

Fosterville South Shareholders approve the Leviathan Gold Spinout



Fosterville South Exploration (TSX.V: FSX)

Announced that all matters voted on at the annual general and special meeting of shareholders of the Company held on November 13, 2010¹ were approved, including, the special resolution with respect to an arrangement pursuant to which the Company will spin-out its Avoca and Timor properties to [Leviathan Gold Ltd.](#)



FOSTERVILLE SOUTH
EXPLORATION

Spinout of Leviathan Gold Ltd. Shares to Fosterville South Shareholders Approved

by Shareholders

- Shareholders Overwhelmingly Approve the Plan of Arrangement involving the Spinout of the Avoca and Timor Properties
- Effective Date of the Arrangement, subject to Final Court Approval, November 23, 2020
- Proposal is that for every common share held of Fosterville South Exploration, shareholders in all jurisdictions will receive a common share of Leviathan Gold Corp.
- All other matters at the annual and general meeting of the Company were approved.

VANCOUVER, BC, Nov. 13, 2020 /CNW/ – [Fosterville South Exploration Ltd. \(“FSX” or the “Company”\)](#) (TSXV: FSX) (OTC: FSXLF) ([Germany: 4TU](#)) announces that all matters voted on at the annual general and special meeting of shareholders of the Company (the “Meeting”) held on November 13, 2010¹ were approved, including, the special resolution with respect to an arrangement (the “Arrangement”) pursuant to which the Company will spin-out its Avoca and Timor properties to Leviathan Gold Ltd. (“Leviathan”).

Subject to obtaining the final approval of the Court (“Final Court Approval”) following the Meeting and subject to the procedures of the TSX Venture Exchange (the “TSXV”), the Company expects the effective date of the Arrangement to occur on November 23, 2020. Following the date the Company obtains the Final Approval, the Company will, following confirmation of the TSXV, issue a press release advising Shareholders of the **Effective Date**.

On the Effective Date of the Arrangement, each existing common share of the Company will be exchanged for (i) one new common share of the Company and (ii) one common share of Leviathan.

Investors who do not currently own common shares of Fosterville South but wish to be eligible to receive Leviathan Gold common shares under the spinout transaction, would need to purchase Fosterville South shares through the facilities of the TSXV prior to the close of trading on the TSXV on November 20, 2020 based on an effective date of November 23, 2020 for the spin out.

The common shares of Leviathan issued pursuant to the Arrangement will be subject to the following restrictions on resale: 25% will be restricted for four months, an additional 25% will be restricted for eight months, an additional 25% will be restricted for twelve months, and the final 25% will be restricted for sixteen months.

Leviathan has applied to list its common shares on the TSX.V (the "Listing Application") and has reserved the stock symbol "LVX" with the TSX.V. The listing of the common shares of Leviathan is subject to the approval of the TSX.V.

In addition to the approval of the listing of the Leviathan common shares on the TSX.V, the following transactions must be completed following the Effective Date of the Arrangement:

- • Completion of a financing by Leviathan Gold Finance Ltd. ("Finco") in an amount of at least \$5,000,000 (the "Financing")
- Completion of the amalgamation of Finco and Leviathan following completion of the Financing (the

“Amalgamation”)

- Completion of the purchase by an Australian subsidiary of Leviathan of the Avoca and Timor granted exploration licenses located in the state of Victoria from Currawong Resources Pty Ltd., a wholly owned subsidiary of the Company (the “Purchase”)

The Company will update shareholders and the market as to the Financing, Amalgamation and Purchase as circumstances warrant. The Amalgamation, Purchase and Listing of the Leviathan common shares on the TSX.V are subject to the approval of the TSX.V.

Fosterville South Chief Executive Officer, Bryan Slusarchuk, stated, *“We thank Fosterville South shareholders for overwhelming support of this transaction. The spinout of the Avoca and Timor assets to Leviathan Gold is an example of Fosterville South flowing the advantages we have as a first mover in Victoria directly to our shareholders. Leviathan Gold has an impressive team of mining professionals, with a proven track record of wealth creation and excellent technical expertise. We look forward to supporting Leviathan Gold as they execute on the ground and unlock value for shareholders.”*

Leviathan Gold Chief Executive Officer, Luke Norman, stated, *“Avoca and Timor are outstanding projects with a history of high-grade gold production, extremely compelling drill targets and a lack of modern exploration. Our technical team is excited to commence exploration and we will do so with the backing of a strong treasury and strong institutional investor support.”*

About Fosterville South Exploration Ltd.

Fosterville South has two large, 100% owned, high-grade epizonal gold projects called the Lauriston and Golden Mountain Projects, a large group of tenement applications called the Providence Project and a large group of recently consolidated tenement applications called the Walhalla Belt Project, all in the state of Victoria, Australia.

The Fosterville South land packaged, assembled over a multi-year period, notably includes a 600 sq. km property immediately to the south of and within the same geological framework that hosts Kirkland Lake Gold's Fosterville tenements.

Additionally, Fosterville South has gold-focused projects called the Moornbool, Timor and Avoca Projects, which are also located in the state of Victoria, Australia.

Six of Fosterville South's properties (Lauriston, Providence, Golden Mountain, Timor, Avoca and Walhalla Belt) have had historical gold production from hard rock sources despite limited modern exploration and drilling.

Fosterville South has approximately CAD \$29 million in cash, is drilling at the Golden Mountain project where results to date have been excellent, is preparing to drill at Lauriston, and has 12 drill permits in progress spanning 5 different projects.

On behalf of the Company,

Bryan Slusarchuk, Chief Executive Officer and Director

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

accuracy of this release. No securities regulatory authority has either approval or disapproved of the contents of this press release.

Forward-Looking Statements

Information set forth in this news release contains forward-looking statements that are based on assumptions as of the date of this news release, including with respect to the receipt of the Final Approval, the completion of the Financing, Amalgamation and Purchase and the receipt of the approval of the TSXV for the Listing Application. These statements reflect management's current estimates, beliefs, intentions and expectations. They are not guarantees of future performance. FSX cautions that all forward looking statements are inherently uncertain and that actual performance may be affected by many material factors, many of which are beyond their respective control. Such factors include, among other things: risks and uncertainties relating to listing a new vehicle on the TSXV. Accordingly, actual and future events, conditions and results may differ materially from the estimates, beliefs, intentions and expectations expressed or implied in the forward-looking information. Except as required under applicable securities legislation, FSX does not undertake to publicly update or revise forward-looking information.

SOURCE Fosterville South Exploration Ltd.

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Disclosure

The writer is a shareholder in Fosterville South, bought in the market at the prevailing price on the day of purchase.