

Golden Independence Provides Update on Spin-out and Announces Engagement of Sprott Capital Partners

Vancouver, British Columbia--(Newsfile Corp. - May 10, 2021) - Golden Independence Mining Corp. (CSE: IGLD) (OTCQB: GIDMF) (FSE: 6NN) ("Golden Independence") or (the "**Company**") further to its news release dated January 22, 2021, is pleased to provide an update on its proposed spin-out (the "**Spin-Out**") of its Champ metals precious property located in Castlegar, British Columbia (the "**Champ Property**").

The Company has entered into an arrangement agreement (the "**Arrangement Agreement**") with Hilo Mining Corp. ("**Spinco**"), which is currently a wholly owned subsidiary of the Company, to transfer the Champ Property to Spinco in exchange for the issuance of 1,499,999 common shares of Spinco (the "**Consideration Shares**"). In accordance with the terms of the Arrangement Agreement, the Company will then distribute 1,000,000 of the Consideration Shares (the "**Spinout Shares**") to shareholders of the Company pursuant to a statutory plan of arrangement (the "Plan of Arrangement"). As a result of the Plan of Arrangement, it is anticipated that Spinco will become a reporting issuer and intends to seek a listing of its common shares on either the Canadian Securities Exchange or the TSX Venture Exchange. A listing will be conditional on Spinco completing a private placement which is currently anticipated to be comprised of the issuance of 6,000,000 common shares of Spinco at a price of \$0.10 per common share for gross proceeds of \$600,000 (the "**Spinco Financing**"). Completion of the Plan of Arrangement is subject to a number of conditions including approval of the Plan of Arrangement by the Company's shareholders and approval of the Supreme Court of British Columbia. There is no assurance that the Plan of Arrangement will be completed or that, even if such Plan of Arrangement is completed, that Spinco will be successful in completing the Spinco Financing or obtaining a stock exchange listing.

In connection with the Plan of Arrangement, the Company has called an annual and special shareholders meeting for June 1, 2021 (the "**Shareholders Meeting**"). An information circular for the Shareholders Meeting will be mailed to shareholders and will be available for review under the Company's profile at www.sedar.com.

The Company also announces that it has entered into an engagement letter (the "**Engagement Letter**") with Sprott Capital Partners LP ("**Sprott**") pursuant to which Sprott has agreed to act as financial advisor to the Company. Under the terms of the Engagement Letter, the Company has agreed to issue 300,000 common shares to Sprott as a work fee (the "**Work Fee Shares**"). Issuance of the Work Fee Shares remains subject to the approval of the Canadian Securities Exchange.

About Golden Independence Mining Corp.

Golden Independence Mining Corp. is an exploration company currently focused on exploring the advanced-stage Independence property located in the Battle Mountain-Cortez Trend, Nevada and the Champ precious metal property near Castlegar, British Columbia. The Independence property benefits from over US\$25 million in past exploration, including over 200 holes drilled, and is located adjacent to Nevada Gold Mines' Phoenix-Fortitude mining operations in the Battle Mountain-Cortez trend of Nevada.

FOR FURTHER INFORMATION PLEASE CONTACT:

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Forward Looking Information

This press release contains forward-looking information (within the meaning of applicable Canadian securities legislation) that involves various risks and uncertainties regarding future events. Such forward-looking information includes statements based on current expectations involving a number of risks and uncertainties and such forward-looking statements are not guarantees of future performance of the Company, and include, without limitation, statements regarding completion of the Plan of Arrangement, including the associated Spinco Financing, and the issuance of the Work Fee Shares to Sprott. There are numerous risks and uncertainties that could cause actual results and the Company's plans and objectives to differ materially from those expressed in the forward-looking information in this news release, including without limitation, receipt of required shareholder, court, stock exchange and regulatory approvals for the Spin-Out, the risk that Spinco will not be successful in finding suitable investors for the Spinco Financing and the risk that Spinco will not be successful in obtaining a stock exchange listing. This forward-looking information is based on estimates and opinions of management on the date hereof and is expressly qualified by this notice. Risks and uncertainties about the Company's business are more fully discussed in the Company's disclosure materials filed with the securities regulatory authorities in Canada at www.sedar.com and, with respect to the Spinout, in the information circular prepared for the Shareholders Meeting. The Company assumes no obligation to update any forward-looking information or to update the reasons why actual results could differ from such information unless required by applicable law.

To view the source version of this press release, please visit <https://www.newsfilecorp.com/release/83346>