

NeoTerrex Minerals Inc. Completes Qualifying Transaction

OTTAWA, ON, December 22, 2023 – NeoTerrex Minerals Inc. (formerly, Spitfyre Capital Inc.) (TSXV: FYRE.P) ("**NeoTerrex**" or the "**Company**") is pleased to announce that, further to its comprehensive press release dated October 5, 2023, it has completed the acquisition (the "**Transaction**") of all of the issued and outstanding securities of NeoTerrex Corporation (the "**Target**"), a private company incorporated under the *Canada Business Corporation Act*. Subject to receiving final approval from the TSX Venture Exchange (the "**TSXV**"), the Company Shares (as defined herein) are expected to commence trading on the TSXV under the ticker symbol "NTX" on or about January 3, 2024.

The Transaction constitutes the Company's "Qualifying Transaction" (as defined by Policy 2.4 – *Capital Pool Companies* of the TSXV) and was completed according to the terms of an amalgamation agreement dated October 4, 2023 (the "**Amalgamation Agreement**"), pursuant to which, among other things, the Company acquired all of the issued and outstanding securities of the Target by way of a three-cornered amalgamation with a wholly-owned subsidiary of the Company under the *Canada Business Corporations Act*. In connection with the completion of the Transaction, the TSXV has conditionally approved the listing of the issued and outstanding common shares of the Company (the "**Company Shares**").

Prior to the completion of the Transaction, the Company: (i) completed a continuance from a corporation incorporated under the *Business Corporations Act* (Ontario) to a corporation continued under the *Canada Business Corporations Act*; and (ii) changed its name from "Spitfyre Capital Inc." to "NeoTerrex Minerals Inc."

Pursuant to the Amalgamation Agreement, the issued and outstanding common shares of the Target ("**Target Shares**") were exchanged for Company Shares on a 1:1 basis in connection with the Transaction. Pursuant to the Transaction: (i) an aggregate of 72,305,668 Company Shares were issued in exchange for the outstanding Target Shares (which includes the Target Shares issued upon the conversion of Target Subscription Receipts, as defined herein); (ii) warrants exercisable to acquire 4,019,000 Company Shares (the "**Company Warrants**") were issued in exchange for the outstanding Target Share purchase warrants of the Target (the "**Target Warrants**") (which were issued upon conversion of the Unit Subscription Receipts); and (iii) broker warrants exercisable to acquire 4,103,425 Company Shares were issued in exchange for the outstanding broker warrants of the Target (the "**Broker Warrants**") (which includes the Broker Warrants issued upon conversion of the Target Subscription Receipts).

As disclosed in the Company's press release dated November 23, 2023, the Company and the Target completed a brokered private placement (the "**Subscription Receipt Financing**") led by iA Private Wealth Inc. (the "**Lead Agent**"), as lead agent, along with Canaccord Genuity Corp. as agent (together with the Lead Agent, the "**Agents**"), in connection with the issue and sale of: (i) 8,038,000 unit subscription receipts of the Target (the "**Unit Subscription Receipts**"); (ii) 4,523,668 flow-through subscription receipts of the Target (the "**FT Subscription Receipts**", and together with the Unit Subscription Receipts, the "**Target Subscription Receipts**"); and (iii) 600,000 subscription receipts of the Company (the "**Company Subscription Receipts**", and together with the Target Subscription Receipts, the "**Subscription Receipts**").

Prior to the completion of the Transaction, each of: (i) the 8,038,000 Unit Subscription Receipts were automatically converted into one Target Share and one-half of one Target Warrant; (ii) the

4,523,668 FT Subscription Receipts were automatically converted into one Target Share issued on a flow-through basis; and (iii) the 600,000 Company Subscription Receipts were automatically converted into one Company Share and one-half of one Company Warrant. Each such Target Share and whole Target Warrant was exchanged pursuant to the Transaction for one Company Share and one equivalent Company Warrant, respectively. In connection with the conversion of the Subscription Receipts into underlying securities, the Agents were issued (i) by the Target, 339,275 Broker Warrants exercisable into Target Shares at an exercise price of \$0.30 per share; (ii) by the Target, 467,850 Broker Warrants exercisable into Target Shares at an exercise price of \$0.25 per share; and (ii) by the Company, 45,000 broker warrants exercisable into Company Shares at an exercise price of \$0.25 per share. The escrowed proceeds derived from the Subscription Receipt Financing, less the fees paid to the Agents in connection with the Agents' services rendered in connection with the Subscription Receipt Financing and other applicable deductions, were released in accordance with the provisions of the applicable subscription receipt agreements that governed the Target Subscription Receipts and the Company Subscription Receipts.

Following the Transaction, the leadership team of the Company is as follows:

- Mathieu Stephens – President, Chief Executive Officer and Director
- Vatché Tchakmakian – Chief Financial Officer and Corporate Secretary
- Dale Burstall – Director
- Alastair Neill – Director
- Rajesh Sharma – Director
- Denis Pilon – Director

As described in the Company's filing statement dated November 14, 2023 (the "**Filing Statement**"), prepared in connection with the Transaction and in accordance with Policy 2.4 of the TSXV, certain of the Company Shares are subject to escrow requirements or seed share resale restrictions in accordance with TSXV Policy 5.4 - *Escrow, Vendor Considerations and Resale Restrictions*. Additional information related to the Company's business, the Subscription Receipt Financing and the Transaction (including the members of the management team and board of directors listed above) is available in the Filing Statement. The Filing Statement is available under the Company's profile on SEDAR+ at www.sedarplus.ca. Readers are encouraged to review the Filing Statement for full details on the Transaction.

In connection with the Transaction and the Subscription Receipt Financing, DS Lawyers Canada LLP acted as legal counsel to the Target, Gowling WLG (Canada) LLP acted as legal counsel to the Company, and Peterson McVicar LLP acted as legal counsel to the Agents in relation to the Subscription Receipt Financing.

About NeoTerrex Minerals Inc.

The Company, through its wholly-owned subsidiary NeoTerrex Corporation (the "**Subsidiary**"), is currently advancing its prospective rare earths and lithium projects located in the province of Quebec, with most of its activities focused on its Mount Discovery project (the "**Mount Discovery Project**"). The Subsidiary owns a 100% undivided interest in certain mineral claims located in southwestern Quebec constituting the Mount Discovery Project. The property was acquired due to its rare earth elements potential.

For more information please contact:

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The TSXV has in no way passed upon the merits of the Transaction and has neither approved nor disapproved the contents of this press 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 press release.

Cautionary Note Regarding Forward-Looking Statements

This press release contains information and statements that constitute "forward-looking information". Such forward-looking information involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements, or developments to differ materially from the anticipated results, performance or achievements expressed or implied by such forward-looking information.

Although the Company believes, in light of the experience of its officers and directors, current conditions and expected future developments and other factors that have been considered appropriate that the expectations reflected in this forward-looking information are reasonable, undue reliance should not be placed on them because the Company can give no assurance that they will prove to be correct. When used in this press release, the words "estimate", "project", "belief", "anticipate", "intend", "expect", "plan", "predict", "may" or "should" and the negative of these words or such variations thereon or comparable terminology are intended to identify forward-looking information. The forward-looking information in this press release include: information relating to timing for the commencement of trading of the Company Shares on the TSXV; the Company's receipt of the final approval of the TSXV; and the exploration of the Mount Discovery Project and other projects and prospects thereof. Such statements and information reflect the current view of the Company. By their nature, forward-looking information involve known and unknown risks, uncertainties and other factors that may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking information.

The forward-looking information contained in this news release represents the expectations of the Company as of the date of this news release and, accordingly, are subject to change after such date. Readers should not place undue importance on forward-looking information and should not rely upon this information as of any other date. Except as required by applicable securities laws, forward-looking information contained herein speak only as of the date on which they are made and the Company undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

*This news release does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States. The Company's 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.

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