



NORTHERN VERTEX  
MINING CORP

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**NORTHERN VERTEX PARTNERS WITH MAVERIX ON US\$20 MILLION STREAM  
INCREASES FULLY SUBSCRIBED PRIVATE PLACEMENT TO US\$8 MILLION  
ANNOUNCES RETIREMENT OF SPROTT SENIOR DEBT**

**December 6, 2018, Vancouver, B.C. - Northern Vertex Mining Corp. (TSX.V: NEE) (OTC Nasdaq Intl.: NHVCF) (the “Company” or “Northern Vertex”)** is pleased to announce the execution of a definitive US\$20,000,000 silver streaming agreement (the “Stream” or “Streaming Agreement”) with Maverix Metals Inc. (“Maverix”) and a concurrent fully funded private placement (the “Private Placement”) for gross proceeds to the Company of US\$8,000,000. Greenstone Resources II L.P. (“Greenstone”), one of the Company’s shareholders, has agreed, subject to satisfaction of certain conditions, to subscribe for a majority of the Private Placement.

**Transaction Rationale:**

- **Strengthens the Balance Sheet:** The Stream will be used to fully repay the senior secured debt, eliminating principal and interest payments of ~US\$22M over the next 24 months. Furthermore, the equity Private Placement of US\$8M will provide a working capital buffer during the continued ramp up of the Moss Mine.
- **Reduces Financing Costs:** The Stream is a long-term financing instrument which offers a lower cost of capital than the Company’s other alternatives in the capital markets and significantly reduces the short term financial burden on the Moss Mine.
- **Crystallizes significant value from Silver By-Product:** The Stream ensures the realization of significant value for the shareholders, by crystallizing the value of by-product silver production.
- **Positioned for Growth:** The Transaction supports the production outlook at the Moss Mine, exploration upside of the Oatman District and the financial and technical depth of the Northern Vertex team.

**Ken Berry, President and Chief Executive Officer of Northern Vertex stated:** “Given the opportunity to strengthen our balance sheet, we have significantly increased the size of the financing initially announced October 15<sup>th</sup>, 2018. Having the support of both Greenstone and Maverix, two very accomplished and well financed mining groups, whom have undertaken extensive due diligence on the Moss mine, is a clear signal of the exciting potential at Moss and the strength of our operations team.”

**Dan O’Flaherty, Chief Executive Officer of Maverix Metals stated:** “We are pleased to play a significant role in helping Northern Vertex unlock the Moss Mine’s full potential. This long-term partnership will promote management’s initiatives to expand Moss as well as pursue future accretive M&A transactions.”

**Mike Haworth, Senior Partner of Greenstone, commented:** “We are pleased to support the Northern Vertex financing and strengthen the Company’s balance sheet during this critical commercial production ramp up period.”

**Terms of the Silver Streaming Agreement**

Under the terms of the Streaming Agreement, Maverix will make a US\$20,000,000 upfront payment (the “Upfront Payment”) to the Company’s wholly-owned subsidiary Golden Vertex Mining Corp. (“Golden Vertex”), which holds the Moss Mine. In consideration for the Upfront Payment, Golden Vertex will agree to sell to Maverix 100% (subject to a future step down as set out below) of the payable silver production from the Moss mine on or after October 1, 2018, at an ongoing payment price per ounce equal to 20% of the then-applicable silver spot price. Payable silver, in respect of each delivery of concentrate to an offtaker, will be a number of silver ounces equal to the greater of (1) the silver ounces in such delivery, multiplied by 98%, and (2) the gold ounces in such delivery, multiplied by 98%.

multiplied by 8.5 for deliveries until December 31, 2027, and multiplied by 6 for deliveries thereafter. After the purchase by Maverix of an aggregate of 3,500,000 ounces of silver, the amount of payable silver purchasable by Maverix under the Streaming Agreement will be reduced to 50% of production for the remaining life of mine. The Company and Golden Vertex's obligations under the Streaming Agreement will be secured against the outstanding securities of Golden Vertex and all of its assets. Maverix shall be granted the right to appoint one nominee to Northern Vertex's board of directors until such time as 50% of the Upfront Payment has been credited under the terms of the Streaming Agreement. The Company and Golden Vertex will be subject to customary restrictive covenants for the duration of the Streaming Agreement, including with respect to the incurrence of certain indebtedness. The financial closing of the Stream Agreement (the "Closing"), including the advancement of the Upfront Payment to the Company, is subject to certain conditions, including the receipt of regulatory approvals. The Company anticipates that the Closing will occur on or about December 12, 2018.

### **Private Placement**

The Company has also entered into binding subscription agreements for a US\$8.0M Private Placement pursuant to which the Company will issue units (each a "Unit") of the Company at a price of Cdn\$0.24 per Unit. Each Unit will consist of one common share of the Company (a "Share") and one common share purchase warrant (each a "Warrant") of the Company. Each Warrant will be exercisable for a period of two years from issuance to acquire an additional Share at an exercise price of Cdn\$0.40 per Share. It is anticipated that the Private Placement will close concurrently with the Closing under the Streaming Agreement. The Company intends to leave the Private Placement open for a period of 30 days and will accept up to a further US\$2.0M of additional subscriptions.

Greenstone, a significant shareholder of the Company (currently holding an aggregate of approximately 28% of the issued and outstanding common shares on an undiluted basis) has agreed, subject to satisfaction of certain conditions included in its subscription agreement, to subscribe for Units for gross proceeds of US\$4.5M. Greenstone's subscription pursuant to the Private Placement is a non-arm's length transaction under the policies of the TSX Venture Exchange (the "Exchange") and is a related party transaction pursuant to Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("MI 61-101"), and therefore certain shareholder approval and valuation requirements would apply to such transaction pursuant to MI 61-101 unless an exemption is available therefrom under the terms of MI 61-101. The Company intends to rely on the exemptions from the formal valuation and minority approval requirements in Sections 5.5(b) and 5.7(1)(a) of MI 61-101.

All securities to be issued pursuant to the Private Placement will be subject to a four month hold period from the closing date under applicable securities laws in Canada. The Private Placement is subject to Exchange acceptance.

The securities being offered under the Private Placement have not been, nor will they be registered under the United States Securities Act of 1933, as amended, or state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent U.S. federal and state registration or an applicable exemption from the U.S. registration requirements. This release does not constitute an offer for sale of securities in the United States.

### **Use of Proceeds**

The proceeds of the Streaming Agreement and the Private Placement will be used to fully repay the Company's senior secured credit facility (the "Sprott Facility") with Sprott Private Resource Lending (Collector), LP ("Sprott Lending"), to repay certain indebtedness owing to Greenstone and to fund the continued ramp up of mining operations at the Moss Mine.

### **About Northern Vertex**

Northern Vertex Mining Corp., the newest gold producer in the US, is focused on low cost gold and silver production at its 100% owned Moss Mine in NW Arizona. The Company has experience across all areas of operations, mine development, exploration, acquisitions and financing of mining projects. With operations at the flagship Moss Mine achieving commercial production the Company intends to consolidate additional producing or near-term production gold assets within the Western US. Through mergers and acquisitions Northern Vertex's corporate goal is to become a mid-tier gold producer with over 200,000 ounces of gold production annually.

ON BEHALF OF THE BOARD OF NORTHERN VERTEX

“Kenneth Berry”

President & CEO

For further information, please visit [www.northernvertex.com](http://www.northernvertex.com)

or contact Investor Relations at: 604-601-3656 or at 1-855-633-8798

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### **Cautionary Note Regarding Forward-Looking Statements:**

*The information in this news release has been prepared as at December 5, 2018. Certain statements in this news release, referred to herein as “forward-looking statements”, constitute “forward-looking statements” under the provisions of Canadian provincial securities laws. These statements can be identified by the use of words such as “expected”, “may”, “will” or similar terms, and include, without restriction, statements regarding the closing of the transaction contemplated under the Streaming Agreement, the advance of the Upfront Payment, the completion of the Private Placement and the proposed use of the proceeds of the Streaming Agreement and the Private Placement and the repayment of the Sprott Facility.*

*This news release contains statements about our future business and planned activities. These are “forward-looking” because we have used what we know and expect today to make a statement about the future. Forward-looking statements including but are not limited to comments regarding the timing and content of upcoming work and analyses. Forward-looking statements usually include words such as scheduled, may, intend, plan, expect, anticipate, believe or other similar words. Forward-looking statements are necessarily based upon a number of factors and assumptions that, while considered reasonable by the Company as of the date of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Many factors, known and unknown, could cause actual results to be materially different from those expressed or implied by such forward-looking statements. We believe the expectations reflected in these forward-looking statements are reasonable. However, actual events and results could be substantially different because of the risks and uncertainties associated with our business or events that happen after the date of this news release. Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date made. More particularly, this release contains statements concerning the anticipated Private Placement and the potential unsolicited orders. Accordingly, there is a risk that the financial closing of the Stream Agreement and the Private Placement will not be completed within the anticipated time or at all. To the best of management’s knowledge, As a general policy, we do not update forward-looking statements except as required by securities laws and regulations. US investors should be aware that mining terminology used for Canadian mineral project reporting purposes differs significantly from US terminology.*

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