

Barksdale Completes Convertible Debenture Extension and Closes Issuance of Bonus Warrants and Securities for Debt

Vancouver, British Columbia--(Newsfile Corp. - January 11, 2024) - Barksdale Resources Corp. (TSXV: BRO) (OTCQX: BRKCF) ("**Barksdale**" or the "**Company**") announces that further to its news releases dated December 13 and December 29, 2023, the Company has now received TSX Venture Exchange acceptance in connection with the extension of the maturity date of the secured convertible debentures ("**Debentures**") held by Delbrook Resource Opportunities Fund ("**Delbrook Opportunities Fund**") and Delbrook Resource Opportunities Master Fund LP ("**Delbrook Master Fund**") (collectively, the "**Creditors**"), and administered by Delbrook Capital Advisors Inc., by one year until December 31, 2024 ("**Debenture Extension**"). The Debentures have a remaining principal amount of **\$1,500,000** and all other terms of the Debentures including the conversion price will remain unchanged.

Incidental to the Debenture Extension, the Company issued **467,708** units of the Company (the "**Interest Units**") in settlement of **\$187,083** of accrued interest payable on the Debentures. Each Interest Unit consists of one common share of Barksdale (each a "**Common Share**") having a deemed price of **\$0.40** per Common Share and one-half ($\frac{1}{2}$) of one share purchase warrant (each whole warrant, an "**Interest Warrant**"). Each Interest Warrant entitles the holder to acquire one Common Share at a price of **\$0.60** for a period of three (3) years from the date of issuance. Any subsequent interest accrued under the Debentures after December 27, 2023 is payable in cash in accordance with the terms and conditions of the Debentures.

The Interest Units will be allocated and issued by the Company to the Creditors as follows:

- (a) Delbrook Opportunities Fund - 54,566 Interest Units; and
- (b) Delbrook Master Fund - 413,142 Interest Units.

In exchange for extending the Debentures, the Company has also issued an extension fee of **2,777,777** share purchase warrants, exercisable into **2,777,777** Common Shares at a price of **\$0.60**, for a period of one year, expiring December 31, 2024 ("**Extension Warrants**"). The Extension Warrants will be allocated and issued by the Company to the Creditors as follows:

- (a) Delbrook Opportunities Fund - 324,074 Extension Warrants; and
- (b) Delbrook Master Fund - 2,453,703 Extension Warrants.

Should any part of the Debentures be repaid or converted prior to the maturity date, a pro-rata portion of the Extension Warrants will have their maturity date accelerated to that date which is 30 days after the date of repayment or conversion.

All securities issued with respect to the Interest Units, Interest Warrants and Extension Warrants and underlying Common Shares are subject to a four month hold period expiring May 13, 2024.

Barksdale Resources Corp., a 2023 OTCQX BEST 50 Company, is a base metal exploration company headquartered in Vancouver, B.C., that is focused on the acquisition, exploration and advancement of highly prospective base metal projects in North America. Barksdale is currently advancing the Sunnyside copper-zinc-lead-silver and San Antonio copper projects, both of which are in the Patagonia mining district of southern Arizona, as well as the San Javier copper-gold project in central Sonora, Mexico.

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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 news release.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION: This news release includes "forward-looking information" under applicable Canadian securities legislation including, but not limited to, the Company's plans for the continued advancement of the Sunnyside project and financial performance. Such forward-looking information reflects management's current beliefs and are based on a number of estimates and assumptions made by and information currently available to the Company that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking information. Readers are cautioned that such forward-looking information are neither promises nor guarantees, and are subject to known and unknown risks and uncertainties including, but not limited to, general business, economic, competitive, political and social uncertainties, uncertain and volatile equity and capital markets, lack of available capital, actual results of exploration activities, environmental risks, future prices of base metals, operating risks, accidents, labor issues, delays in obtaining governmental approvals and permits, and other risks in the mining industry. There is also uncertainty about the continued spread and severity of COVID-19, the ongoing war in Ukraine and rising inflation and interest rates and the impact they will have on the Company's operations, supply chains, ability to access mining projects or procure equipment, supplies, contractors and other personnel on a timely basis or at all and economic activity in general. All forward-looking information contained in this news release is qualified by these cautionary statements and those in our continuous disclosure filings available on SEDAR at www.sedar.com. Accordingly, readers should not place undue reliance on forward-looking information. The Company disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by law.

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