

CRANSTOWN SIGNS DEFINITIVE AMALGAMATION AGREEMENT TO ACQUIRE J2 METALS INC.

Vancouver, British Columbia – December 23, 2024 – Cranstown Capital Corp. (“**CRAN**” or the “**Company**”), a capital pool company pursuant to Policy 2.4 (“**Policy 2.4**”) of the TSX Venture Exchange (the “**TSXV**”), announces that further to its press release dated March 22, 2024 regarding a non-binding letter of intent to acquire J2 Metals Inc. (“**J2**”), a company incorporated pursuant to the *Business Corporations Act* (British Columbia), the Company and J2 have now executed a definitive amalgamation agreement dated December 23, 2024 (the “**Amalgamation Agreement**”). Under the Amalgamation Agreement, CRAN and J2 will complete a three-cornered amalgamation (the “**Proposed Transaction**”) whereby 1517805 B.C. Ltd. (“**Subco**”), a wholly-owned subsidiary of the Company formed for such purpose, will amalgamate with J2 to form a new company (“**Amalco**”). CRAN following completion of the Proposed Transaction is referred to as the “**Resulting Issuer**”.

Transaction Summary

Pursuant to the Proposed Transaction,

- (a) Subco and J2 will amalgamate to form Amalco, with Amalco becoming a wholly-owned subsidiary of CRAN;
- (b) each outstanding common share of J2 (each a “**J2 Share**”) will be exchanged for one common share of the Company (each “**CRAN Share**”) at a deemed price of \$0.10 per CRAN Share; and
- (c) each common share of Subco will be converted into one common share of Amalco.

Upon the completion of the Proposed Transaction, the Resulting Issuer will be the parent and sole shareholder of Amalco and thus will indirectly carry on the business of J2. The current shareholders of J2 will become shareholders of the Resulting Issuer, as the new parent corporation, and the CRAN shareholders will retain their equity in the Resulting Issuer. There are currently 5,534,347 J2 Shares outstanding, prior to the completion of certain concurrent financings as discussed below, which will be exchanged for CRAN Shares on a one for one basis as outlined in (b) above. No advances will be made by the Company to J2 prior to the completion of the Proposed Transaction and no finder’s fees are payable in connection with the Proposed Transaction.

Two directors of CRAN are also directors of J2, being Toby Pierce and Chris Beltgens. Mr. Pierce currently holds 1,000,000 CRAN Shares, representing 11.90% of the outstanding CRAN Shares and 1,213,600 J2 Shares, representing 21.90% of the outstanding J2 Shares. Mr. Beltgens currently holds 340,000 CRAN Shares, representing 4.04% of the outstanding CRAN Shares and 35,000 J2 Shares, representing 0.7% of the outstanding J2 Shares. No other Non-Arm’s Length Parties (as defined in Policy 2.4) of CRAN hold securities of J2 and no other Non-Arm’s Length Parties of J2 hold securities of CRAN. At the time the Proposed Transaction was agreed, Mr. Pierce held 18.3% of the outstanding J2 Shares.

In connection with the Proposed Transaction, the Resulting Issuer intends to change its name to “J2 Metals Inc.” or such other name as is acceptable to the regulators and the TSXV. It is anticipated that the Resulting Issuer will be listed as a Tier 2 Mining issuer on the TSXV with a trading symbol of “JTWO”, subject to requisite regulatory approvals.

The Proposed Transaction is subject to a number of terms and conditions, including, but not limited to, the completion of certain financings in both CRAN and J2, as described below, and the approval of the TSXV and other applicable regulatory authorities.

The Proposed Transaction is not subject to approval by the shareholders of CRAN under applicable TSXV policies or otherwise. J2 will convene a meeting of its shareholders for the purpose of approving the Proposed Transaction.

Concurrent Financings

As noted above, it is a condition of the Proposed Transaction that each of CRAN and J2 will complete private placement financings.

J2 Financing

J2 anticipates completing a non-brokered financing for aggregate gross proceeds of \$297,400 (the “**J2 Financing**”), of which \$104,400 will be raised through the issuance of 870,000 J2 Shares issued on a ‘flow through basis’ under the *Income Tax Act* (Canada) (the “**FT Shares**”) at a price of \$0.12 per FT Share, and the remaining \$193,000 will be raised through the issuance of 1,930,000 non-flow through J2 Shares at a price of \$0.10 per J2 Share.

J2 may pay eligible finders a fee equal to up to 6% of the J2 Financing in cash, and up to 6% in share purchase warrants (“**J2 Finder Warrants**”). Each J2 Finder Warrant will be exercisable to acquire a J2 Share at a price no less than \$0.10 per J2 Share for a period no longer than 24 months. The J2 Finders Warrants will be exercisable for CRAN Shares upon completion of the Proposed Transaction on the same terms.

The J2 Financing is expected to be completed in two more tranches prior to the completion of the Proposed Transaction and more specifically, the issuance of the FT Shares forming part of the J2 Financing is expected to be completed prior to December 31, 2024. The J2 Shares issuable in the J2 Financing, including the FT Shares, will be exchanged for CRAN Shares pursuant to the terms of the Amalgamation Agreement and will be free of resale restrictions following completion of the Proposed Transaction.

CRAN Financing

CRAN anticipates completing a non-brokered financing for aggregate gross proceeds of up to \$350,000 through the sale of up to 3,500,000 CRAN Shares at a price of \$0.10 per share (the “**CRAN Financing**”).

The CRAN Financing is expected to be completed in conjunction with the closing of the Proposed Transaction and remains subject to the approval of the TSXV. CRAN may pay eligible finders a fee equal to up to 6% of the CRAN Financing in cash, and up to 6% in share purchase warrants (“**CRAN Finder Warrants**”). Each CRAN Finder Warrant will be exercisable to acquire a CRAN Share at a price no less than \$0.10 per CRAN Share for a period no longer than 24 months. All securities issued under the CRAN Financing will be subject to a hold period expiring four months and one day after the date of issuance.

The Resulting Issuer intends to use the net proceeds of the J2 Financing and CRAN Financing for exploration and development of the Resulting Issuer's mineral property interests, and for general working capital purposes. The gross proceeds from the issuance of all FT Shares will be used to incur "Canadian exploration expenses" and qualify as "flow-through mining expenditures" under the *Income Tax Act* (Canada), which will be renounced to the purchasers of FT Shares with an effective date no later than December 31, 2024, in an aggregate amount no less than the proceeds raised from the issue of the FT Shares.

Updates re Management and Board of Directors

The Company's press release dated March 22, 2024, disclosed the proposed officers and directors of the Resulting Issuer. Subject to TSXV approval, it is anticipated that the officers and directors of the Resulting Issuer will be:

Thomas Lamb, CEO and Director

Toby Pierce, Director

Chris Beltgens, Director

Giuseppe (Pino) Perone, Corporate Secretary

The parties have since identified the proposed CFO of the Resulting Issuer as Ivan Riabov. Mr. Riabov is a seasoned finance and accounting professional who began his career in 2008 and brings over 16 years of progressive work

experience in public accounting, audit, investment management, portfolio management, operations, product structuring and debt financing. Mr. Riabov obtained his BBA degree from Schulich School of Business (York University) and holds the Chartered Professional Accountant and Chartered Accountant designations.

Additionally, it is anticipated Graham Giles, VP Exploration of J2 will be appointed as VP Exploration of the Resulting Issuer. Mr. Giles is currently VP Exploration of J2 and was a Senior Project Geologist with Argonaut Gold from April 2019 to December 2023. He has more than 15 years of experience as an exploration geologist, GIS and data manager with companies such as Skeena Resources, Keegan Resources, Brett Resources, and several consulting companies. Mr. Giles holds a BSc in Earth and Environmental Science from UBC and an MSc in Mineral Economics from Curtin Graduate School of Business. He is a registered Professional Geoscientist in the Province of British Columbia.

Sponsorship

The Proposed Transaction is subject to the sponsorship requirements of the TSXV unless an exemption from those requirements is granted. The Company has applied for an exemption from the sponsorship requirements; however, there can be no assurance that an exemption will be obtained.

Selected Financial Information about J2

The following table sets out selected financial information from J2's unaudited financial statements as of and for the six months ended September 30, 2024. The information provided herein should be read in conjunction with such financial statements, which will be included in the filing statement being prepared in connection with the Proposed Transaction and will be filed on www.sedarplus.ca in due course.

	J2 as at September 30, 2024 and for the six months ended September 30, 2024
	(unaudited)
Assets:	
Current Assets	\$153,665
Non-current Assets	3,079,610
Total Assets	3,233,275
Liabilities:	
Current Liabilities	28,709
Non-current Liabilities	238,600
Total Liabilities	267,309
Shareholder's Equity:	
Share Capital	3,215,122
Share Subscriptions Received	168,000
Contributed Surplus	259,729
Deficit	(676,885)
Total Equity (Deficit)	2,965,966
Revenues:	Nil
Total Expenses:	58,049
Net Loss:	(61,597)

Trading Halt

Trading in the Company's shares has been halted in accordance with TSXV policies and will remain halted pending TSXV review of the Proposed Transaction, completion of various regulatory filings with the TSXV in connection therewith, and satisfaction of other conditions of the TSXV for the resumption of trading. Trading in the Company's shares may not resume before closing of the Proposed Transaction.

Further Information

Further details about the Proposed Transaction and the Resulting Issuer will also be contained in the Filing Statement to be prepared and filed with the TSXV and on SEDAR+ in connection with the Proposed Transaction. Investors are cautioned that, except as disclosed in such Filing Statement, any information released or received with respect to the Proposed Transaction may not be accurate or complete and should not be relied upon.

For further information, please contact:

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Reader Advisories

All information provided in this news release relating to J2 and the proposed officers and directors has been provided by management of J2 and has not been independently verified by management of CRAN.

Completion of the Proposed Transaction is subject to a number of conditions, including but not limited to, TSXV 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 Proposed Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the 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 or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.

The TSXV 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.

Cautionary Statement Regarding Forward-Looking Information

This news release contains "forward-looking information" within the meaning of Canadian securities legislation. Forward-looking information generally refers to information about an issuer's business, capital, or operations that is prospective in nature, and includes future-oriented financial information about the issuer's prospective financial performance or financial position. The forward-looking information in this news release includes disclosure about the terms of the Proposed Transaction, the proposed directors and officers of the Resulting Issuer and J2's business operations and prospects. The Company and J2 have made certain material assumptions to develop the forward-looking information in this news release. There can be no assurance that such statements 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 statements. Actual results may vary from the forward-looking information in this news release due to certain material risk factors. These risk factors include, but are not

limited to: adverse market conditions; the ability of the Company or J2 to complete the Proposed Transaction on the terms disclosed in this news release, or at all; the ability to obtain requisite regulatory and shareholder approvals and the satisfaction of other conditions to the consummation of the Proposed Transaction; the potential impact of the announcement or consummation of the Proposed Transaction; reliance on key and qualified personnel; regulatory and other risks associated with the mining industry in general; changes in general economic, business and political conditions, including changes in the financial markets; changes in applicable laws as well as those risk factors discussed or referred to in disclosure documents filed by the Company with the securities regulatory authorities in certain provinces of Canada and available at www.sedarplus.ca. The foregoing list of material risk factors and assumptions is not exhaustive. Should any factor affect the Company 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. Any such forward-looking information is expressly qualified in its entirety by this cautionary statement. Moreover, the Company does not assume responsibility for the accuracy or completeness of such forward-looking information. The forward-looking information included in this news release is made as of the date of this news release and the Company undertakes no obligation to publicly update or revise any forward-looking information, other than as required by applicable law.