

Halcohes Precious Metals Corp. Completes Qualifying Transaction and Announces Upcoming Listing Under Symbol “HPM”

TORONTO, ON, September 20, 2022 – Halcohes Precious Metals Corp. (formerly, Pinehurst Capital II Inc.) (TSXV: HPM) (“**Halcohes**” or the “**Company**”) announces that it has completed its previously disclosed acquisition (the “**Transaction**”) of all of the issued and outstanding securities of Halcohes Precious Metals Inc. (the “**Target**”), a private company incorporated under the laws of the Province of Ontario with mining assets located in Chile. Subject to receiving final approval from the TSX Venture Exchange (the “**TSXV**”), the Company Shares (as defined herein) are expected to commence trading on the TSXV under the ticker symbol “HPM” on or about September 22, 2022. A further press release will be issued by the Company in advance of commencement of trading.

The Transaction constitutes the Company’s Qualifying Transaction (as defined by Policy 2.4 – *Capital Pool Companies* of the TSXV) and was completed according to the terms of an amalgamation agreement dated January 25, 2022, as amended (the “**Amalgamation Agreement**”) pursuant to which the Company acquired all of the issued and outstanding securities of the Target by way of a three-cornered amalgamation with a wholly-owned subsidiary of the Company under the laws of the Province of Ontario. In connection with the completion of the Transaction, the TSXV has conditionally approved the listing of the Company Shares.

Prior to the completion of the Transaction, the Company: (i) completed a consolidation of its issued and outstanding common shares (“**Company Shares**”) on the basis of 0.4716981 post-consolidation Company Share for every one pre-consolidation Company Share (the “**Consolidation**”); and (ii) changed its name from “Pinehurst Capital II Inc.” to “Halcohes Precious Metals Corp.”.

Pursuant to the Amalgamation Agreement, the issued and outstanding common shares of the Target (“**Target Shares**”) were exchanged for Company Shares on a 1:1 basis in connection with the Transaction. Pursuant to the Transaction: (i) an aggregate of 87,557,114 post-Consolidation Company Shares were issued in exchange for the outstanding Target Shares (which includes the Target Shares issued upon the conversion of Target Subscription Receipts, as defined herein); and (ii) warrants exercisable to acquire 8,122,121 Company Shares (the “**Company Warrants**”) were issued in exchange for the outstanding Target Share purchase warrants of the Target (the “**Target Warrants**”) (which includes the Target Warrants issued upon conversion of the Target Subscription Receipts).

As disclosed in the Company’s press releases dated June 24, 2022 and June 30, 2022, in June 2022, the Target completed: (i) a brokered private placement (the “**Subscription Receipt Financing**”) led by Clarus Securities Inc. (the “**Lead Agent**”), as lead agent, along with iA Private Wealth Inc. and Haywood Securities Inc., as agents (together with the Lead Agent, the “**Agents**”), in connection with the issue and sale of 11,462,200 subscription receipts of the Target (the “**Target Subscription Receipts**”); and (ii) a non-brokered private placement (the “**Non-Brokered Financing**”) and together with the Subscription Receipt Financing, the “**Concurrent Financings**”) of 713,334 units of the Target (the “**Target Units**”), each such Target Unit comprised of one Target Share and one-half of one Target Warrant.

Pursuant to the Subscription Receipt Agreement (as defined herein) and in connection with the Transaction, each of the 11,462,200 Target Subscription Receipts were automatically converted

into one Target Share and one-half of one Target Warrant; and (ii) each such Target Share and each whole Target Warrant was immediately exchanged for one Company Share and one equivalent Company Warrant, respectively, each on a post-Consolidation basis. The Target Subscription Receipts were issued pursuant to and were governed by the terms of a subscription receipt agreement (the “**Subscription Receipt Agreement**”) dated June 24, 2022, by and among the Target, the Lead Agent and Computershare Trust Company of Canada, in its capacity as subscription receipt agent and escrow agent thereunder. The escrowed proceeds derived from the Subscription Receipt Financing, less the fees paid to the Agents in connection with the Agents’ services rendered in connection with the Subscription Receipt Financing, were released in accordance with the provisions of the Subscription Receipt Agreement.

Following the Transaction, the leadership team of the Company is as follows:

- Paul Pint – Chief Executive Officer and Director
- Vernon Arseneau – Chief Operating Officer and Director
- Greg Duras – Chief Financial Officer
- Damian Lopez – Corporate Secretary
- Ben Bowen – Director
- Patrizia Ferrarese – Director
- David Gower – Director
- Lawrence Guy – Director
- Michael Shuh – Director

As described in the Company’s filing statement dated September 13, 2022 (the “**Filing Statement**”), prepared in connection with the Transaction and in accordance with Policy 2.4 of the TSXV, certain of the Company Shares are subject to escrow requirements or seed share resale restrictions in accordance with TSXV Policy 5.4 - *Escrow, Vendor Considerations and Resale Restrictions*. Additional information related to the Company’s business, the Concurrent Financings and the Transaction (including the members of the management team and board of directors listed above) is available in the Filing Statement. The Filing Statement is available under the Company’s profile on SEDAR at www.sedar.com. Readers are encouraged to review the Filing Statement for full details on the Transaction.

In connection with the Transaction and the Concurrent Financings, Miller Thomson LLP acted as legal counsel to the Target, Owens Wright LLP acted as legal counsel to the Company and Borden Ladner Gervais LLP acted as legal counsel to the Agents in relation to the Subscription Receipt Financing.

About Halcones Precious Metals Corp.

Halcones is a publicly-traded company which owns an option (the “**Option**”) to acquire 100% of the right, title and interest of the Carachapampa project located in Diego de Almagro, Copiapo, Chile (the “**Carachapampa Project**” or the “**Project**”).

The Carachapampa Project is located within the northeast part of the Maricunga Belt. The property is tied onto the Nueva Esperanza Property of Kingsgate which is a recent discovery. Other important deposits in the region include Salares Norte (Goldfields) and La Coipa (Kinross). The Project comprises 12 claims covering 2,868 hectares and is 2 km southeast of the Chimberos deposit, gold-silver past producing open pit mine.

The Carachapampa Project and adjacent production and development projects are part of a high sulfidation, epithermal gold environment. An important aspect of the area is that the erosional level is such that the mineralized zones now occur relatively close to or at the surface in this part of the belt. There is a thin layer of post-mineralization volcanic cover and the basement rocks can be prospected through windows in the cover. A second critical criterion is that high sulfidation deposits occur on the flank of volcanic domes. Two such volcanic domes have been identified on the Project. There are four main target areas identified to date on the Carachapampa Project, all with disseminated gold mineralization. Recent trenching in the Northeast Target returned values of up to 20.9 g/t gold in disseminated mineralization, not in veins. This area also features a well-defined IP anomaly (resistivity and chargeability) associated with the window of basement rocks that were sampled through the volcanic cover.

The technical information in this news release has been prepared by David Gower, a director of Halcones, and a "qualified person" as defined in NI 43-101.

For more information please contact:

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The TSXV has in no way passed upon the merits of the Transaction and has neither approved nor disapproved the contents of this press release.

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

Cautionary Note Regarding Forward-Looking Statements

This press release contains statements that constitute "forward-looking statements". Such forward looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements, or developments to differ materially from the anticipated results, performance or achievements expressed or implied by such forward-looking statements.

Although the Company believes, in light of the experience of its officers and directors, current conditions and expected future developments and other factors that have been considered appropriate that the expectations reflected in this forward-looking information are reasonable, undue reliance should not be placed on them because the Company can give no assurance that they will prove to be correct. When used in this press release, the words "estimate", "project", "belief", "anticipate", "intend", "expect", "plan", "predict", "may" or "should" and the negative of these words or such variations thereon or comparable terminology are intended to identify forward-looking statements and information. The forward-looking statements and information in this press release include: information relating to timing for the commencement of trading of the Company Shares on the TSXV; the Company's receipt of the final approval of the TSXV; and the development of the Carachapampa Project and other mining projects and prospects thereof. Such statements and information reflect the current view of the Company. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors that may

cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements.

The forward-looking statements contained in this news release represent the expectations of the Company as of the date of this news release and, accordingly, are subject to change after such date. Readers should not place undue importance on forward-looking statements and should not rely upon this information as of any other date. The Company undertakes no obligation to update these forward-looking statements in the event that management's beliefs, estimates or opinions, or other factors, should change.

*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 Company's 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.*

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