

# Voyager Metals Announces Business Combination with Cerrado Gold

**TORONTO, ON / March 7, 2023** / Voyager Metals Inc. ("Voyager") (TSXV:VONE) is pleased to announce that it has entered into a definitive agreement with Cerrado Gold Inc. ("Cerrado") (TSXV: CERT) (the "Arrangement Agreement") whereby Cerrado will acquire all of the issued and outstanding shares of Voyager (the "Arrangement"). Under the terms of the Arrangement Agreement, all of the issued and outstanding Voyager common shares will be exchanged on the basis of one (1) common share of a Cerrado ("Cerrado Shares") for each six (6) common shares of Voyager ("Voyager Shares") or approximately 0.1667 Cerrado Shares for each Voyager Share (the "Exchange Ratio").

The Exchange Ratio implies a consideration value of C\$0.1523 per Voyager common share, based on the 20 day volume weighted average price ("VWAP") of Cerrado common shares on the TSX Venture Exchange (the "Exchange") as of March 3, 2023, representing an implied 16.8% premium to the 20 day VWAP of Voyager over the same period ending as of March 3, 2023.

Upon completion of the Arrangement, existing Cerrado and Voyager shareholders will own approximately 82% and 18% of the combined company, respectively, on a fully-diluted basis. The combined company will continue trading under the name Cerrado Gold Inc. and ticker symbol TSXV:CERT.

In connection with the Arrangement, Voyager intends to complete a non-brokered private placement (the "Private Placement") for proceeds of up to C\$4.725 million. Cerrado has entered into a subscription agreement (the "Subscription Agreement") to subscribe for and purchase that number of Voyager Shares under the Private Placement at a price of C\$0.1523 per Voyager Share (the "Subscription Price") that would result in

Cerrado holding approximately 19.9% of the issued and outstanding Voyager Shares on an undiluted basis and approximately 17.0% on a fully-diluted basis, representing proceeds to Voyager of up to C\$3.7 million. The Subscription Price is equal to the price per Voyager common share implied by the Exchange Ratio. Certain additional subscribers beyond Cerrado are expected to purchase Voyager Shares at a price per common share equal to the greater of the Subscription Price and the lowest subscription price allowable under the policies of the Exchange.

Proceeds of the Private Placement are intended to further advance Voyager's ongoing development and feasibility study on its Mont Sorcier iron project near Chibougamau, Quebec, now scheduled for completion by the end of 2023, to fund certain other short term payable obligations prior to closing of the Arrangement and for general corporate purposes.

#### *Key Transaction Benefits*

The Arrangement and the Private Placement are expected to offer a number of significant benefits to Voyager shareholders by creating a company with the potential to generate significant long term cash flows while minimizing shareholder dilution, including:

- cash flow generated by Cerrado's operations could support ongoing development and future construction of Voyager's Mont Sorcier project, thus creating a company with wider commodity and geographic diversity with a robust long term production profile and cash generating capacity;
- the combination will provide Voyager shareholders with immediate exposure to Cerrado's portfolio of gold production and development assets;
- the Private Placement immediately addresses Voyager's short term funding requirements and the Arrangement improves Voyager's access to capital to fund

the Mont Sorcier project, all while providing shareholders with improved share liquidity with reducing long term share dilution; and

- immediate Private Placement funding to be used to recommence work to deliver Mont Sorcier project feasibility study, now expected to be completed by the end of 2023.

For additional information please see Voyagers corporate presentation on the company's web site at <https://voyagermetals.com/assets/Voyager-Combination-CerradoGold.pdf>

### *Recommendations*

The entry into the Arrangement Agreement and Subscription Agreement and the completion of the Arrangement and Private Placement have been unanimously approved by the members of the respective boards of directors of Cerrado and Voyager eligible to vote thereon. In the case of Voyager, the board of directors approved the Arrangement and Private Placement upon receipt of the unanimous recommendation of a special committee composed exclusively of independent directors of Voyager (the "Special Committee"). In connection with the recommendation, Echelon Capital Markets provided an independent opinion to the Special Committee, stating that, and based upon and subject to the assumptions, limitations, and qualifications set forth therein, the consideration offered pursuant to the Arrangement is fair, from a financial point of view, to the Voyager shareholders.

John Priestner, Chairman of the Voyager Special Committee, commented: *"Upon careful review and in light of current market conditions, we believe this transaction is in the best interest of Voyager shareholders. This transaction is positioned to deliver to shareholders enhanced share liquidity, access to immediate gold production cash flow thereby addressing current funding issues while minimizing future dilution. This transaction puts*

*the Mont Sorcier project on a viable path to development within a stronger operating entity to create long term value for all shareholders".*

### *Arrangement Summary*

The transaction resulting in the proposed business combination between Cerrado and Voyager will be effected by way of a plan of arrangement completed under the *Business Corporations Act* (Ontario). The Arrangement will require approval by 66 $\frac{2}{3}$ % of the votes cast by the shareholders and option holders of Voyager at a special meeting of Voyager shareholders. Holders representing 28% of the issued and outstanding Voyager Shares and options as of the date of the Arrangement Agreement have entered into voting support agreements, pursuant to which they have agreed to vote their common shares and options held in favor of the Arrangement, subject to certain conditions.

The Arrangement Agreement includes customary representations, warranties, covenants and conditions and certain other provisions including non-solicitation provisions and other deal protection clauses.

The Subscription Agreement contains representations, warranties, covenants and conditions customary for transactions of a similar nature. The Voyager Shares to be issued pursuant to the Private Placement will be subject to a statutory four-month hold period from the date of issuance in accordance with applicable Canadian securities legislation.

In addition to the required approval of Voyager shareholders and option holders described above, the Arrangement is subject to court approval as well as the acceptance by the Exchange on behalf of Voyager and Cerrado, respectively. The Private Placement is also subject to acceptance by the Exchange.

### *Timing*

The Private Placement is expected to be completed as promptly as possible following receipt of the conditional approval of the Exchange. Full details of the Arrangement will be included in the management information circular of Voyager expected to be mailed to shareholders and option holders of Voyager in April 2023. It is anticipated that the special meeting of shareholders and option holders of Voyager and closing of the Arrangement will take place in the second quarter of 2023, subject to the satisfaction of all necessary conditions and receipt of all required approvals.

#### *Advisors and Counsel*

WeirFoulds LLP is legal counsel to Cerrado. Echelon Capital Markets acted as financial advisor to the Special Committee and Bennett Jones LLP is legal counsel to Voyager.

#### *Qualified Person*

The technical information contained in this news release with respect to the Mont Sorcier Project has been reviewed and approved on behalf of Voyager by Mr. Clinton Swemmer of Voyager Metals, who is a Qualified Person as defined under National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* ("NI 43-101").

The scientific and technical information in this press release and presentation has been reviewed and approved by Sergio Gelcich, P.Geo., Vice President, Exploration for Cerrado, who is a Qualified Person as defined in NI 43-101.

#### **About Voyager Metals Inc.**

Voyager Metals Inc is a mineral exploration company headquartered in Toronto, Canada. The company is focused on advancing its Mont Sorcier, Vanadium-rich, Magnetite Iron Ore Project, located just outside of Chibougamau, Quebec.

At Mont Sorcier, Voyager is rapidly advancing the project towards feasibility and permitting. The project currently has Indicated Resources of 679M tonnes grading 27.8% magnetite and 0.20% V<sub>2</sub>O<sub>5</sub>, with the potential to produce 195M tonnes of

magnetite concentrate grading at least 65% Fe and 0.52% vanadium pentoxide ( $V_2O_5$ ) and a further Inferred Resource estimated at 547M tonnes grading 26.1% magnetite and 0.17%  $V_2O_5$ , with the potential to produce 148M tonnes of magnetite concentrate grading at least 65% Fe and 0.52% vanadium pentoxide ( $V_2O_5$ ).

For further information, please contact Voyager:

Cliff Hale-Sanders, Chief Executive Officer

Tel: 416-819-8558

[info@voyagermetals.com](mailto:info@voyagermetals.com)

[www.voyagermetals.com](http://www.voyagermetals.com)

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

This release contains "forward-looking information" or "forward-looking statements" within the meaning of applicable Canadian and United States securities legislation, respectively. All statements, other than statements of historical fact, are forward-looking statements. Forward-looking statements include, but are not limited to, statements or information related to: the expected benefits of the Arrangement and Private Placement and the details related to the expected completion of each of these transactions.

Forward-looking statements are based on the reasonable assumptions, estimates, analyses and opinions of management of Voyager, made in light of its experience and perception of trends, current conditions and expected developments, as well as other factors that Voyager believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. Voyager's management believes that the assumptions and expectations reflected in such forward-looking statements are reasonable. Assumptions have been made regarding, among other things: obtaining shareholder, regulatory and court approvals, and the timing

therefor; the ability and timing for the completion of the Arrangement and Private Placement (if at all); the timing to hold the special meeting of Voyager shareholders and option holders and mailing of the management information circular regarding same; Cerrado's and Voyager's abilities to carry on exploration and development activities, including construction; the timely receipt of required approvals; the price of gold, iron ore and other precious and base metals; prices for key mining supplies, including labor costs and consumables, remaining consistent with the two companies' current expectations; production at Minera Don Nicolas meeting expectations; plant, equipment and processes operating as anticipated; there being no material variations in the current tax and regulatory environment; Cerrado's and Voyager's abilities to operate in a safe, efficient and effective manner; the exchange rates among the Canadian dollar, United States dollar, Brazilian real and Argentine peso remaining consistent with current levels; and the combined company's ability to obtain financing as and when required and on reasonable terms. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used.

Forward-looking statements are based on the reasonable assumptions, estimates, analyses and opinions of management of Voyager, made in light of its experience and perception of trends, current conditions and expected developments, as well as other factors that Voyager believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. Voyager's management believes that the assumptions and expectations reflected in such forward-looking statements are reasonable. Assumptions have been made regarding, among other things: obtaining shareholder, regulatory and court approvals, and the timing therefor; the ability and timing for the completion of the Arrangement and Private Placement (if at all); the timing to hold the special meeting of Voyager shareholders and option holders and mailing of the management information circular regarding same; Cerrado's and Voyager's abilities to carry on exploration and development

activities, including construction; the timely receipt of required approvals; the price of gold, iron ore and other precious and base metals; prices for key mining supplies, including labor costs and consumables, remaining consistent with the two companies' current expectations; production at Minera Don Nicolas meeting expectations; plant, equipment and processes operating as anticipated; there being no material variations in the current tax and regulatory environment; Cerrado's and Voyager's abilities to operate in a safe, efficient and effective manner; the exchange rates among the Canadian dollar, United States dollar, Brazilian real and Argentine peso remaining consistent with current levels; and the combined company's ability to obtain financing as and when required and on reasonable terms. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used.

Although management has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There is no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such forward-looking statements. Accordingly, readers should not place undue reliance on forward-looking statements. Voyager does not undertake to update any forward-looking statements, except as, and to the extent required by, applicable securities laws. Forward-looking information contained herein is provided as of the date of this news release and Voyager disclaims any obligation, other than as required by law, to update any forward-looking information for any reason. There can be no assurance that forward-looking information will prove to be accurate or that such events will occur in the disclosed time frames or at all and the reader is cautioned not to place undue reliance on such forward-looking information.

Neither the Exchange nor its Regulation Services Provider (as that term is defined in the policies of the Exchange) accepts responsibility for the adequacy or accuracy of this

release. No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein.

**SOURCE:** Voyager Metals Inc.