



PRESS RELEASE

GOLDFLARE ANNOUNCES PROPOSED REVERSE TAKEOVER WITH QUITOVAC GOLD HOLDINGS, LLC INVOLVING THE QUITOVAC GOLD PROJECT, SONORA, MEXICO

Piedmont, Québec, Canada - June 18, 2026 – Goldflare Exploration Inc. (TSXV: GOFL) ("Goldflare" or "the Company") is pleased to announce that it has entered into a non-binding letter of intent dated June 16, 2026 (the "**LOI**") with **Quitovac Gold Holdings, LLC** ("**Quitovac**" or the "**Vendor**") and **Minera Granite, S.A. de C.V. ("Granite")**, pursuant to which Goldflare proposes to acquire all of the issued and outstanding shares of Granite (the "**Proposed Transaction**"). The Proposed Transaction is intended to constitute an arm's length "Reverse Takeover" of Goldflare within the meaning of Policy 5.2 – *Changes of Business and Reverse Takeovers* of the Corporate Finance Manual of the TSX Venture Exchange (the "**Exchange**"). The LOI was negotiated and entered into at arm's length between the parties.

Overview of Granite and the Quitovac Gold Project

Quitovac is a privately-held limited liability corporation that was formed in April, 2026 under the laws of the state of Nevada. Quitovac's head office is in Texas. Granite, a wholly owned subsidiary of Quitovac, was formed in November 2020 and is incorporated under the laws of Mexico.

Granite will, on closing of the Proposed Transaction be the registered and legal owner of the Quitovac gold project (the "**Project**") located in Sonora, Mexico.

The Project contains 11 mineral concessions located in the Quitovac mine district of Northwest Sonora, Mexico. The 11 concessions total 592 hectares, which is 1,480 acres or 2 square miles. Rights to acquire an additional 2000 hectares surrounding these 11 concessions are included in the transaction. This will expand the Project area to nine square miles. The geological setting is that of a structurally complex area of thrust faulting with an allocthon plate of pre-Cambrian gneisses with quartz veinlets disseminated oxide minerals. Similar but much less quartz veining occurs in the thrust fault footwall unit of schistose Jurassic volcanic units.

The Project located approximately 30 km north of the similarly classified giant Herradura gold mine operated by Fresnillo PLC and about 45 km south of the US international border with Arizona. Paved Mexican State Highway access is good and within 3 km of the Project site. Electrical lines maintained by the Mexican national utility are within 1 km of the Project and year-round water is available.



Please see Figures 1 and 2 attached to this press release for a map of the project location and an aerial view of the Project.

Summary of the Proposed Transaction

Pursuant to the LOI, Goldflare proposes to acquire all of the issued and outstanding shares of Granite from the Vendor. Upon Closing (as defined below), Granite will be a wholly-owned subsidiary of Goldflare, and Goldflare will indirectly own 100% of the Project. The final structure of the Proposed Transaction remains subject to the receipt of corporate, tax, and securities law advice.

The principal terms of the LOI include the following:

- **Consolidation:** Prior to completion of the Proposed Transaction and the Concurrent Financing (as defined below), Goldflare will consolidate its issued and outstanding common shares on a 4-to-1 basis (the "**Consolidation**").
- **Consideration:** As consideration for the acquisition of the shares of Granite, Goldflare will issue 16,000,000 common shares of Goldflare (the "**Consideration Shares**") on a post-Consolidation basis to the Vendor.
- **Bonus Shares:** As additional consideration, the Vendor (or certain of its members) will be entitled to receive up to 4,000,000 additional common shares of Goldflare (the "**Bonus Shares**"), on a post-Consolidation basis, upon the occurrence, within 9 years from the closing date of the Proposed Transaction (the "**Closing Date**"), of either: (i) delivery of a technical report prepared in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("**NI 43-101**") confirming a mineral resource estimate of at least 500,000 ounces of gold in the inferred mineral resources category; or (ii) the sale of Goldflare, Granite, or the Project to a third-party arm's length purchaser.
- **Financings:** It will be a condition of Closing that: (i) the Vendor completes an equity financing of not less than C\$900,000 prior to execution of the Definitive Agreement (as defined below); and (ii) Goldflare completes a concurrent equity financing on a post-Consolidation basis (the "**Concurrent Financing**") for gross proceeds of approximately C\$4,000,000 at a price per share based on prevailing market conditions.
- **Board and Management:** Upon Closing, Mr. Mark Isaacs, the current manager of Quitovac, will be appointed President and Chief Executive Officer of Goldflare. The Board of Directors of Goldflare will be reconstituted to comprise five (5) directors, of whom two (2) will be among the current directors of Goldflare and three (3) will be designated by the Vendor.



- **Escrow and Hold Periods:** The Consideration Shares (and any Bonus Shares) may be subject to a regulatory hold period of four months and one day from the date of issuance, and to any hold periods or escrow provisions required by the Exchange. In addition, 3,080,000 of the Consideration Shares will be subject to a voluntary escrow, and will be released upon Granite obtaining required Mexican operating permits with respect to the Project.
- **Exclusivity:** The LOI provides for a mutual exclusivity period expiring on July 31, 2026 (or such later date as may be agreed), during which neither party may solicit, encourage, or entertain alternative transactions.

Conditions to Closing

Completion of the Proposed Transaction is subject to a number of conditions being satisfied or waived, including:

- approval of the shareholders of Goldflare at a special meeting of its shareholders (the "**Meeting**") held to approve, among other things, the Consolidation and the Proposed Transaction;
- completion of the Concurrent Financing;
- receipt by Goldflare of a technical report on the Project prepared in accordance with NI 43-101 in form and substance satisfactory to the Exchange;
- receipt by Goldflare of required audited and unaudited financial statements of Granite and the Project as required under Exchange policies;
- completion by each party of satisfactory legal, technical, financial and tax due diligence;
- no material adverse change in respect of Goldflare, Granite, or the Project; and
- receipt of all required regulatory, Exchange, and shareholder approvals, consents and waivers.

Definitive Agreement and Next Steps

The LOI is expected to be superseded by a "**Definitive Agreement**", to be negotiated and settled by the parties in the form of a share purchase agreement (or such other structure as is agreed following the receipt of corporate, commercial and tax advice). A comprehensive news release disclosing full details of the Proposed Transaction, including the proposed capital structure of the resulting issuer, financial information in respect of Granite and the Project, and the names and backgrounds of proposed directors and officers of the resulting issuer will be issued upon execution of the Definitive Agreement and satisfaction of certain conditions, in accordance with Section 2.3 of Policy 5.2.

Trading Halt

Trading in the common shares of Goldflare has been halted in connection with the announcement of the Proposed Transaction in accordance with the policies of the



Exchange. Trading is not expected to resume until the Proposed Transaction is completed or until the Exchange receives the requisite documentation to resume trading.

Resulting Issuer Status

It is expected that upon completion of the Proposed Transaction, the Resulting Issuer, will be renamed to a name mutually agreeable to Goldflare and Quitovac, currently anticipated to be "Minera Granite Corp." and will continue to be listed as a Tier 2 Mining Issuer on the Exchange.

About Goldflare Exploration Inc.

Goldflare Exploration Inc. is a Canadian mineral exploration company whose common shares are listed on the TSX Venture Exchange under the symbol "GOFL" and on the OTCQX under the symbol "XAUT". Goldflare is focused on identifying and acquiring high-quality mineral assets.

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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.

The technical information contained in this news release has been approved by Melvin Herdrick, P.Geo. of Quitovac, who is a Qualified Person as defined in National Instrument 43-101 - Standards of Disclosure for Mineral Projects.

Forward-Looking Information

Certain statements in this press release, other than statements of historical fact, constitute "forward-looking information" within the meaning of applicable Canadian securities laws. These statements relate to future events or future performance and reflect management's current expectations and assumptions. Forward-looking information includes, without limitation, statements regarding the anticipated terms and completion of the Proposed Transaction, the execution of the Definitive Agreement, the completion of the Concurrent Financing, the Consolidation, shareholder and regulatory approvals, and the anticipated board and management changes. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results,



performance or achievements to differ materially from those expressed or implied by such statements.

Completion of the Proposed Transaction is subject to a number of conditions, including but not limited to execution of the Definitive Agreement, Exchange acceptance, and shareholder approval at the Meeting. The Proposed Transaction cannot close until required shareholder approval is obtained. There can be no assurance that the Proposed Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the Proposed Transaction, any information released or received with respect to the Proposed Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of Goldflare should be considered highly speculative.

The TSX Venture Exchange Inc. 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 securities described herein have not been and will not be registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of such securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.