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Pentagon I Capital Corp. and Prospectiva Resources Ltd. Announce Financing

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TORONTO, ON / [ACCESS Newswire](#) / June 18, 2026 / Pentagon I Capital Corp. (TSXV:PNTI.P) ("Pentagon") and Prospectiva Resources Ltd. ("Prospectiva") are pleased to provide an update on their proposed business combination transaction (the "**Proposed Transaction**") as previously announced on February 5, 2026. It is expected the Proposed Transaction will qualify as Pentagon's "Qualifying Transaction" under the policies of the TSX Venture Exchange (the "**TSXV**").

Pentagon and Prospectiva have entered into an engagement letter with Paradigm Capital Inc. (the "**Agent**"), to act for and on behalf of a subsidiary of Prospectiva ("**Finco**") incorporated in Ontario to complete a brokered private placement offering (the "**Brokered Offering**") of subscription receipts of Finco (the "**Subscription Receipts**") for aggregate gross proceeds of, in combination with a concurrent Non-Brokered Offering (as defined below and together with the Brokered Offering, the "**Offering**"), a minimum of C\$3,000,000 and up to C\$5,000,000 at a price per Subscription Receipt of \$0.81 (the "**Issue Price**"). The Agent has the option to sell an additional 15% of the offered Subscription Receipts under the Brokered Offering at the Issue Price (the "**Agent's Option**"), exercisable in whole or in part, at any time up to three business days prior to the closing date of the Brokered Offering.

Each Subscription Receipt shall represent the right of a holder to receive, upon satisfaction or waiver of the Escrow Release Conditions (as defined below), without payment of additional consideration, one common share of Finco (a "**Finco Share**") and one Finco common share purchase warrant (a "**Finco Warrant**"), in accordance with the terms and conditions of a subscription receipt agreement (the "**Subscription Receipt Agreement**") to be entered into among Pentagon, Prospectiva, Finco, the Agent and a subscription receipt and escrow agent (the "**Subscription Receipt Agent**") upon closing of the Offering. Pursuant to the terms of the Proposed Transaction, the Offering and the Subscription Receipt Agreement, each Finco Share issued upon conversion of the Subscription Receipts will be exchanged for one common share (a "**Resulting Issuer Share**") of Pentagon after completion of the Proposed Transaction (the "**Resulting Issuer**") and each Finco Warrant issued upon conversion of the Subscription Receipts will be exchanged for one common share purchase warrant of the Resulting Issuer (a "**Resulting Issuer Warrant**"). Each Resulting Issuer Warrant will be exercisable by the holder thereof for one Resulting Issuer Share (a "**Resulting Issuer Warrant Share**") at an exercise price of C\$1.13 per Resulting Issuer Warrant Share for a period of twenty-four months following the date of issuance, subject to adjustments in certain events.

The gross proceeds from the sale of the Subscription Receipts (the "**Escrowed Funds**"), net of 50% of the Cash Commission (as defined below) and the Agent's expenses, will be deposited and held in escrow by the Subscription Receipt Agent pending the satisfaction or waiver of the Escrow Release Conditions.

As consideration for its services, the Agent will receive a cash commission of 7% of the gross proceeds of the Brokered Offering (the "**Cash Commission**") and broker warrants (the "**Broker Warrants**") in an amount equal to 7% of the number of Subscription Receipts sold pursuant to the Brokered Offering. Each Broker Warrant will be exercisable to purchase one Finco Share at the Issue Price for a period of twenty-four (24) months from the closing date of the Brokered Offering. 50% of the Cash Commission will be held in escrow by the Subscription Receipt Agent and such Cash Commission shall be released to the Agent upon satisfaction of the Escrow Release Conditions. The Broker Warrants are expected to be exchanged for common share purchase warrants of the Resulting Issuer on a one-for-one basis upon satisfaction of the Escrow Release Conditions.

The escrow release conditions for the Offering (the "**Escrow Release Conditions**") are expected to be as follows:

- a. All conditions precedent to the closing of the Proposed Transaction as set out in the definitive agreement except for the conversion of the Subscription Receipts and the release of the Escrowed Funds from escrow shall have been satisfied or waived (to the extent that waiver is permitted);
- b. The receipt of all required regulatory, shareholder approvals and approval from the TSXV, as applicable, for the Proposed Transaction and the Offering; and

- c. Prospectiva, Finco, Pentagon and the Agent (with respect to the Brokered Offering) having delivered a joint notice to the Subscription Receipt Agent confirming that the conditions set forth in (a) to (b) above have been satisfied or waived (to the extent such waiver is permitted).

In the event that the Escrow Release Conditions are not satisfied on or before the date which is 120 days following the closing of the Brokered Offering, or if prior to such time, Pentagon or Prospectiva advises the Agent or announces to the public that it does not intend to or will be unable to satisfy the Escrow Release Conditions or that the Proposed Transaction has been abandoned, Escrowed Funds under the Brokered Offering (plus any interest accrued thereon excluding interest on the escrowed Cash Commission, which will be paid to the Agent) will be returned to the holders of the Subscription Receipts on a pro-rata basis and the Subscription Receipts will be cancelled without any further action on the part of the holders. To the extent that the Escrowed Funds are not sufficient to refund the aggregate issue price paid by the holders of the Subscription Receipts, Prospectiva and Finco will be responsible and liable to contribute such amounts as are necessary to satisfy any shortfall.

In addition, Prospectiva, through Finco, intends to complete a concurrent non-brokered private placement of up to 2,469,135 subscription receipts of Finco (the "**Non-Brokered Subscription Receipts**") on substantially the same terms as the Brokered Offering for gross proceeds of up to \$2,000,000 (the "**Non-Brokered Offering**"). The gross proceeds of the Non-Brokered Offering will be held in escrow by the Subscription Receipt Agent and released therefrom on substantially the same terms as described above with respect to the Brokered Offering. No Cash Commission will be payable or Broker Warrants issuable in connection with proceeds raised from the Non-Brokered Offering.

The net proceeds received from the Offering are expected to be used for exploration of the Borborema Project, property payments and for general corporate and working capital purposes.

Excluding any securities issued in connection with the Offering it is expected that immediately prior to the closing of the Proposed Transaction and after giving effect to the consolidation of Pentagon's common shares (the "**Pentagon Shares**") on the basis of one post-consolidation Pentagon common share for every 5.87 pre-consolidation Pentagon Shares, it is anticipated that: (i) holders of Pentagon Shares will hold 987,654 Pentagon Shares, and (ii) holders of 20,403,655 Prospectiva ordinary shares (after giving effect to an expected share split of the Prospectiva ordinary shares on the basis of five post-split Prospectiva ordinary shares for each one pre-split Prospectiva ordinary share) shall be entitled to receive 20,403,655 common shares of the Resulting Issuer.

The Brokered Offering and Non-Brokered Offering are expected to close on or about July 7, 2026, and are subject to certain conditions including but not limited to the approval of the TSXV and other necessary regulatory approvals. The Subscription Receipts and Non-Brokered Subscription Receipts will be subject to a restricted hold period under Canadian securities laws. The Resulting Issuer Shares and Resulting Issuer Warrants to be issued in exchange for the Finco Shares and the Finco Warrants following the conversion of Subscription Receipts and Non-Brokered Subscription Receipts and closing of the Proposed Transaction are not expected to be subject to a hold period under applicable Canadian securities laws.

The Subscription Receipts and Non-Brokered Subscription Receipts will be offered by way of: (a) private placement in each of the provinces and territories of Canada pursuant to applicable prospectus exemptions under applicable Canadian securities laws; (b) in the United States or to, or for the account or benefit of U.S. persons, by way of private placement pursuant to the exemptions from registration provided for under Rule 506(b) under Regulation D and/or Section 4(a)(2) of the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"); and (c) in jurisdictions outside of Canada and the United States as are agreed to by Prospectiva, Pentagon and the Agent (with respect to the Brokered Offering) on a private placement or equivalent basis.

The securities being offered pursuant to the Offering have not been, nor will they be, registered under the U.S. Securities Act and applicable state securities laws and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons absent registration or an applicable exemption from the registration requirements. This news release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any state in which such offer, solicitation or sale would be unlawful. "United States" and "U.S. person" are as defined in Regulation S under the U.S. Securities Act.

Trading Halt

The Pentagon Shares are currently halted from trading and are not expected to resume trading until the Proposed Transaction is completed.

Completion of the Proposed Transaction is subject to a number of conditions, including but not limited to, TSXV acceptance and the completion of the Offering. There can be no assurance that the Proposed Transaction, Brokered Offering or Non-Brokered Offering will be completed as proposed or at all.

About Prospectiva Resources Ltd.

Prospectiva is a private UK company, focused on copper and gold exploration in Brazil. Prospectiva's flagship asset is the 100% owned São Francisco copper-gold project, located in the states of Pernambuco and Paraíba in northeast Brazil. The Project is comprised of 35 mineral exploration licences covering a total of 530 km². Surface copper mineralization was discovered by a Tier-1 major mining company in 2018, with the identification of a high-grade copper rich gossan, and subsequently undertook two phases of diamond drilling for a total of approximately 5,900 metres. Shallow, high-grade near surface copper mineralization was intersected in multiple drill holes, interpreted to be associated with an east-west trending shallow plunging lens of mineralization. An Induced Polarisation (IP) geophysical survey was undertaken after the completion of the diamond drilling. The IP survey delineated a large high-chargeability anomaly, broadly coincident with the mineralization and has not yet been drill tested. The Project was acquired by Prospectiva in early 2026. Prospectiva plans to undertake a detailed ground Electromagnetic (EM) geophysical survey in 2026, followed by a phase of diamond drilling, drill-testing any newly identified EM conductor-anomalies and the strike continuity of the mineralization to the East, with drilling expected to commence in Q3 2026.

Qualified Person

The scientific and technical information contained in this press release has been reviewed and approved by Robert Selwyn, CGeol, MGeol, FGS, a Qualified Person as defined by NI 43-101. Mr. Selwyn is a non-independent consultant to Prospectiva Resources Ltd.

Additional Information

Additional information with respect to Prospectiva and the Proposed Transaction will be included in Pentagon's filing statement to be filed in connection with the Proposed Transaction, which will be available under Pentagon's SEDAR+ profile at www.sedarplus.ca.

About Pentagon I Capital Corp.

Pentagon is a capital pool company created pursuant to the policies of the TSXV. It does not own any assets, other than cash or cash equivalents and its rights under the binding letter agreement with Prospectiva. The principal business of Pentagon is to identify and evaluate opportunities for the acquisition of an interest in assets or businesses and, once identified and evaluated, to negotiate an acquisition or participation subject to acceptance by the TSXV so as to complete a Qualifying Transaction in accordance with the policies of the TSXV.

Forward-Looking Statements Disclaimer

Certain information in this press release may contain forward-looking statements, including statements regarding the terms, conditions and completion of the Proposed Transaction and the Offering and the use of net proceeds of the Offering. This information is based on current expectations that are subject to significant risks and uncertainties that are difficult to predict, including risks associated with obtaining required regulatory approvals for the Proposed Transaction and the Offering, the ability to complete the Offering on the terms proposed or at all, and general economic and market conditions. Actual results might differ materially from results suggested in any forward-looking statements. Pentagon assumes no obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those reflected in the forward looking-statements unless and until required by securities laws applicable to Pentagon. Additional information identifying risks and uncertainties is contained in filings by Pentagon with the Canadian securities regulators, which filings are available at www.sedarplus.ca.

Completion of the Proposed Transaction, the Brokered Offering and the Non-Brokered Offering are each subject to a number of conditions, including but not limited to, all necessary regulatory approvals. There can be no assurance that the Proposed Transaction, the Brokered Offering and the Non-Brokered Offering will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the filing statement to be prepared in connection with the Proposed 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 a capital pool company should be considered highly speculative.

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

The Pentagon Shares will remain halted until such time as permission to resume trading has been obtained from the TSXV. Pentagon is a reporting issuer in Alberta, British Columbia, and Ontario.

For more information about Pentagon, please contact Estanislao Auriemma at [+54 911 49980623](tel:+5491149980623).

For more information about Prospectiva please contact Dan James at info@prospectiva-resources.com.

SOURCE: Pentagon I Capital Corp.