



Quimbaya Gold Inc. Announces Private Placement, Shares for Debt Transactions

December 4, 2024

VANCOUVER, BC - December 4rd, 2024 - Quimbaya Gold Inc. (CSE: QIM) ("**Quimbaya**" or the "**Company**") is pleased to announce that it intends to complete a non-brokered private placement (the "**Placement**") of 653,332 units of the Company (each, a "**Unit**") at a price of \$0.30 per Unit for aggregate gross proceeds of \$196,000. Each Unit will be composed of one common share (a "**Common Share**") of the Company and one Common Share purchase warrant (a "**Warrant**"), each such Warrant entitling the holder to acquire one additional Common Share for a period of two years from the date of issuance at an exercise price of \$0.40 per Common Share. The net proceeds of the Offering will be used by the Company for exploration and working capital.

Quimbaya also announces that it has entered into debt settlement agreements with certain creditors of the Company (the "**Creditors**") pursuant to which the Company agreed to issue to the Creditors, and the Creditors agreed to accept, an aggregate of 711,602 Units in full and final settlement of accrued and outstanding indebtedness in the aggregate amount of \$213,481.53 (the "**Debt Settlement**"). Closing of the Placement and Debt Settlement is expected to occur on or about December 11th, 2024.

All securities issued pursuant to the Placement and Debt Settlement will be subject to a statutory hold period of four months plus one day from the date of issuance, in accordance with applicable policies of the Canadian Securities Exchange.

Certain insiders of the Company will be participating in the Placement. Such participation is considered a related party transaction within the meaning of Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("MI 61-101"). The related party transaction will be exempt from minority approval and valuation requirements pursuant to the exemptions contained in Section 5.5(a) and 5.7(1)(a) of MI 61-101, as neither the fair market value of the securities to be issued under the Placement nor the consideration to be paid by insiders will exceed 25% of the Company's market capitalization.

The Company also announces that, pursuant to the Company's long-term incentive plan, it has granted a total of 1,000,000 stock options (the "**Options**") to certain consultants of the Company. The Options are each exercisable to purchase one Common Share of the Company at an exercise price of \$0.40 for a period of two years. The Options are subject to certain vesting conditions. The Company has also issued an aggregate of 1,550,000 restricted share units (the "**RSUs**"). Each RSU entitles the holder to be issued one Common Share on vesting. The RSUs are subject to certain vesting conditions.

This news release shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of the 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. The securities referred in this news release have not been, nor will they be,

registered under the United States Securities Act of 1933, as amended, (the "**U.S. Securities Act**"), or any U.S. state securities laws, and such securities may not be offered or sold within the United States or to any U.S. person absent registration under U.S. federal and state securities laws or an applicable exemption from such U.S. registration requirements. "United States" and "U.S. person" have the respective meanings ascribed to them in Regulation S under the U.S. Securities Act.

Depending on market conditions and receipt of regulatory approvals, the Company reserves the right to proceed with the closing of additional subscriptions at the same terms and conditions of the Placement announced today. The Company also announces that its board of directors has approved the early release of 925,000 common shares held by Remandes Corporation S.A. from a voluntary hold period expiring on December 27th, 2025 (see Company news release dated December 27th, 2023).

About Quimbaya

Quimbaya is active in the exploration and acquisition of mining properties in the prolific mining districts of Colombia. Managed by an experienced team in the mining sector, Quimbaya is focused on three projects in the regions of Segovia (Tahami Project), Puerto Berrio (Berrio Project), and Abejorral (Maitamac Project), all located in Antioquia Department, Colombia.

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Cautionary Statements

This press release includes certain statements and information that may constitute forward-looking information within the meaning of applicable Canadian securities laws. All statements in this news release, other than statements of historical facts, including statements regarding future estimates, plans, objectives, timing, assumptions or expectations of future performance, including without limitation, statements regarding the completion of the Offering and the timing thereof, and the anticipated use of proceeds of the Offering are forward-looking statements and contain forward-looking information. Generally, forward-looking statements and information can be identified by the use of forward-looking terminology such as "intends" or "anticipates," or variations of such words and phrases or statements that certain actions, events or results "may," "could," "should" or "would" or occur. Forward-looking statements are based on certain material assumptions and analyses made by the Company and the opinions and estimates of management as of the date of this press release, including, but not limited to, that the Company will complete the Offering on the terms disclosed, that the Company will receive all necessary regulatory approvals for the Offering, that the Company will use the proceeds of the Offering as currently anticipated; and assumptions relating to the state of the financial markets for the Company's securities. These forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements or forward-looking information. Important factors that may cause actual results to vary, include, without limitation, that the Company may not be able to raise funds under the Offering, as currently anticipated, that the Company may fail to receive any required regulatory approvals for the Offering, that the Company will not use the proceeds of the Offering as anticipated, market volatility, unanticipated costs, changes in applicable

regulations, and changes in the Company's business plans. Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements or forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. 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 and forward-looking information. Readers are cautioned that reliance on such information may not be appropriate for other purposes. The Company does not undertake to update any forward-looking statement, forward-looking information or financial outlook that are incorporated by reference herein, except in accordance with applicable securities laws.

The Canadian Securities Exchange (CSE) has not reviewed, approved, or disapproved the contents of this press release.