Loyalist Exploration and STLLR Gold Announce Letter of Intent for Major Mineral Property Acquisition in the Timmins Mining District

Toronto, Ontario – TheNewswire - February 27, 2025 – Loyalist Exploration Limited. (CSE: PNGC) ("Loyalist" or the **"Company")** is pleased to announce that the Company has entered into a binding letter of intent with STLLR Gold Inc. ("STLLR") to acquire a 100% interest in the Loveland Nickel/Copper/Gold property (the "Property"), approximately 45 kilometres ("km") northwest of Timmins, Ontario. The Property includes the Hollinger and Cominco zones, both with historical mineral resources of nickel and copper noted below. Together they are open along strike and at depth and form a 10 km prospective exploration corridor within the Property. The Property also includes significant historical surface and underground assays of gold on the Property.

Property Highlights:

- **292 contiguous mineral claims for a total area of 6,244 hectares.**
- **Hollinger Zone, historical estimate of 422,350 short tons grading 0.71% Ni and 0.42% Cu.[(1)]**
- **Cominco Zone, historical estimate of 130,000 short tons grading 0.73% Ni and 0.68% Cu.[(2)]**
- **Open along strike and at depth, forming an exploration corridor with a 10 km strike length.**
- **Gold assays include 6.37 g/t Au over 8.55 m (383.25 m to 391.8 m down-hole).**
- **Additional intervals from the hole included 6.17 g/t over 3.0 m from 403.0 m to 406.0 m and 10.39 g/t over 3.1 m from 410.30 m to 413.4 m.[(3)]**
- **Surface gold grab samples about 400 m southeast of the historical Cominco Zone containing 8.98 g/t Au and 11.48 g/t Au.[(3)(7)]**

Errol Farr, Loyalist's President & Chief Executive Officer commented, "We are very excited to announce the acquisition of the highly prospective Loveland Nickel property, which hosts the Cominco and Hollinger zones along with gold assays on surface and at depth. Upon closing of the property acquisition and concurrent financing (see press release dated February 12, 2025), the Company will consolidate its understanding of the property with the goal of publishing an NI 43-101 technical report and commencing additional exploration programs."

Completion of the purchase agreement will result in the acquisition of a 100% ownership interest in one leased mining claim and 292 unpatented mining claims (283 single-cell claims, 6 boundary cell (i.e., partial cell) claims and 3 multi-cell claims). These contiguous claims total 6,244.28 ha in area. The consideration to STLLR of the acquisition of the Property consists of an upfront cash payment of $250,000, the issuance of 7,000,000 of Loyalist common shares, and STLLR retaining a 2.0% Net Smelter Royalty ("NSR"), providing Loyalist with a option to buy-back one-half of the NSR for $1 million.

Loveland Nickel Property

The Loveland Nickel property is located in Byers, Loveland, Thorburn, and Moberly townships, in the Porcupine Mining Division. The Property lies within the Superior Province of Archean basement rocks, in the Eastern Canadian Shield. It is situated in the northwest region of the Abitibi Greenstone belt. The local geology consists of intercalated mafic to intermediate volcanic flows. These flows are locally intruded by feldspar porphyries and gabbro. The gabbroic rocks have similarities to the Kamiskotia gabbroic complex.

Mineralization consists of chalcopyrite, pentlandite, and pyrrhotite. Sulphides occur as inter-granular mineralization within a gabbro, transitioning to fracture-controlled and semi-massive lenses along the contact between the gabbro and mafic to intermediate volcanic flows. The mineral concentration occurs as

trace to semi-massive (up to 75%) pyrrhotite, with minor pyrite and local concentrations of 6% to 8% chalcopyrite and pentlandite.

The Hollinger Zone
Mineralized zones of massive sulphide are present along the contact of mafic (gabbroic) intrusions (dykes) and intermediate volcanic rocks further to the west. Along the contact, the metavolcanic andesitic rocks are intensely altered (feldspathization), whereas the gabbro is only minimally altered within a narrow zone of schistose carbonate alteration. The massive sulphide zones consist primarily of pyrrhotite-pyrite-chalcopyrite- pentlandite, presenting as intergranular mineralization increasing to massive sulphides approaching the andesite contact. The main zone is interpreted as occupying a shear zone dipping steeply towards N075° and plunging southward at 60°.

Drill intersections have delineated the historical deposit over 125 m of strike and show a maximum interpreted width of 16 m to a maximum depth of 240 m. The historical deposit coincides with airborne and ground geophysical Mag and EM anomalies. An isopach map for the drill intercepts suggests that the deposit is open down- plunge southward and becomes thicker with depth. The historical Hollinger Zone deposit is not exposed at surface. Overburden depths recorded for the Hollinger Mines' drill holes range from 12 m on the flank of the deposit to 41 m directly over it.

Cominco Zone [6]
The Cominco zone was discovered by Cominco in 1972. The zone was drill tested to a depth of approximately 120 m. Four drill campaigns completed by Amador Gold between 2007 and 2010, were designed to test for possible depth and strike extensions of the Cominco zone. The first three drill campaigns intersected the mineralized gabbro on 50 m centres both down dip and along strike to define the mineralized horizon. The fourth campaign was designed to infill specific areas of the Cominco zone on 25 m spacing to define the geometry of mineralization, which is steeply dipping to the WSW. The drilling extended both the dip and strike lengths of the earlier defined mineralization and it remains open in both directions as well as down dip.

Significant historical intercepts from 2007 to 2010 include 45.0 m of 0.70% Ni and 0.75% Cu in drill hole AMDG07-3. Drill hole LL08-05 intersected 0.53% Ni and 0.88% Cu over 22.80 m, including 0.65% Ni and 1.0% Cu over 11.20 m, and 1.0% Ni and 1.92% Cu over 2.70 m. This drill hole was collared 50 m northeast, on strike, of drill hole AMDG07-1, which intersected 0.41% Ni and 0.61% Cu over 25.80 m. A broad mineralized zone was intersected in drill hole LL08-11 grading 0.33% Ni and 0.38% Cu over 37.60 m, including 0.59% Ni and 0.73% Cu over 8.50 m, and 0.85% Ni and 0.78% Cu over 6.00 m.

A deeper mineralized zone from 488.0 m to 492.0 m, was intersected in drill hole LL08-22, with a grade of 0.98% Ni and 1.41% Cu. This gabbroic style mineralization indicates the potential for a continued mineralized system to depth. Additionally, drill hole LL09-07 intersected 7.30 m of 0.44% Ni and 0.43% Cu within mineralized gabbro. This zone is associated with a weak to moderate induced polarization ("IP") and Versatile Time Domain Electromagnetic ("VTEM") anomaly about 400 m northwest of the Cominco zone and may represent a new zone of the intrusive gabbro style of mineralization.

Gold Mineralization
Gold mineralization was intersected in holes drilled by Amador Gold Corp. to a depth of 300 m below the historical Cominco Zone deposit in 2007-2009 [4]. Gold-bearing arsenopyrite and pyrite mineralization was encountered in sections of silicified granodiorite. Amador's significant historical drill hole (LL08-13) intersected a mineralized interval that assayed 6.37 g/t Au over 8.55 m (383.25 m to 391.8 m down-hole). Additional intervals from the hole included 6.17 g/t over 3.0 m from 403.0 m to 406.0 m and 10.39 g/t over 3.1 m from 410.30 m to 413.4 m. [4] The reported lengths of gold intersections are core lengths and not true lengths which are currently unknown.

Anomalous gold values ranging from 100 ppb to 3800 ppb were recorded from several other drill holes (including AMDG07-01, LL08-04, LL08-09, LL09-13W, LL08-14, LL08-21, LL08-22, and LL08-23) over a strike more than 500 m within the granodiorite. The anomalous gold values occur over various widths from less than a metre to several metres of core. True widths are unknown. Prospecting in 2008 led to the discovery of a surface gold showing about 400 m southeast of the historical Cominco Zone deposit. The showing returned grab samples containing 8.98 g/t Au and 11.48 g/t Au collected from granodiorite containing quartz-stringers mineralized with disseminated sulphides[6][7].

The gold-bearing sulphide mineralization occurs with silicification that presents as silica flooding and quartz veining. The better values, such as those from hole LL08-13, occur in intervals with blue-grey quartz veining and strong silicification with 3-10% sulphides comprising arsenopyrite, pyrite and trace amounts of sphalerite, and possibly trace galena and chalcopyrite. Silicification with trace to 2% sulphides was observed marginal to joints and local quartz stringers in all holes where anomalous gold was recorded.

The results from Amador's drilling suggest the presence of a system of gold enrichment within the granodiorite. Additional exploration will be required to determine the orientation and extent of the gold-enriched zone.

Exploration Potential

Earlier work by Hollinger Mines to the southeast of the historical Cominco zone, within the original Moneta Loveland land package by Hollinger Mines lead to the discovery of the Hollinger zone, which contains a historical mineral resource estimate from 1974 of 401,000 tonnes grading 0.71% Ni and 0.42% Cu. Note that this estimate, developed prior to the introduction of NI 43-101 has not been independently verified and investors are cautioned not to treat this estimate as reliable or current. This zone is open at depth and it has only been drilled to 120 m. The trend extrapolated from the Hollinger and Cominco zones highlights a potential exploration corridor of approximately 10 km strike length.

Extensive airborne surveys were completed over many areas of the Abitibi Greenstone Belt including Byers and Loveland townships. A series of ground geophysical surveys was also completed on portions of the Property. The geophysical surveys have highlighted several favourable exploration targets that have yet to be drill tested.

Statement Regarding Historical Mineral Resource Estimates

The Hollinger zone historical mineral resource estimate is unclassified and does not comply with CIM Definition Standards on Mineral Resources and Mineral Reserves as required by NI 43-101. The Hollinger zone historical mineral resource estimate was taken from a report titled "Geological Report, Rousseau Loveland Property, Loveland Township" authored by W. C. Kerr and dated February 1992, citing data provided by Hollinger Mines Limited from 1974. Given the age of the information and the lack of underlying data, investors are cautioned not to treat the estimate as current or rely on the estimate in making an investment decision. The historical mineral estimate is being included herein to provide shareholders with background on the rationale for acquiring the asset. A qualified person has not done sufficient work to classify this historical mineral resource estimate as current mineral resources and the Company is not treating these historical mineral resource estimate as a current estimate. It is uncertain whether following evaluation and/or further exploration, the historical mineral resource estimate will ever be able to be reported in accordance with NI 43-101. The Company has no current plans to undertake the work to bring any or all of the historical resource estimates up to the CIM reporting standards.

Qualified Person

Stephen Balch, P.Geo., independent director for Loyalist, who is a "Qualified Person" as defined by NI 43-101, has reviewed and approved the technical content of this press release.

Neither the Canadian Securities Exchange nor its Market Regulator (as that term is defined in the policies of the Canadian Securities Exchange) have reviewed or accept responsibility for the adequacy or accuracy of this release.

About Loyalist Exploration Limited
Loyalist Exploration Limited is a mineral exploration company concentrating on acquiring, exploring, and developing quality mineral properties in Canada. The Company is focused on the Loveland nickel/copper/gold property and the recently announced Gold Rush gold/silver property, both located in the Timmins, Ontario mining district.

For further information please visit the Company's website at loyalistexp.ca or contact:
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This news release contains "forward-looking information" (within the meaning of applicable Canadian securities laws) and "forward-looking statements" (within the meaning of the U.S. Private Securities Litigation Reform Act of 1995). Such statements or information are identified with words such as "anticipate", "believe", "expect", "plan", "intend", "potential", "estimate", "propose", "project", "outlook", "foresee" or similar words suggesting future outcomes or statements regarding an outlook and include statements regarding the planned completion of the acquisitions of the Loveland and Gold Rush properties and the proposed work on the projects. Although the Company believes that the expectations reflected in the forward-looking information or statements are reasonable, prospective investors in the Company's securities should not place undue reliance on forward-looking statements because the Company can provide no assurance that such expectations will prove to be correct. Forward-looking information and statements contained in this news release are as of the date of this news release and the Company assumes no obligation to update or revise this forward-looking information and statements except as required by law.

(1) Geological Report, Rousseau Loveland, Loveland Township, authored by WC Kerr dated February 1992
(2) Amador Gold Corp. Material Change Report dated May 26, 2009
(3) Amador Gold Corp. Material Chance Report dated May 26, 2009
(4) Report on diamond drilling for Amador Gold Corp. – Charles Hartley, P.Geo. March 15, 2011
(5) Cominco Zone results taken from Amador Gold Corp. – Annual report 2009
(6) Amador Gold Corp. Material Change Report dated May 26, 2009
(7) Rock grab samples are selective in nature and may not be indicative of the mineralization on the property