

Chicane Capital Enters into Letter of Intent to Complete Qualifying Transaction with Elton Resources

Vancouver, British Columbia--(Newsfile Corp. - April 16, 2026) - Chicane Capital I Corp. (TSXV: CCIC.P) ("**Chicane**") is pleased to announce that it has entered into a binding letter of intent dated April 15, 2026 (the "**LOI**") with Elton Resources Corp. ("**Elton**"), a corporation incorporated under the laws of the Province of British Columbia, pursuant to which Chicane and Elton propose to complete a three cornered amalgamation, whereby a wholly-owned subsidiary of Chicane will amalgamate with Elton under the provisions of the *Business Corporations Act* (British Columbia) (the "**Proposed Transaction**"), and which is expected to result in the reverse take-over of Chicane by Elton, and constitute the "Qualifying Transaction" (as defined in Policy 2.4 - *Capital Pool Companies* ("**Policy 2.4**") of the TSX Venture Exchange (the "**Exchange**") of Chicane. The Proposed Transaction is not expected to constitute a non-arm's length qualifying transaction or a related party transaction pursuant to the policies of the Exchange.

Elton is a private exploration stage mining issuer focused on the exploration of the Darnley Bay Gravity Anomaly (the "**Darnley Bay Project**") located in the Northwest Territories, Canada. The Darnley Bay Project is host to a large gravity and magnetic anomaly (the "**Anomaly**") and is considered to be one of the strongest isolated gravity anomalies in the world¹. The Darnley Bay Anomaly exhibits a measured gravity amplitude of 132 mGal, with dimensions of 80 km x 100 km, and a coincident magnetic anomaly with an amplitude of 1,350 nT². The Anomaly is considered prospective for nickel-copper-platinum group elements (Ni Cu-PGE)². Its source has drawn favourable comparisons to the prolific mining camps of Sudbury (Canada), Noril'sk (Russia) and the Bushveld Complex (South Africa) by the Geological Survey of Canada, geological consultants and major mining companies². In July 2018, a Magnetotelluric survey was completed by Quantec Geoscience over a 40 x 50 km area on the Anomaly. The results identified several targets that are expected to be followed up through Elton's future drill program.

Elton acquired the rights to explore the Darnley Bay Project from Generation Mining Limited (TSX: GENM) ("**Generation**") pursuant to an asset purchase agreement dated December 20, 2022, as amended, between Generation and Elton (the "**APA**"). Elton further entered into a letter of agreement dated December 23, 2022 with the Inuvialuit Regional Corporation and the Inuvialuit Land Corporation, which owns the lands underlying the Darnley Bay Project in fee simple absolute pursuant to the *Western Arctic (Inuvialuit) Claims Settlement Act* (Canada), which provided Elton with a concession to explore, assess, mine and conduct certain other mining activities in respect of the Darnley Bay Project.

Following completion of the Proposed Transaction, the resulting issuer from the Proposed Transaction (the "**Resulting Issuer**") shall carry out the business of Elton and is expected to be listed on the Exchange as a Tier 2 mining issuer.

The Proposed Transaction

Pursuant to the LOI, prior to the closing of the Proposed Transaction (the "**Closing**"), it is anticipated that Chicane will complete a stock consolidation (the "**Consolidation**") in respect of its issued and outstanding common shares ("**Chicane Shares**") on the basis of 1 pre-Consolidation Chicane Share for every 0.75 post-Consolidation Chicane Shares (or such other ratio as to ascribe a deemed value per pre-Consolidation Chicane Share of \$0.15) (the "**Consolidation Ratio**"). Based on the initially ascribed Consolidation Ratio, it is expected that immediately following the Consolidation, there shall be approximately 4,491,000 post-Consolidation Chicane Shares issued and outstanding. Additionally, all outstanding incentive stock options of Chicane ("**Chicane Options**") shall be adjusted in accordance

with their terms pursuant to the Consolidation such that, based on the initially ascribed Consolidation Ratio, there shall be approximately 174,000 Chicane Options each exercisable to acquire one post-Consolidation Chicane Share at an exercise price of \$0.067 expiring August 29, 2027, and 180,000 Chicane Options each exercisable to acquire one post-Consolidation Chicane Share at an exercise price of \$0.13 expiring December 14, 2032.

Immediately prior to the Closing, and excluding securities issued pursuant to the Financing (as defined below) and the APA as further described below, it is expected that Elton will have approximately 70,000,000 common shares ("**Elton Shares**") and 2,000,000 incentive stock options of Elton ("**Elton Options**") issued and outstanding.

In connection with the Proposed Transaction, it is expected that Elton shall complete one or more concurrent private placements of flow-through and non-flow-through subscription receipts of Elton (together, the "**Subscription Receipts**") in such combinations, on such terms and amounts as may be determined by Elton in its sole discretion for aggregate gross proceeds of no less than \$10,000,000 (the "**Financing**").

Pursuant to the APA, among other things, the aggregate purchase price for the rights acquired by Elton in respect of the Darnley Bay Project is \$1,000,000 in cash, of which \$150,000 has been paid and \$850,000 will be paid to Generation immediately at or following Closing, and the number of Elton Shares equal of the greater of the number that is (A) a fraction, the numerator of which is \$4,000,000 and the denominator of which shall be the price at which the Financing is effected, and (B) 16% of the total number of issued and outstanding common shares of the Resulting Issuer ("**Resulting Issuer Shares**"), as determined on a fully diluted basis, immediately following the Closing.

Pursuant to the LOI, as consideration for the acquisition of all of the outstanding securities of Elton, holders of issued and outstanding Elton Shares (including Elton Shares issued on conversion of any Subscription Receipts and the Elton Shares issuable pursuant to the APA) will receive one (1) post-Consolidation Chicane Share for each one (1) Elton Share (the "**Exchange Ratio**") held immediately prior to Closing. Additionally holders of any convertible securities of Elton, including, without limitation, Elton Options and any Elton Share purchase warrants issued pursuant to the Financing, if and as applicable, will exchange their securities for securities to acquire post-Consolidation Chicane Shares at the Exchange Ratio. The final structure of the Proposed Transaction is subject to the receipt of tax, corporate and securities law advice by both Chicane and Elton.

Following Closing, Chicane shall change its name to "Elton Resources Corp." or such other name as may be determined by Elton (the "**Name Change**").

In connection with the Proposed Transaction, it is expected that Chicane shall hold a meeting of its shareholders (the "**Meeting**") to approve, among other things, the Name Change, a continuance of Chicane into the Province of British Columbia and the adoption of new articles of continuance on terms determined by Elton, the election of the board of directors of the Resulting Issuer, the Consolidation, the adoption of a new equity incentive plan on terms determined by Elton, and such other matters as may be prudent or necessary in connection with the Proposed Transaction.

Conditions Precedent

The completion of the Proposed Transaction is subject to the satisfaction of various conditions as are standard for a transaction of this nature, including but not limited to (i) the negotiation and execution of a binding definitive agreement in respect of the Proposed Transaction (the "**Definitive Agreement**"), (ii) the receipt of shareholder approval for the Proposed Transaction (including at the Meeting) to the extent as required by applicable law and policies of the Exchange, (iii) the filing with the applicable securities regulatory authorities of a filing statement or information circular regarding the Proposed Transaction including the requisite technical reports and financial statements so required, (iv) the completion of the Financing, and (v) the receipt of conditional approval from the Exchange for the Proposed Transaction

and the listing of the Resulting Issuer Shares upon completion of the Proposed Transaction. There can be no assurance that the Proposed Transaction will be completed on the terms proposed above or at all.

Insiders of the Resulting Issuer

Upon completion of the Proposed Transaction, it is anticipated that all of the current directors and officers of Chicane will resign. The board of directors of the Resulting Issuer is expected to consist of five nominees: Carson Phillips (Chairman), a director to be appointed by Generation, and three (3) other directors appointed by Elton. The senior management of Elton shall become the management of the Resulting Issuer, with Carson Phillips as Chief Executive Officer and other members of management to be appointed in due course.

Carson Phillips, Age 43, Proposed Director and Chief Executive Officer of the Resulting Issuer

Carson Phillips is a mining executive with over a decade of experience with a focus on precious metals. He was also an initial founder and director of Ecuador Gold & Copper Corp. which was subsequently acquired by Lumina Gold Corp. in 2016 for C\$70 million. Carson has a degree in Business Administration from the University of British Columbia (Okanagan) as well as a degree in International Business from Hogeschool Zeeland in the Netherlands. Mr. Phillips has also completed a Master of Engineering in Mine Economics & Finance from the University of British Columbia in 2014.

Halt

Trading in the Chicane Shares has been halted in accordance with the policies of the Exchange and are expected to remain halted until such time as all required documentation in connection with the Proposed Transaction has been filed with and accepted by the Exchange and permission to resume trading has been obtained from the Exchange.

Finder's Fee

Upon Closing of the Proposed Transaction, a finder's fee in the amount of \$25,000 will be payable to Carlo Rigillo, an arm's length party to both Chicane and Elton (the "**Finder's Fee**"), of which \$10,000 will be paid in cash and \$15,000 will be paid in Resulting Issuer Shares at a deemed price per Resulting Issuer Share equal to the deemed value per Resulting Issuer Share in the Proposed Transaction.

Qualified Person

David White, P. Geol., an independent consultant of Elton and a qualified person in accordance with National Instrument 43-101 - *Standards of Disclosure for Mineral Projects*, has reviewed and approved the scientific and technical disclosure in this news release.

About Chicane Capital I Corp.

Chicane was incorporated under the *Business Corporations Act* (Ontario) on February 23, 2022, and is a Capital Pool Company (as such term is defined in Policy 2.4) listed on the Exchange. Chicane has no commercial operations and no assets other than cash.

Further Information

This is an initial press release. Chicane and Elton plan to issue additional press releases, including a comprehensive news release in accordance with the policies of the Exchange providing further details in respect of the Proposed Transaction, additional background information regarding the other proposed directors and officers of the Resulting Issuer, the Definitive Agreement, and other material information as it becomes available.

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

This press release does not constitute an offer of securities for sale in the United States. The securities being offered have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and such securities may not be offered or sold within the United States absent U.S. registration or an applicable exemption from U.S. registration requirements.

Completion of the Proposed Transaction is subject to a number of conditions, including but not limited to the Exchange acceptance and, if applicable pursuant to the Exchange requirements, majority of the minority shareholder approval. Where applicable, the Proposed Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Proposed Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the Proposed Transaction, any information released or received with respect to the Proposed Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of Chicane should be considered highly speculative.

The Exchange has in no way passed upon the merits of the Proposed Transaction and has not approved or disapproved of the contents of this news release.

Cautionary Note Regarding Forward-Looking Information

This press release contains statements which constitute "forward-looking information" within the meaning of applicable securities laws, including statements regarding the plans, intentions, beliefs and current expectations of Chicane and Elton with respect to future business activities and operating performance. Forward-looking information is often identified by the words "may", "would", "could", "should", "will", "intend", "plan", "anticipate", "believe", "estimate", "expect" or similar expressions and includes information regarding: expectations regarding whether the Proposed Transaction will be consummated and whether the Financing will be completed, including whether conditions to the consummation of the Proposed Transaction and completion of the Financing will be satisfied, the timing and terms for completing the Proposed Transaction and Financing, and any results or the timing of such results or exploration activities on the Darnley Bay Project.

Investors are cautioned that forward-looking information is not based on historical facts but instead reflect management of Chicane and Elton's expectations, estimates or projections concerning future results or events based on the opinions, assumptions and estimates of management considered

reasonable at the date the statements are made. Although Chicane and Elton believe that the expectations reflected in such forward-looking information are reasonable, such information involves risks and uncertainties, and undue reliance should not be placed on such information, as unknown or unpredictable factors could have material adverse effects on future results, performance or achievements of the combined company. Among the key factors that could cause actual results to differ materially from those projected in the forward-looking information are the following: the ability to consummate the Proposed Transaction and/or Financing; the ability of Chicane meet its obligations under its material agreements; the ability to obtain requisite regulatory, shareholder and other approvals and the satisfaction of other conditions to the consummation of the Proposed Transaction and/or Financing on the proposed terms and schedule; investor demand and interest in the Financing; the potential impact of the announcement or consummation of the Proposed Transaction and/or Financing on relationships, including with regulatory bodies, employees, suppliers, customers and competitors; changes in general economic, business and political conditions, including changes in the financial markets; changes in applicable laws; compliance with extensive government regulation; and the diversion of management time on the Proposed Transaction and/or Financing. This forward-looking information may be affected by risks and uncertainties in the business of Chicane and Elton and market conditions.

Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward- looking information prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected. Although Chicane and Elton have attempted to identify important risks, uncertainties and factors which could cause actual results to differ materially, there may be others that cause results not to be as anticipated, estimated or intended. Chicane and Elton do not intend, and do not assume any obligation, to update this forward-looking information except as otherwise required by applicable law.

¹ Goldak, David K. and Olson, Ryan W., 2015, New developments in audio-magnetotelluric exploration: Case study from Darnley Bay area, N.W.T., CSEG Recorder, Volume 40, No. 2, February 2015.

² Reford, Stephen W., 2012, Report on the Darnley Bay Anomaly Project, Inuvialuit 7(1)(a) Mineral Concession at Paulatuk and Prospecting Permits 7669, 7670, 7793, 7794, 7795, 7796, 7797, 7798, 7799, 7800, 7801, 7802, 7803, 7804, 7805, 7806, 7807, 7808, 43-101 Technical Report, Darnley Bay Resources Limited.

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