



CSE: TRG | OTCQB: TRGGF

FOR IMMEDIATE RELEASE

August 6, 2024

TARACHI SIGNS LOI FOR TRANSFORMATIVE ACQUISITION OF PROSPECTOR PORTAL INC.

Vancouver, British Columbia (August 6, 2024) – The **Tarachi Gold Corp. (CSE: TRG) (OTCQB: TRGGF) (Frankfurt: 4RZ)** (“**Tarachi**” or the “**Company**”) announces that it has signed a non-binding letter of intent (“**LOI**”) dated August 2, 2024 with Prospector Portal Inc. (“**Prospector**”) whereby Tarachi would acquire all of the outstanding shares of Prospector in a transaction (the “**Transaction**”) that would transform Tarachi into an artificial intelligence-focused mining services company.

Highlights

- Signed a non-binding LOI to acquire 100% of Prospector Portal Inc.
- Prospector provides AI-based research and data analysis solutions to mining and mining-related professionals, analysts, managers, geologists, service providers, and investors.
- Revenue-generating business model with existing major mining clients.
- High-growth exposure to a commodities bull market without specific commodity, technical, geological, jurisdictional, or social risks typically associated with individual mining and exploration projects.

“The proposed transaction with Prospector is an incredible opportunity for Tarachi shareholders to both take advantage of the rapidly developing artificial intelligence space while still keeping significant exposure to a strong commodities market,” commented Cameron Tymstra, Tarachi President and CEO. *“Prospector’s exciting AI-based data analysis solutions have broad application across the commodities sector serving not only mining clients but also investors, analysts, managers, industry service providers, and other professionals looking to dramatically reduce research time and improve access to and organization of public and privately available mining data. Their soon-to-be-released OpenMine AI has potential to continue Prospector’s strong revenue growth while providing the commodities sector with a much-needed tool.”*

Letter of Intent

The LOI contemplates the acquisition by Tarachi of all of the issued and outstanding shares of Prospector in an all-stock transaction. The terms outlined in the LOI are preliminary and non-binding, and the Transaction is subject to, among other conditions, the parties successfully entering into a definitive agreement (the “**Definitive Agreement**”).

The LOI contemplates a post-Transaction ownership of Tarachi (“**New Tarachi**”) that would be approximately 85% held by current Prospector shareholders and 15% held by current Tarachi shareholders.

Following completion of the Transaction, Prospector CEO Emily King would replace current Tarachi CEO Cameron Tymstra and current Prospector COO Jon Godbout would join the management team as COO of New Tarachi.

In addition, the LOI provides that New Tarachi’s board of directors would consist of three directors nominated by current Prospector shareholders and two directors nominated by current Tarachi shareholders.

New Tarachi would remain an Inventa Capital-supported company with a corporate office in Vancouver.

About Prospector Portal Inc.

Prospector is where the world comes for mining data. Founded in 2020, Prospector created the industry's first searchable digital database of mining and exploration data with an easily navigable, AI-enabled interface that modernizes the way mining companies, institutions, investors and researchers find and use information about the mining industry. Prospector offers Software as a Service (SaaS), Data as a Service (DaaS), and Artificial Intelligence tools to a growing customer base within the mining, geoscience, and financial analytics industries, including some of the world’s largest mining conglomerates, leading national geological surveys, and global financial data firms. Additional information is available at www.prospectorportal.com.

Emily King

Emily, co-founder and current CEO of Prospector, is a geologist with considerable experience in emerging markets and leadership experience at the Board level of public companies, private companies, and non-profit organizations such as Women in Mining USA. As part of the Prospector brand, Emily is also the host of On The Rocks, a podcast discussing mining insights and innovation through a uniquely lighthearted lens with a global listenership. Emily was awarded the Medal of Merit by the American Mining Hall of Fame in 2020 and for her service leading natural resource exploration in Afghanistan with the U.S. Department of Defense received the Secretary of Defense Medal for Outstanding Public Service among other awards.

Additional Details

The proposed Transaction is expected to be structured as a reverse takeover to be effected by way of a statutory plan of arrangement, share exchange or amalgamation, or such other structure as the parties may agree upon.

The parties intend to negotiate and finalize the Definitive Agreement within 30 days following the date of the LOI. To facilitate this process, the parties have agreed to negotiate exclusively until October 23, 2024 and to complete due diligence and negotiate and enter into a Definitive Agreement.

The LOI also contemplates other material conditions precedent to the closing of the Transaction, including customary due diligence, the negotiation and signing of a Definitive Agreement, receipt of all necessary regulatory, Canadian Securities Exchange (the “**CSE**”), corporate and third-party approvals, and all

requisite board and shareholder approvals being obtained. No finders' fees are payable in connection with the Transaction.

If completed, the Transaction will constitute a "fundamental change" pursuant to the policies of the CSE. However, there can be no assurance that the Transaction will be completed as proposed or at all.

The Company intends to issue a comprehensive news release in connection with the Transaction upon entering into the Definitive Agreement.

None of the Tarachi shares to be issued in connection with the Transaction have been, or will be, registered under the United States Securities Act of 1933, as amended (the "**1933 Act**"), or any state securities laws, and may not be offered or sold within the United States or to any U.S. Person (as defined in Regulation S under the 1933 Act) unless registered under the 1933 Act and applicable state securities laws or an exemption from such registration is available. This news release does not constitute an offer to sell or a solicitation of an offer to sell any securities of Tarachi in any jurisdiction where such offer or solicitation would be unlawful, including the United States.

Investors are cautioned that, except as disclosed in the disclosure documents to be prepared in connection with the Transaction, any information released or received with respect to the transaction may not be accurate or complete and should not be relied upon. Trading in the securities of the Company should be considered highly speculative.

About Tarachi Gold Corp.

Tarachi is a Canadian-listed company focused on creating shareholder value through exposure to high-growth potential commodity projects and investments.

Contact Information: For more information and to sign-up to the mailing list, please contact:

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SPECIAL NOTE REGARDING FORWARD LOOKING STATEMENTS

This news release includes certain "Forward-Looking Statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and "forward-looking information" under applicable Canadian securities laws. When used in this news release, the words "anticipate", "will", "believe", "estimate", "expect", "hope", "target", "plan", "forecast", "may", "would", "could", "schedule", "potential" and similar words or expressions, identify forward-looking statements or information. These forward-looking statements or information relate to, among other things: signing of the Definitive Agreement, completion of the Transaction, and future growth and opportunities in the commodities and mining services sectors.

Forward-looking statements and forward-looking information relating to any future mineral production, liquidity, timing of completion of reports and studies, enhanced value and capital markets profile of Tarachi, future growth potential for Tarachi and its business, and future exploration plans are based on management's reasonable assumptions, estimates, expectations, analyses and opinions, which are based on management's experience and perception of trends, current conditions and expected developments, and other factors that management believes are relevant and reasonable in the circumstances, but which may prove to be incorrect. Assumptions have been made regarding, among other things, the price of silver, gold and other metals; costs of exploration and development; the estimated costs of development of exploration projects; Tarachi's ability to operate in a safe and effective manner and its ability to obtain financing on reasonable terms.

These statements reflect Tarachi's respective current views with respect to future events and are necessarily based upon a number of other assumptions and estimates that, while considered reasonable by management, are inherently subject to

significant business, economic, competitive, political and social uncertainties and contingencies. Many factors, both known and unknown, could cause actual results, performance or achievements to be materially different from the results, performance or achievements that are or may be expressed or implied by such forward-looking statements or forward-looking information and Tarachi has made assumptions and estimates based on or related to many of these factors. Such factors include, without limitation: the Company's dependence on one mineral project; precious metals price volatility; risks associated with the conduct of the Company's mining activities in Mexico; regulatory, consent or permitting delays; risks relating to reliance on the Company's management team and outside contractors; risks regarding mineral resources and reserves; the Company's inability to obtain insurance to cover all risks, on a commercially reasonable basis or at all; currency fluctuations; risks regarding the failure to generate sufficient cash flow from operations; risks relating to project financing and equity issuances; risks and unknowns inherent in all mining projects, including the inaccuracy of reserves and resources, metallurgical recoveries and capital and operating costs of such projects; contests over title to properties, particularly title to undeveloped properties; laws and regulations governing the environment, health and safety; operating or technical difficulties in connection with mining or development activities; employee relations, labour unrest or unavailability; the ongoing military conflict in Ukraine; the Company's interactions with surrounding communities and artisanal miners; the Company's ability to successfully integrate acquired assets; the speculative nature of exploration and development, including the risks of diminishing quantities or grades of reserves; stock market volatility; conflicts of interest among certain directors and officers; lack of liquidity for shareholders of the Company; litigation risk; and the factors identified under the caption "Risk Factors" in Tarachi's management discussion and analysis and other public disclosure documents. Readers are cautioned against attributing undue certainty to forward-looking statements or forward-looking information. Although Tarachi has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be anticipated, estimated or intended. Tarachi does not intend, and does not assume any obligation, to update these forward-looking statements or forward-looking information to reflect changes in assumptions or changes in circumstances or any other events affecting such statements or information, other than as required by applicable law.