

POCML 5 Announces Proposed Qualifying Transaction with Exploration Stage Issuer

TORONTO, Nov. 30, 2020 --

POCML 5 Inc. (the "Company") announces that it has entered into a binding agreement dated November 30, 2020 (the "Letter Agreement") with an arm's length, Ontario based mineral exploration company that holds exploration stage assets in South America (the "Target") to effect a business combination of the two companies (the "Proposed Transaction"). The Proposed Transaction will be a reverse takeover of the Company by the Target and its shareholders.

The Company is a Capital Pool Company ("CPC") and intends the Proposed Transaction to constitute its Qualifying Transaction (the "Qualifying Transaction") under the policies of the TSX Venture Exchange (the "Exchange").

The Transaction

It is currently anticipated that the Proposed Transaction will be effected by way of a three-cornered amalgamation, share exchange, merger, amalgamation, arrangement or other similar form of transaction as is acceptable to the parties.

On or immediately prior to the completion of the Proposed Transaction, it is anticipated that: (i) the Company will effect a name change to such name as may be determined by Target; and (ii) the Company will consolidate the issued and outstanding common shares in the capital of the Company (the "POCML5 Shares") on the basis of one "new" POCML5 Share for every four "old" POCML5 Shares issued and outstanding (the "Consolidation").

Pursuant to the Proposed Transaction, holders of the issued and outstanding common shares of the Target (the "Target Shares") will receive one POCML5 Share (as they exist on a post-Consolidation basis) for each Target Share held (the "Exchange Ratio"). Pursuant to the Proposed Transaction, all existing securities convertible into Target Shares shall be exchanged, based on the Exchange Ratio, for similar securities to purchase POCML5 Shares on substantially similar terms and conditions.

There are currently an aggregate of 10,140,000 POCML5 Shares issued and outstanding, as well as 1,000,000 stock options, each exercisable to acquire one POCML 5 Share at an exercise price of \$0.10. In connection with the Proposed Transaction, all outstanding unexercised stock options of POCML5 shall expire immediately prior to the completion of the Proposed Transaction.

If the Proposed Transaction is completed, it is anticipated that the board of directors of the Company shall be reconstituted to consist of such directors as the Target shall determine, subject to the minimum residency requirements of the *Business Corporations Act* (Ontario), and all existing officers of the Company shall resign and be replaced with officers appointed by the new slate of board of directors.

The Proposed Transaction is conditional upon the completion of a financing.

A comprehensive news release regarding the Proposed Transaction will be issued when additional details are settled in accordance with the policies of the Exchange.

Arm's Length Transaction

The Proposed Transaction is an arm's length transaction in accordance with the policies of the Exchange and is not subject to the approval of the shareholders of the Company, except as required by applicable corporate law.

Sponsorship

Sponsorship of a Qualifying Transaction of a CPC is required by the Exchange, unless exempt in accordance with Exchange policies or waived by the Exchange. The Proposed Transaction may require sponsorship and the Company plans to provide a news release update should a sponsor be retained. Trading in the POCML5 Shares has been halted as a result of the announcement of the Proposed Transaction. POCML5 expects that trading in the POCML5 Shares will remain halted pending closing of the Proposed Transaction, subject to the earlier re-commencement of trading only upon Exchange approval and the filing of required materials with the Exchange as contemplated by Exchange policies.

Filing Statement

In connection with the Proposed Transaction and pursuant to the requirements of the Exchange, the Company will file a filing statement on its issuer profile on SEDAR (www.sedar.com), which will contain details regarding the Proposed Transaction, any financing completed prior to closing of the Proposed Transaction, the Company, the Target and the resulting issuer company following completion of the Proposed Transaction.

The obligations of the Company and the Target pursuant to the Letter Agreement shall terminate in certain specified circumstances, including in the event that a definitive business combination agreement with respect to the Proposed Transaction is not entered into among the parties by February 26, 2021.

About the Company

The Company is a CPC within the meaning of the policies of the Exchange that has not commenced commercial operations and has no assets other than cash. Except as specifically contemplated in the CPC policies of the Exchange, until the completion of its Qualifying Transaction, the Company will not carry on business, other than the identification and evaluation of companies, business or assets with a view to completing a proposed Qualifying Transaction.

For further information please contact:

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Completion of the Proposed Transaction is subject to a number of conditions including, but not limited to, Exchange acceptance and shareholder approval. The Proposed Transaction cannot close until all required shareholder approvals are 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 CPC should be considered highly speculative. A comprehensive press release with further particulars relating to the Proposed Transaction will follow in accordance with the policies of the Exchange.

The 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.

Cautionary Note Regarding Forward Looking Information

This news release contains statements about the Company's expectations regarding any proposed future Qualifying Transaction of the Company which are forward-looking in nature and, as a result, are subject to certain risks and uncertainties. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, undue reliance should not be placed on them as actual results may differ materially from the forward-looking statements. Factors that could cause the actual results to differ materially from those in forward-looking statements include general business, economic, competitive, political and social uncertainties; and the delay or failure to receive board, shareholder or regulatory approvals. The forward-looking statements contained in this press release are made as of the date hereof, and the Company undertakes no obligation to update publicly or revise any forward-looking statements or information, except as required by law.

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.