreement.

Further materials and details related to the Takeover Transaction shall be forthcoming to shareholders in the anticipated ordinary course, or, if applicable, as/when pertinent developments like those outlined above occur.

Subject to certain precondition(s), the Corporation presently expects to call a shareholder meeting to seek its shareholder approval for the Takeover Transaction during the first quarter of 2024.

The Corporation wishes to extend its appreciation to the management, directors and advisors of Omnia for their work to-date pertaining to the Takeover Transaction.

About Dixie Gold Inc.

Dixie Gold Inc. (TSXV: DG) is a publicly traded exploration company holding a portfolio of exploration projects in Canada.

For more information, please visit www.dixiegold.ca

Signed,

Ryan Kalt
Chief Executive Officer
Dixie Gold Inc.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of Canadian securities laws. Some of the forward-looking statements can be identified by the use of forward-looking words. Statements that are not historical in nature, including the words "anticipate," "expect," "suggest," "plan," "believe," "intend," "estimate," "target," "project," "should," "could," "would," "may," "will," "forecast" and other similar expressions are intended to identify forward-looking statements. These forward-looking statements generally include statements that are predictive in nature and depend upon or refer to future events or conditions, including, but not limited to statements related to the Corporation's business in general, the ability to complete the Takeover Transaction, including approvals necessary by both the Corporation and Omnia, and the timing of completion of the transactions contemplated by an arrangement agreement between the Corporation and Omnia, including the parties' ability to satisfy the conditions or approvals to the consummation of the transaction and/or the possibility of further time period extensions (e.g. the Exclusivity Period Extension) or any termination of the agreement.

These statements are "forward-looking" because they are based on our current expectations about the markets we operate in, transactions contemplated but not yet completed and on various estimates and assumptions. Actual events or results may differ materially from those anticipated in these forward-looking statements if known or unknown risks affect our business and transactions (including but not limited to those contemplated by the Agreement and the Takeover Transaction), or if our estimates or assumptions turn out to be inaccurate. Among the factors that could cause actual results to differ materially from those described or projected herein include, but are not limited to, risks associated with: uncertainties with respect to the timing of the transaction; the risk that competing offers or acquisition proposals may be made; the possibility that various conditions to the consummation of the offer may not be satisfied or waived, including that a regulatory entity may prohibit, delay or refuse to grant approval for the consummation of the transaction at all or on acceptable terms or within expected timing; litigation risks, indemnification and liability. As a result, we cannot guarantee that any given forward-looking statement will materialize. Investors are cautioned not to place undue reliance on these forward-looking statements and estimates, which speak only as of the date hereof. We

assume no obligation to update any forward-looking statement contained in this press release even if new information becomes available, because of future events or for any other reason, unless required by applicable securities laws and regulations.

No Offer or Solicitation

This communication is not a proxy statement or solicitation of a proxy, consent or authorization with respect to the transaction and is not intended to and shall not constitute an offer to sell or the solicitation of an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction

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 release.

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