

## **JAZZ RESOURCES INC.**

April 16, 2021

TSXV: JZR

### **JAZZ ANNOUNCES NON-BROKERED PRIVATE PLACEMENT OF CONVERTIBLE DEBENTURES**

**Vancouver, British Columbia, Canada** – Jazz Resources Inc. (the “**Company**” or “**JZR**”) wishes to announce a proposed non-brokered private placement offering of unsecured convertible debentures (the “**Debentures**”) to raise aggregate gross proceeds of up to \$2,500,000 (the “**Offering**”).

The Debentures will have a maturity date of two (2) years from the date of issuance and shall bear interest at a rate of 8% per annum, payable and compounded annually. The principal sum of the Debentures, or any portion thereof, may be converted by the holder into units (the “**Units**”) of the Company at a conversion price of \$0.30 per Unit. Each Unit shall be comprised of one common share (a “**Conversion Share**”) and one share purchase warrant (a “**Warrant**”). Each whole Warrant shall entitle the holder to acquire one additional common share (a “**Warrant Share**”) in the capital of the Company at a price of \$0.30 per share for a period of eighteen (18) months from the date that the Warrants are issued. The Debentures will also be subject to an acceleration clause whereby, in the event the volume weighted average trading price of the Company’s common shares trading on the TSX Venture Exchange (the “**Exchange**”), or any other stock exchange on which the Company’s common shares are then listed, is equal to or greater than \$0.90 for a period of 30 consecutive trading days, the Debentures shall automatically convert into Units of the Company at a rate of one Unit for each \$0.30 of outstanding principal sum. If the Debentures are automatically converted, any accrued but unpaid interest shall be paid in cash. The Company shall have the right, at any time during the first six months after the Debentures are issued, to redeem up to 50% of the outstanding principal sum of any Debenture (the “**Redemption Amount**”) upon paying the Redemption Amount and any accrued but unpaid interest thereon to the holder thereof on the date of redemption.

In connection with the Offering, the Company may pay a finder’s fee to certain registered brokerage firms, as permitted by the policies of the Exchange and in accordance with applicable securities laws. The Debentures, Units, Conversion Shares, Warrants, Warrant Shares and any securities issued in connection with any finder’s fees, will be subject to a hold period of four months and one day after the date of issuance thereof.

The Company intends to use the net proceeds of the Offering to undertake exploration and development activities on its Vila Nova gold project located in Brazil, and for general working capital purposes.

The Offering will be subject to customary closing conditions, including the approval of the Exchange, and there is no assurance that the Company will complete the Offering upon the terms set out above, or at all.

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. Forward-looking information includes, but is not limited to, statements with respect to the terms of the Offering, the completion of the Offering and the expected use of the net proceeds received by the Company. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially

different from those expressed or implied by such forward-looking information, including but not limited to: general business, economic, competitive, geopolitical and social uncertainties; and regulatory risks. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. The forward-looking information contained in this news release is expressly qualified in its entirety by this cautionary statement. The Company does not undertake to update any forward-looking information, except as required by applicable securities laws.

*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 press release.*

*None of the securities of JZR have been registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities law, and may not be offered or sold in the United States or to, or for the account or benefit of, persons in the United States or "U.S. persons" (as such term is defined in Regulation S under the U.S. Securities Act) absent registration or an exemption from such registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy in the United States nor shall there be any sale of the securities in any State in which such offer, solicitation or sale would be unlawful.*