

Barksdale Announces Replacement Convertible Debentures

Vancouver, British Columbia--(Newsfile Corp. - January 13, 2025) - Barksdale Resources Corp. (TSXV: BRO) (OTCQX: BRKCF) ("**Barksdale**" or the "**Company**") announces that it is seeking TSX Venture Exchange ("**TSXV**") acceptance for an extension of the maturity date and a reduction of the conversion price of the aggregate \$1,500,000 principal amount of the secured convertible debentures ("**Debentures**") held by Delbrook Capital Advisors Inc. ("**Delbrook**") that were originally issued on January 25, 2022. Barksdale is also seeking TSXV acceptance to issue an aggregate of 8,000,000 detachable common share purchase warrants (the "**New Warrants**") to Delbrook as the previously issued 2,777,777 common share purchase warrants held by Delbrook expired unexercised on December 31, 2024.

The Debentures bear interest at a rate of 10% per annum and are convertible into common shares of the Company (the "**Shares**"). The Company is seeking approval of the TSXV to, among other things, reduce the conversion price of the Debentures from \$0.55 to \$0.18 per Share and extend the maturity date to December 31, 2025 (the "**Amendments**"). In connection with Delbrook agreeing to the Amendments, the Company will also issue the New Warrants to Delbrook in connection with the Amendments. Each New Warrant shall entitle the holder to acquire one Share at a price of \$0.18 per Share until December 31, 2025. Additionally, Delbrook and the Company have agreed, subject to the receipt of corporate and regulatory approvals, including acceptance by the TSXV, to a securities-for-debt settlement (the "**Interest Debt Settlement**"), pursuant to which the interest accrued under the Debentures in the aggregate amount of \$151,643.84 will be satisfied by the issuance of 1,045,819 units of the Company (the "**Units**", and each, a "**Unit**") at a deemed price of \$0.145 per Unit. Each Unit shall consist of one Share and one-half of one Share purchase warrant (the "**Warrants**"), with each whole Warrant entitling the holder to acquire one additional Share at an exercise price of \$0.18 per Share for a period of three (3) years from the date of issuance. Any subsequent interest accrued under the Debentures after December 31, 2024 shall be payable in accordance with the terms and conditions of the Debentures and the policies of the TSXV.

Delbrook has agreed to temporarily waive the payment obligations on the Debentures which were due and payable on December 31, 2024 until January 17, 2025 in order to give the parties time to obtain the requisite approval of the TSXV for the Amendments, the issuance of the New Warrants and the Interest Debt Settlement and to enter into definitive documentation with respect to the Amendments. The Debentures have a remaining principal amount of \$1,500,000 and are not new funds to the Company.

All newly issued securities in connection with the above will be subject to a four-month plus one day hold period in accordance with Canadian securities legislation.

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 STATEMENTS: *This news release contains certain "forward-looking information" and "forward-looking statements" (collectively "forward-looking statements") within the meaning of applicable securities legislation. Forward-looking statements are frequently, but not always, identified by words such as "expects", "anticipates", "believes", "intends", "estimates", "potential", "possible", and similar expressions, or statements that events, conditions, or results "will", "may", "could", or "should" occur or be achieved. All statements, other than statements of historical fact, included herein, without limitation, statements relating to the Debentures, New Warrants, and Interest Debt Settlement, including the related securities, and the requisite approvals in connection therewith, the satisfaction of the conditions to the waiver provided by Delbrook, the timing and completion of the definitive documentation with respect to the Amendments are forward-looking statements. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements reflect the beliefs, opinions and projections on the date the statements are made and are based upon a number of assumptions and estimates that, while considered reasonable by Barksdale, 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 and the Company has made assumptions and estimates based on or related to many of these factors. Such factors include, without limitation, the receipt of all requisite corporate and regulatory approvals in connection with the Debentures, New Warrants, and Interest Debt Settlement, including the ability of the Company to obtain acceptance of the foregoing by the TSXV. All forward-looking statements contained in this news release is qualified by these cautionary statements and those in the Company's continuous disclosure filings available on SEDAR+ at www.sedarplus.ca. Readers should not place undue reliance on the forward-looking statements contained in this news release concerning these items. Barksdale does not assume any obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change, except as required by applicable securities laws.*



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