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# 1287405 B.C. Ltd and Montero Minerals Announce Proposed Go-Public Transaction and C\$17 Million Financing

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VANCOUVER, British Columbia, March 31, 2026 (GLOBE NEWSWIRE) -- 1287405 B.C. Ltd. ("**128 BC Ltd**") and Montero Minerals Ltd. ("**Montero**") are pleased to announce that they have entered into a non-binding letter of intent (**the "LOI"**) dated February 6, 2026, pursuant to which 128 BC Ltd proposes to acquire all of the issued and outstanding common shares of Montero (the "**Montero Shares**") by way of a statutory plan of arrangement (the "**Plan of Arrangement**") to effect a reverse take-over of Montero. Upon completion of the Plan of Arrangement, it is expected that Montero will become a wholly-owned subsidiary of 128 BC Ltd to form the resulting issuer (the "**Resulting Issuer**") and the common shares of the Resulting Issuer (the "**Resulting Issuer Shares**") will be listed on the TSX Venture Exchange (the "**TSXV**").

In connection with the Plan of Arrangement, Montero has entered into an engagement agreement, dated March 30, 2026 with Haywood Securities Inc. ("**Haywood**") as lead agent and sole bookrunner, on its own behalf and on behalf of a syndicate of agents including Research Capital Corp. (together with Haywood, the "**Agents**"), pursuant to which the Agents have agreed to sell, on a "best efforts" private placement basis, up to 20,000,000 subscription receipts of Montero (the "**Subscription Receipts**") at a price of C\$0.85 per Subscription Receipt (the "**Issue Price**") for aggregate gross proceeds of a minimum of C\$5,000,000 and up to C\$17,000,000 (the "**Concurrent Offering**"). Closing of the Concurrent Offering is expected to occur on or about April 30, 2026 or such other date as agreed between the Agents and Montero, each acting reasonably. Montero has also granted the Agents an option, exercisable in whole or in part at any time up to 48 hours prior to the closing of the Concurrent Offering, to sell up to an additional 3,000,000 Subscription Receipts at the Issue Price, for aggregate gross proceeds of up to an additional C\$2,550,000.

## **Highlights of Montero Minerals:**

- Leaders in Colombian gold exploration
  - Operational Excellence: +100 Years of combined in-country experience
  - Experienced Exploration Team: +50 Moz Colombian gold discoveries
  - Pureplay exposure to a prolific, growing gold and copper producing region
  - Colombian Track Record: in-country expertise in ESG responsibilities
- Leading mine finders in Colombia, focused on unlocking the next major discovery
  - Large Land Position: +1.2 million hectares in Colombia

- Several initial discoveries made, with drill-ready targets identified
- Unlocking Potential: focused on multi-million ounce discoveries
- Significant Historical Drilling Expenditures: +US\$40M (US\$25M spent across the highlighted projects alone)
- Diversified target portfolio that includes gold/copper porphyry, pluton-related gold/silver, high-grade gold/silver veins, and intermediate-sulphidation gold/silver, gold/silver/copper skarn
- Flagship La Ruana project hosts five gold/copper porphyry centers identified over a +3 km N-S trend
  - Porphyry Au-Cu with epithermal Au-Ag trend in the Middle Cauca Belt
  - ~12,000 m drilled to date by Solvista Gold and IAMGOLD (2012-2014) with strong historic drill results from near surface:
    - 457 m at 1.24 g/t AuEq (4 m from surface)
    - 323 m at 1.58 g/t AuEq (3 m from surface)
    - 358 m at 0.82 g/t AuEq (5 m from surface)
    - 150 m at 1.92 g/t AuEq (5 m downhole)
    - 292 m at 0.83 g/t AuEq (5 m from surface)
  - Additional undrilled porphyry exploration targets and epithermal potential with excellent access and existing infrastructure
- Montecoro's La Marquesa project is situated 10 km north of B2Gold's Gramalote project, which hosts over 4 Moz gold in an open-pit, bulk-minable gold resource
  - Batholith-hosted with kilometer-scale pluton-related bulk-tonnage high-grade gold/silver targets including:
    - San Pedrito Target (3 km x 1 km): extensive hydraulic workings with coincident Au-Cu-Mo soil anomalies, potassic+phyllitic alteration and stockwork veining
    - La Maraña-El Baño-Juan Diaz Trend (4 km x 1 km): zones up to 50 m width with gold values of 0.25 – 0.7 g/t Au. Localized high-grade sections include 4.8 m at 4.85 g/t Au, sheeted quartz veining with anomalous gold over 1.2 km x 400 m

## Transaction Summary

Pursuant to the terms of the LOI and in connection with the Plan of Arrangement, it is anticipated that: (i) prior to the closing of the Plan of Arrangement, 128 BC Ltd will implement a consolidation of its outstanding common shares (the “**Consolidation**”) at a consolidation ratio to be determined immediately prior to the closing of the Plan of Arrangement (the “**Consolidation Ratio**”); (ii) 128 BC Ltd effect a change of its corporate name to such name as may be determined by Montecoro and approved by the shareholders of 128 BC Ltd and is acceptable to the applicable regulatory authorities, including the TSXV; and (iii) after giving effect to the Consolidation, all of the securities of Montecoro outstanding immediately prior to the closing of the Plan of Arrangement will be replaced with or exchanged for equivalent securities of the Resulting Issuer on a one for one basis, entitling the holders thereof to acquire or receive Resulting Issuer Shares in *lieu* of Montecoro Shares, subject to adjustment in connection with the Plan of Arrangement.

Upon completion of the Plan of Arrangement, it is expected that: (i) Resulting Issuer Shares will be listed as a Tier 2 Mining issuer on the TSXV and trade under a symbol to be determined by Montecoro and the TSXV; and (ii) 128 BC Ltd will carry on the business of Montecoro, being the exploration and development of Montecoro's mineral properties located in Colombia.

The completion of the Plan of Arrangement is subject to, among other things: (a) the negotiation and execution of a definitive agreement; (b) completion of due diligence; (c) the parties obtaining all necessary board, shareholder, court and regulatory approvals, including the approval of the TSXV; (d) there being no material adverse changes in respect of either Montecoro or 128 BC Ltd; (e) completion of the Concurrent Offering; and (f) other standard conditions of closing for a transaction in the nature of the Plan of Arrangement. There can be no assurance that a definitive agreement will be executed, all necessary approvals will be obtained, or that all conditions of closing will be satisfied.

In connection with the Plan of Arrangement and the Concurrent Offering, certain Resulting Issuer Shares will be subject to lock-up and escrow restrictions in accordance with the policies of the TSXV and the Plan of Arrangement documents, including a staged release over a three-year period following the listing of the Resulting Issuer on the TSXV.

A copy of the LOI (subject to mutual redactions) and a material change report will be filed on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca) under 128 BC Ltd's profile.

Monteoro and 128 BC Ltd are arm's length parties to each other and, accordingly, the Plan of Arrangement is not a related party transaction within the meaning of Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions*.

Following the completion of the Concurrent Offering, and assuming gross proceeds of C\$17,000,000, existing shareholders of Monteoro will own approximately 85.4% of the Resulting Issuer, existing shareholders of 128 BC Ltd will own approximately 0.6% of the Resulting Issuer, and subscribers under the Concurrent Offering will own approximately 14.0% of the Resulting Issuer, on a basic, non-diluted basis.

### **Board of Directors and Management**

It is anticipated that the board of directors of the Resulting Issuer, upon completion of the Plan of Arrangement, will consist of Gustavo Koch, Robert Neill, Robert Shaw, and Marc Prefontaine all subject to the approval of such nominees by the TSXV and the shareholders of 128 BC Ltd. The officers of the Resulting Issuer are expected to consist of Robert Neill (CEO) and such other officers to be confirmed in connection with the Plan of Arrangement.

### **Terms of the Concurrent Offering**

Monteoro has entered into an engagement agreement with Haywood, as lead agent and sole bookrunner, on its own behalf and on behalf of a syndicate of Agents including Research Capital Corp., pursuant to which the Agents have agreed to sell, on a "best efforts" private placement basis, up to 20,000,000 Subscription Receipts at the Issue Price for aggregate gross proceeds of a minimum of C\$5,000,000 and up to C\$17,000,000. Closing of the Concurrent Offering is expected to occur on or about April 30, 2026, or such other date as agreed between the Agents and Monteoro, each acting reasonably. Monteoro has also granted the Agents an option, exercisable in whole or in part at any time up to 48 hours prior to the closing of the Concurrent Offering, to sell up to an additional 3,000,000 Subscription Receipts at the Issue Price, for aggregate gross proceeds of up to an additional C\$2,550,000.

The net proceeds of the Concurrent Offering are expected to be used to fund: (i) the exploration and other expenses relating to Monteoro's mineral exploration properties located in Colombia; (ii) the expenses of the Plan of Arrangement; and (iii) the general corporate and working capital requirements of the Resulting Issuer.

The Subscription Receipts will be created and issued pursuant to the terms of a subscription receipt agreement (the "**Subscription Receipt Agreement**") between Monteoro, Haywood, on behalf of the Agents, and an escrow agent (the "**Subscription Receipt Agent**") mutually acceptable to Monteoro and Haywood, each acting reasonably. Each Subscription Receipt shall be deemed to be converted, without payment of additional consideration or further action by the holder thereof and subject to adjustment, into one common share of Monteoro (each, a "**SR Share**") immediately before the closing of the Plan of Arrangement upon the satisfaction or waiver of the Escrow Release Conditions (as defined in the Subscription Receipt Agreement) at or before the date that is 120 days from the closing date of the Concurrent Offering (the "**Escrow Release Deadline**"). Upon completion of the Plan of Arrangement, each SR Share shall immediately be exchanged for one Resulting Issuer Share for no additional consideration and without any further action by the holders thereof.

In consideration for their services in connection with the Concurrent Offering, Monteoro has agreed to pay the Agents a cash fee (the "**Agents' Fee**") equal to 6.0% of the gross proceeds from the sale of the Subscription Receipts. 50% of the Agents' Fee will be paid on the closing date of the Concurrent Offering and the remaining 50% of the Agents' Fee will be deposited in escrow. As additional consideration for the services of the Agents, the Agents will be issued compensation options of Monteoro (the "**Compensation Options**") equal to 6.0% of the number of Subscription Receipts sold in the Concurrent Offering. Each Compensation Option will entitle the holder thereof to acquire one SR Share at the Issue Price for a period of 24 months following the date of closing of the Concurrent Offering.

Upon closing of the Concurrent Offering, the gross proceeds of the Concurrent Offering, less 50% of the Agents' Fee and the Agents' estimated expenses, will be deposited in escrow with the

Subscription Receipt Agent pending satisfaction or waiver of the Escrow Release Conditions, in accordance with the provisions of the Subscription Receipt Agreement. If the Escrow Release Conditions are not satisfied at or before the Escrow Release Deadline, each of the then issued and outstanding Subscription Receipts will be cancelled and the Subscription Receipt Agent will return to each holder of Subscription Receipts an amount equal to the aggregate Issue Price of the Subscription Receipts held by such holder plus an amount equal to the holder's *pro rata* share of any interest or other income earned on the escrowed funds (less applicable withholding tax, if any). To the extent that the escrowed funds are insufficient to refund such amounts to each holder of the Subscription Receipts, Montero shall be liable for and will contribute such amounts as are necessary to satisfy the shortfall.

### **Additional Information**

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

### **Qualified Person**

The technical and scientific information contained in this news release has been reviewed and approved by Felipe Rodriguez Novoa, P.Geol, VP Exploration of Montero, who is a "Qualified Person" as defined in National Instrument 43-101 – Standards of Disclosure for Mineral Projects.

### **About Montero Minerals**

Montero is a private gold exploration company, focused on advancing several initial discoveries and identified drill targets across its +1.2 million hectare land package in Colombia. Montero is strategically positioned with a dedicated team of seasoned explorationists, holding an extensive portfolio of top-quality Colombian exploration properties. Montero's flagship project, La Ruana, hosts five gold/copper porphyry centers that have been identified over a +3 km north-to-south trend, in addition to epithermal gold/silver trends in the Middle Cauca Belt of Colombia. La Ruana has seen ~12,000 m of historical drilling to date.

### **For further information please contact:**

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### **1287405 B.C. Ltd.**

1287405 B.C. Ltd was incorporated in the province of British Columbia on July 27, 2021. 1287405 B.C. Ltd is a reporting issuer but does not trade on a stock exchange. The principal business of 1287405 B.C. Ltd is to identify and evaluate assets or businesses with a view to potentially acquire them or an interest therein by completing a purchase transaction, by exercising of an option or by any concomitant transaction.

For further information, please contact:

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### **Reader Advisories**

*Completion of the transaction is subject to a number of conditions, including but not limited to, TSXV acceptance and if applicable, disinterested shareholder approval. Where applicable, the transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the transaction will be completed as proposed or at all.*

Investors are cautioned that, except as disclosed in the management information circular to be prepared in connection with the transaction, any information released or received with respect to the transaction may not be accurate or complete and should not be relied upon.

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

This news release does not constitute an offer to sell or the solicitation of an offer to buy any securities in any jurisdiction. The securities referred to in this news release have not been, and will not be, registered under the United States Securities Act of 1933, as amended, or any state securities laws, and may not be offered or sold within the United States or to, or for the account or benefit of, any U.S. person unless they are registered under the United States Securities Act of 1933, as amended, and any applicable state securities laws, or an applicable exemption from the such U.S. registration requirements is available. This news release does not constitute an offer for sale of securities, nor a solicitation for offers to buy any securities. Any public offering of securities in the United States must be made by means of a prospectus containing detailed information about the company and management, as well as financial statements.

**Neither 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 news release.**

### **Cautionary Note Regarding Forward-Looking Statements**

This news release includes certain statements that may be deemed “forward-looking statements”. All statements in this new release, other than statements of historical facts, that address events or developments that 128 BC Ltd expects to occur, are forward-looking statements. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words “expects”, “plans”, “anticipates”, “believes”, “intends”, “estimates”, “projects”, “potential” and similar expressions, or that events or conditions “will”, “would”, “may”, “could” or “should” occur and specifically include statements regarding the Plan of Arrangement contemplated by the LOI, the negotiation and execution of a definitive agreement, satisfaction of the conditions precedent to closing the Plan of Arrangement, the anticipated management team of the Resulting Issuer, Montero’s business operations and prospects, the completion of the Concurrent Financing, the completion of the Consolidation, and the listing of the Resulting Issuer Shares on the TSXV. The 128 BC Ltd and Montero have made certain material assumptions, including but not limited to: prevailing market conditions; general business, economic, competitive, political and social uncertainties; delay or failure to receive board, shareholder or regulatory approvals; and the ability of Montero to execute and achieve its business objectives, to develop the forward-looking statements 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 statements in this news release due to certain material risk factors. These risk factors include, but are not limited to: adverse market conditions; the negotiation and execution of a definitive agreement, the inability of 128 BC Ltd or Montero to complete the Plan of Arrangement on the terms disclosed in this news release, or at all; the estimated costs associated with the Plan of Arrangement; reliance on key and qualified personnel; regulatory and other risks associated with the mining industry in general, as well as those risk factors discussed or referred to in disclosure documents filed by 128 BC Ltd with the securities regulatory authorities in certain provinces of Canada and available at [www.sedarplus.ca](http://www.sedarplus.ca). The foregoing list of material risk factors and assumptions is not exhaustive. Should any factor affect 128 BC Ltd in an unexpected manner, or should assumptions underlying the forward-looking statements prove incorrect, the actual results or events may differ materially from the results or events predicted. Any such forward-looking statement is expressly qualified in its entirety by this cautionary statement. Moreover, 128 BC Ltd does not assume responsibility for the accuracy or completeness of such forward-looking statement. The forward-looking statements included in this news release is made as of the date of this news release and 128 BC Ltd undertakes no obligation to publicly update or revise any forward-looking statements, other than as required by applicable law.