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## **Lions Bay Capital Inc. Provides Update on Proposed Acquisition of South African Gold Interest And Potential Funding**

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**Vancouver, BC, October 22, 2020** – Lions Bay Capital Inc. (TSX-V: **LBI**) (“**Lions Bay**” or the “Company”) announces that further to the news releases on September 14, 2020 and October 18, 2020, the Salamander Mining International Limited (“Salamander”) proposal to acquire a group of gold assets in South Africa currently under the control of a Business Rescue Practitioner is being reviewed by the creditors for consideration.

As part of the agreement with Salamander, Lions Bay will have the right to acquire up to a 50 per cent interest in any assets acquired by Salamander. Lions Bay has been mandated to arrange the funding required to acquire and restart the mines, which is anticipated to be approximately USD \$5.0 million over 6 months. Lions Bay has negotiated indicative terms with a funding partner that covers up to USD \$4.0 million of the USD \$5.0 million required. The proposed terms establish a USD \$2.0 million loan facility with an initial drawdown of USD \$1.2 million available upon execution of a definitive agreement and regulatory approval and a second tranche of USD \$0.8 million available for further drawdown. The loan facility would be secured by the Company’s investment portfolio and be convertible into the common shares of Lions Bay, incur interest at 12% per annum and would require Lions Bay to issue warrants to the lender.

As previously advised, Salamander has made an offer to acquire a group of gold assets in South Africa. Any offer will ultimately require support from various parties and could result in protracted legal action. There is no certainty that Salamander will be successful in its endeavors and there are a number of potential outcomes. In addition, any definitive agreements will be subject to TSX-V approval.

### **About Lions Bay Capital Inc.**

Lions Bay Capital Inc. is a TSX-V listed Investment Issuer that is focused on high return investment opportunities, principally in the mining, clean energy and clean technology sectors, where it provides public and private companies with strategic and financial support.

On behalf of the Board of Lions Bay.

**John Byrne**

Executive Chairman

Tel: +61 3 9236 2800

Email: [jbyrne@lionsbaycapital.com](mailto:jbyrne@lionsbaycapital.com)

For more information, please visit the corporate website at [www.lionsbaycapital.com](http://www.lionsbaycapital.com) or contact the above.

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*This press release contains “forward-looking statements” or “forward-looking information” (collectively referred to herein as “forward-looking statements”) within the meaning of applicable securities legislation. Such forward-looking statements include, without limitation, forecasts, estimates, expectations and objectives for future operations that are subject to a number of assumptions, risks and uncertainties, many of which are beyond the control of the Company. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words “will”, “plan”, “intends”, “may”, “will”, “could”, “expects”, “anticipates” and similar expressions. Further disclosure of the risks and uncertainties facing Lions Bay and other forward-looking statements are discussed in Lions Bay’s Management’s Discussion and Analysis which is available under the Company’s profile on [www.sedar.com](http://www.sedar.com).*

*Forward-looking statements are based on assumptions made by and information currently available to the Company. Although management considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect. By their very nature, forward-looking statements involve inherent risks and uncertainties and readers are cautioned not to place undue reliance on these statements as a number of factors could cause actual results to differ materially from the beliefs, plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. These factors include, for the Company and the companies it is invested in, but are not limited to, commodity prices, fluctuations in revenues and expenses, need for additional funding, availability of such additional funding and that funding will be on acceptable terms, retention of key employees, economic conditions, currency fluctuations, competition and regulations, legal proceedings and risks related to operations in foreign countries.*

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