

# Ethos Announces Private Placement of \$3,000,000, Share Consolidation and Planned Name Change

Vancouver, British Columbia--(Newsfile Corp. - March 7, 2022) - **Ethos Gold Corp.** (TSXV: **ECC**) (OTCQB: **ETHOF**) (FSE: **1ET**) ("**Ethos**" or the "**Company**") announces a non-brokered private placement financing (the "Private Placement") to raise aggregate gross proceeds of up to \$3,000,000 through the issuance of a combination of non-flow-through units (each, a "Unit") and flow-through shares. In addition, Ethos plans to consolidate the Company's common shares ("Common Shares") on the basis of one (1) new post-consolidation Common Share for every three (3) pre-consolidation common shares (the "Consolidation") in connection with the closing of the Private Placement. In conjunction with the Private Placement and the Consolidation, the Company's name is expected to be changed.

## Financing

On a post-Consolidation basis, Ethos announces a non-brokered private placement consisting of: (i) non flow-through Units at a price of \$0.60 per Unit (the "NFT Offering"); (ii) flow through common shares at a price of \$0.72 per Common Share (the "FT Offering") and (iii) Ontario flow-through common shares at a price of \$0.75 per Common Share (the "Ontario FT Offering" and together with the NFT Offering and FT Offering, the "Offering") for gross aggregate proceeds of up to \$3 million.

Each Unit will be comprised of one post-Consolidation Common Share and one-half of one Common Share purchase warrant (each whole warrant, "Warrant"). Each Warrant shall be exercisable to acquire one post-consolidation Common Share ("Warrant Share") at a price of \$0.90 per Warrant Share for a period of 24 months from the closing of the Offering. If the closing price of the Common Shares is at a price equal to or greater than \$1.20 for a period of 10 consecutive trading days, Ethos will have the right to accelerate the expiry date of the Warrants by giving notice, via a news release, to the holders of the Warrants that the Warrants will expire on the date that is 30 days after the issuance of said news release.

Common Shares issued under the FT Offering and Ontario FT Offering qualify as 'flow through shares' ("Flow Through Shares"). The gross proceeds from the Flow Through Shares issued pursuant to the FT Offering and Ontario FT Unit Offering will be used to incur 'Canadian exploration expenses' that will qualify as 'flow-through mining expenditures' as those terms are defined in the *Income Tax Act* (Canada) which will be renounced to the initial purchasers of the Flow Through Shares. The Company intends to use the net proceeds raised from the Offering on exploration expenses on the Company's portfolio of Canadian exploration projects and for general working capital purposes.

The Company may pay finders' fees under the offering in accordance with applicable securities laws and the policies of the TSX Venture Exchange. All securities issued in the Private Placement will be subject to a statutory four month hold period. Closing of the Private Placement is subject to receipt of all regulatory approvals, including approval of the TSX Venture Exchange.

The Private Placement is expected to close on or about March 31, 2022 (the "Closing Date"). Common Shares issued pursuant to the Private Placement will be issued on a post-Consolidation basis and will be consolidated pursuant to the Consolidation. The Warrants issued in the Consolidation will be issued on a post-Consolidation basis, and upon the completion of the Consolidation will automatically be adjusted to the post-Consolidation terms disclosed above.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not

be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

## **Consolidation**

In connection with the closing of the Offering, the board of directors of Ethos has approved the Consolidation of all of Ethos' outstanding Common Shares on the basis of three (3) pre-Consolidation Common Shares for one post-Consolidation Common Share. The reasons for the Consolidation are to increase Ethos's flexibility in the marketplace and to make the Company's securities more attractive to a wider audience of potential investors. Subject to approval by the TSXV, the Consolidation is expected to take effect on the Closing Date.

Ethos currently has 148,140,238 Common Shares issued and outstanding. Assuming no changes in the number of the Common Shares outstanding, after giving effect to the Consolidation (prior to taking into account the Common Shares issued in the Offering described above), the Company would have approximately 49,380,079 Common Shares issued and outstanding (see table below).

Any fractional interest in Common Shares resulting from the Consolidation will be rounded down to the nearest whole Common Share. Registered shareholders will receive a letter of transmittal from TSX Trust Company, Ethos's transfer agent, with information on how to replace their old share certificates with the new share certificates. Brokerage firms will handle the replacement of share certificates on behalf of their shareholder's accounts. If approved by the TSXV, the Consolidation will occur immediately prior to the closing of the Offering (as defined above).

The exercise price and number of Common Shares issuable upon the exercise of Ethos's outstanding stock options and warrants will be proportionately adjusted to reflect the Consolidation in accordance with the terms of such securities.

## **Capital Structure**

<b><i>Current Share Capital Structure</i></b>		<b><i>Post-Consolidation Capital Structure (3:1)</i></b>	
Shares Outstanding	148,140,238	Shares Outstanding	49,380,079
Options	12,860,000	Options	4,286,667
Warrants	26,825,123	Warrants	8,941,708
Fully Diluted	187,825,361	Fully Diluted	62,608,454
<b><i>Current Cash Position*</i></b>		<b><i>\$3,000,000 Private Placement*</i></b>	
Current Cash Position*	\$2,500,000	<b><i>Units</i></b>	\$1,000,000
Securities and receivables*	\$4,000,000	Price	\$0.60
Total Working Capital*	\$6,500,000	Shares	1,666,667
		Warrants	833,333
		<b><i>National FT</i></b>	\$1,000,000
		Price	\$0.72
		Shares	1,388,889
		<b><i>Ontario FT</i></b>	\$1,000,000
		Price	\$0.75
		Shares	1,333,333
		<b><i>Post-Consolidation, Post-Financing Capital Structure</i></b>	
		Shares Outstanding	53,768,968
		Options	4,286,667
		Warrants	9,775,041
		Fully Diluted	67,830,676
		Final Cash Position*	\$5,500,000
		Securities and receivables*	\$4,000,000
		Total Working Capital*	\$9,500,000

*\*Cash, securities, and receivables rounded for presentation purposes. Final allocations of the Offering subject to change - figures presented for indicative purposes.*

## **Name Change**

Concurrently with the closing of the Private Placement and the Consolidation, the Company is planning to change its corporate name and trading symbol. Upon determining a new corporate name and trading symbol, the Company will provide a further update.

### **About Ethos Gold Corp.**

Ethos Gold Corp. is a Discovery Group Company with a business model focussed on district scale, early-stage exploration of gold and base metal prospects and create shareholder value through new discoveries. The Company focus is to identify underexplored or overlooked mineral districts which display important structural and mineralogical similarities with well-endowed mining camps. The majority of the projects acquired by Ethos occur in Ontario, Canada, which is a tier-1 mining jurisdiction with abundant overlooked geological regions with high mineral potential. Ethos engages proactively with local and Indigenous rightsholders and seeks to develop relationships and agreements that are mutually beneficial to all stakeholders.

On behalf of the Board of Directors,  
**Ethos Gold Corp.**

*Alex Heath, CFA*  
President & CEO

For further information about Ethos Gold Corp. or this news release, please visit our website at [ethosgold.com](http://ethosgold.com) or contact Dustin Zinger at 604-653-9464 or by email at [dustinz@ethosgold.com](mailto:dustinz@ethosgold.com).

Ethos Gold Corp. is a proud member of Discovery Group. For more information please visit: [discoverygroup.ca](http://discoverygroup.ca)

### **Forward-Looking Statement Cautions:**

This press release contains certain "forward-looking statements" within the meaning of Canadian securities legislation, including, but not limited to, statements regarding the Offering, including the terms, conditions, closing and use of proceeds thereof, the Consolidation, including the expected effective date and completion thereof, and the Company's plans with respect to changing its corporate name and trading symbol. Although the Company believes that such statements are reasonable, it can give no assurance that such statements or the Company's expectations with respect thereto will prove to be correct. Forward-looking statements are statements that are not historical facts; they are generally, but not always, identified by the words "expects," "plans," "anticipates," "believes," "intends," "estimates," "projects," "aims," "potential," "goal," "objective," "prospective," and similar expressions, or that events or conditions "will," "would," "may," "can," "could" or "should" occur, or are those statements, which, by their nature, refer to future events. The Company cautions that Forward-looking statements are based on the beliefs, estimates and opinions of the Company's management on the date the statements are made, and they involve a number of risks and uncertainties. Consequently, there can be no assurances that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Except to the extent required by applicable securities laws and the policies of the TSX Venture Exchange, the Company undertakes no obligation to update these forward-looking statements if management's beliefs, estimates or opinions, or other factors, should change. Factors that could cause future results to differ materially from those anticipated in these forward-looking statements include the risk that the Company does not complete the Offering or the Consolidation on the timeline anticipated, or at all, including as a result of not having received approval from the TSXV for the Offering or the Consolidation, and that the Company uses the proceeds from the Offering differently than described in this release. The reader is urged to refer to the Company's reports, publicly available through the Canadian Securities Administrators' System for Electronic Document Analysis and Retrieval (SEDAR) at [www.sedar.com](http://www.sedar.com) for a more complete discussion of such risk factors and their potential effects

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