



NEWS RELEASE

Pasofino Gold Announces Closing of Non-Brokered Private Placement for Gross Proceeds of Approximately C\$3.1 Million

2/9/2024

Toronto, Ontario--(Newsfile Corp. - February 9, 2024) - Pasofino Gold Limited (TSXV: VEIN) (OTCQB: EFRGF) (FSE: N07A) ("Pasofino" or the "Company") is pleased to announce that it has closed its non-brokered private placement (announced January 22, 2024) of 6,291,000 units ("Units") at C\$0.50 (or US\$0.37) per Unit for gross proceeds of approximately C\$3.1 million (US\$2.3 million) (the "Offering").

Each Unit consisted of one common share of the Company (each, a "Unit Share") and one half of one common share purchase warrant (each whole warrant, a "Warrant"). Each Warrant entitles the holder thereof to purchase one common share of the Company (each, a "Warrant Share") at a price of C\$0.65 for a period of 18 months following the issue date of the Units.

A total of 6,291,000 common shares and 3,145,500 Warrants were issued pursuant to the financing. All securities issued are subject to a 4 month hold period expiring June 9, 2024. There was no finder's fee paid in connection with the financing.

The net proceeds of the Offering will be used by the Company in connection with advancement of the Dugbe Gold Project (the "Project") and working capital. The funds will be used to optimise the 2022 Definitive Feasibility Study through FY-2024 and further progress the Project. Several opportunities to maximise the value of Dugbe and reduce the overall project capex profile have been identified, including the optimisation of power usage, improvements to the metallurgical recovery rates and additional exploration activities.

All 6,291,000 Units in the Offering were subscribed by insiders. Hummingbird Resources plc (AIM: HUM) ("HB PLC"), a shareholder (51%) and control person of the Company, subscribed for 5,400,000 Units and Esan Eczacibasi Endustriyel Hammaddeler Sanayi ve Ticaret Anonim Şirketi ("ESAN"), a shareholder (10%) and insider of the Company, subscribed for 891,000 Units.

The securities offered have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This news release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any State in which such offer, solicitation or sale would be unlawful.

The Unit Shares and Warrant Shares have been conditionally accepted by the TSX Venture Exchange ("TSX-V") and is subject to the final acceptance of the TSX-V. See the Company's press releases dated January 22, 2024 for additional details regarding the Offering.

ABOUT THE DUGBE GOLD PROJECT

The 2,302 km² Dugbe Gold Project is in southern Liberia and situated within the southwestern corner of the Birimian Supergroup which is host to most West African gold deposits. To date, two deposits have been identified on the Dugbe Gold Project: Dugbe F and Tuzon discovered by Hummingbird entities in 2009 and 2011, respectively. The deposits are located within 4 km of the Dugbe Shear Zone which is thought to have played a role in large scale gold mineralization in the area.

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.

Related Party Transaction

Each of HB PLC and ESAN are insiders of Pasofino and have participated in the Offering. The Offering is therefore a "Related Party Transaction" under Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("MI 61-101"). The Company relied upon the exemptions from the minority shareholder approval and valuation requirements set out in Sections 5.7(1)(a) and 5.5(a), respectively, of MI 61-101. The Offering including the subscriptions of HB PLC and ESAN, was approved unanimously by the directors of the Company.

ABOUT PASOFINO GOLD LTD.

Pasofino Gold Ltd. is a Canadian-based mineral exploration company listed on the TSX-V (VEIN).

Pasofino, through its wholly owned subsidiary, owns 100% of the Dugbe Gold Project (prior to the issuance of the Government of Liberia's 10% carried interest).

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CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS

This news release contains "forward-looking statements" that are based on expectations, estimates, projections and interpretations as at the date of this news release. Forward-looking statements are frequently characterised by words such as "plan", "expect", "project", "seek", "intend", "believe", "anticipate", "estimate", "suggest", "indicate" and other similar words or statements that certain events or conditions "may" or "will" occur, and include, without limitation, statements regarding the ability to raise the funds to finance its ongoing business activities including the acquisition of mineral projects and the exploration and development of its projects. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such risks and other factors may include, but are not limited to, the ability to successfully complete the Offering, the ability to obtain all requisite regulatory approvals including the approval of the TSX-V, the ability to apply the proceeds as intended, the results of business operation, the results of exploration activities; the ability of the Company to complete further exploration activities; timing and availability of external financing on acceptable terms and those risk factors outlined in the Company's Management Discussion and Analysis as filed on SEDAR+. The Company does not undertake to update any forward-looking information except in accordance with applicable securities laws.

To view the source version of this press release, please visit <https://www.newsfilecorp.com/release/197375>

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