

# Stratabound Minerals Announces Proposed Business Combination with Silver Stream Mining Corp.

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Calgary, May 25, 2015 - [Stratabound Minerals Corp.](#) (TSXV: SB) ("Stratabound" or "the Company") is pleased to announce that it has entered into a non-binding Letter Of Intent (LOI) with [Silver Stream Mining Corp.](#) (OTCQB: AGSM) ("Silver Stream") in respect of a transaction pursuant to which Silver Stream and its shareholders will complete a business combination with Stratabound whereby the shareholders of Silver Stream will become shareholders of Stratabound. Upon completion of the transaction Stratabound will continue to carry on the business of exploration and development of mining projects. The current Silver Stream management team will take over management positions in Stratabound. The transaction is an arm's length transaction and is subject to the approval of the TSX Venture Exchange. Upon completion of the transaction Stratabound will continue with the name "[Stratabound Minerals Corp.](#)" The transaction has the support of both boards of directors and Stratabound's and Silver Stream's controlling shareholders.

In a release issued by Stratabound on February 17, 2015 Stratabound announced that it had decided to close its doors as it was not able to continue operations. Silver Stream management recognized the value of the Stratabound assets and the many years of exploration experience in the Bathurst, New Brunswick Mining Camp, and reached out to the Stratabound board. After Silver Stream management conducted initial due diligence on the Stratabound assets, an agreement was reached on an exchange ratio. Since that time, Silver Stream has done extensive due diligence, including discussions with Federal and Provincial agencies regarding future environmental obligations of Stratabound. This combination will enable ongoing limited monitoring of the closed CNE mine project, alleviating the responsibility which the New Brunswick government would be required to assume if Stratabound were dissolved.

Pursuant to the LOI, Stratabound and Silver Stream have agreed, subject to certain standard conditions, to the following terms:

- The shareholders of Silver Stream will receive two Stratabound common shares for each Silver Stream common share.
- Stratabound will complete a "shares for debt" transaction with Bellport Resources Ltd. (William Bell) to convert all amounts owed by Stratabound, including any future advances, to equity at \$0.05 per share. Such amounts owing, including advances of funds and accrued interest, are currently estimated at \$200,000.
- As a condition precedent to the business combination, the Company's environmental monitoring liabilities and the regulatory charges against the Company levied by Environment Canada must be resolved on terms satisfactory to Silver Stream.
- The New Brunswick Government will have adopted Environment Canada's requirements with respect to monitoring and sampling of effluent from Stratabound's mining operation, and confirmed no other additional commitments in this regard.

Stratabound currently has 107,962,611 common shares outstanding (123,527,611 fully diluted). Upon completion of the transaction, the expected Stratabound shares will be as follows:

Current Stratabound shares	107,962,611	
To be issued as shares for debt	4,080,000	
Adjusted Stratabound shares	112,042,611	31.0%
To be issued to current Silver Stream holders	249,582,422	69.0%
Total	361,625,033	100%
Total Fully Diluted	419,046,883	

The actual number of shares of Stratabound to be issued in completing the transaction will vary, based upon the actual number of Silver Stream shares outstanding at completion.

Completion of the transaction remains subject to a number of conditions, including receipt of the necessary TSX Venture Exchange approval, approval of the shareholders of Silver Stream and legal documentation,

including a definitive agreement. The controlling shareholder who owns more than 50% of the Stratabound shares has agreed to consent to the deal.

Upon completion of the transaction, Stratabound intends to hold a special meeting of shareholders to approve certain matters ancillary to the transaction including a consolidation of the common shares of the Company and election of a new board of directors. Stratabound and Silver Stream have agreed as part of the transaction that Margaret Kent will become the chairman of the Company; Terrence Byberg will assume the role as the CEO and Richard Meschke will become the CFO. Directors of Stratabound after completion of the combination will be Michael Page, FAusIMM; Terrence Byberg; Margaret Kent; Dr. Peter N. Calder, P. Eng.; and R. Michael Robb, P.E.

It is contemplated that the definitive amalgamation agreement will be executed by no later than July 31, 2015 and subject to the satisfaction of all conditions precedent it is anticipated that the closing of the transaction will occur no later than September 30, 2015. However, there can be no assurance that the transaction will be completed as proposed or at all.

A cease-trade order halting the trading in the common shares of Stratabound was issued by the Alberta Securities Commission on May 6, 2015 for failure to file the Company's December 31, 2014 audited financial statements. Closing of the transaction cannot take place until the cease-trade order is lifted. The Company is currently in the process of completing the financial statements, and the audit is expected to be completed before June 30, 2015. Upon completion of the audit and filing of the annual and quarterly statements, the Company will request that the cease-trade order be lifted. In preparation for completion of the transaction Silver Stream has requested that it no longer be a reporting issuer under the rules of the United States Securities Exchange Commission.

### **Silver Stream Assets**

The two primary project assets of Silver Stream are a 5.8% interest in Redstone Resources Corporation, which holds 100% of the Zonia copper property in Arizona, and the Solomon Pillars gold project in Ontario.

The Zonia Copper Project is located in Yavapai County, Arizona, 81 miles NW of Phoenix. Zonia is a past producing copper mine. The Zonia property is approximately 3,713 acres in size and consists of a total of 261 claims, of which 96 are patented and 165 are unpatented. Zonia, as per the NI 43-101 PEA Report by Tetra Tech Inc. April 2011, currently hosts a Measured and Indicated copper resource of 110.9 million tons @ 0.28% Cu and an inferred copper resource of 65.5 million tons @ 0.23 % Cu with an overall life of mining strip ratio of less than 1:1.<sup>1</sup> The mineral claims host significant upside at depth and along strike. Between 1966 and 1975 McAlester Fuel Company produced approximately 33.2 million pounds of cement copper from the Zonia property.

The Solomon Pillars property is a gold property optioned by Silver Stream in October 2013. It is comprised of 26 claims, including 22 leased and 4 staked claims, on 418.1 hectares in the Townships of Walters and Leduc, near Beardmore, Ontario. The property incorporates the combined King Solomon Pillars and the Solomon Pillars properties currently held by Sage Gold. Under the terms of the Option Agreement, Silver Stream can initially earn a 55% undivided interest, and ultimately an 80% undivided interest in the Solomon Pillars Property.

The Property is located within the Southern Metasedimentary Sub-belt of the Beardmore-Geraldton Greenstone Belt. Production from the Beardmore-Geraldton greenstone belt has exceeded 4.1 million ounces of gold and 0.25 million ounces of silver. The Southern Metasedimentary Sub-belt hosted 11 past producing gold mines and over 94% of the approximately 4.1 million ounces of gold produced from this greenstone belt.<sup>2</sup> The Property has been the focus of significant exploration and development work over the years. A 3-compartment shaft was installed in 1936 to a depth of 91.4 meters with two levels were developed at depths of 45 meters and 84 meters. A mine dump was established next to the shaft but no production was reported. Three mineralized zones were reported from drilling by Canico between 1969 and 1988 which resulted in a historical company resource calculation (non NI 43-101 compliant) in 1986 primarily from the Main and West zones.

### **Stratabound Assets**

Stratabound has several small base/precious metal deposits in the Bathurst Mining Camp, a district which has produced over 185 million tonnes of ore to date, primarily from three world-class deposits, Brunswick # 12; Brunswick #6; and Heath Steele.<sup>3</sup> Currently in the Bathurst Mining Camp, [Trevali Mining Corp.](#) is starting up the mine and mill at the Caribou Deposit. Trevali also controls the Halfmile and Stratmat deposits.

Stratabound owns 100% of three base metal projects in the Bathurst Mining Camp, each of which has a small known base metal deposit with potential for discovery of additional mineralization. In addition, Stratabound has an option to earn up to a 65% interest in the Commander base metal property, which has strong geophysical, geochemical and alteration signatures, as well as several promising drill intersections. The Commander, CNE and Captain projects occur on contiguous claims located approximately 10 km east of the Heath Steele deposits, while the Taylor Brook property lies 5 km northeast of Heath Steele and Stratmat.

Deposit	
CNE (100%) (partially mined)	102,000 tonnes mined in 1991 and 2013 by Stratabound. Strong soil and basal till geochemistry outlined in 2014 remains undrilled.
Captain (100%)	Copper-cobalt-gold deposit with good down dip potential for Zn and Pb. Per the March 4 Technical Report by Mercator Geological Services Ltd., at a 1.0% CuEq cut-off the property contains 102,000 tonnes of Measured & Indicated resources @ 1.42% Cu, 0.048% Co, 0.25 g/t Au; plus 200,000 tonnes of Inferred resources @ 1.18% Cu, 0.38% Co, 0.20 g/t Au. <sup>4</sup>
Commander (65% option)	Contiguous with Captain and CNE properties and has an extensive gravity anomaly similar to the Commander with coincident EM, IP and MEGATEM anomalies. Good copper intersections in some drill holes.
Taylor Brook (100%)	Extensive pyritic massive sulphide blankets similar to Brunswick #12 with >650 m strike and occasional narrow high grade Zn-Pb-Ag intervals.

Stratabound also has two gold properties in the Bathurst Mining Camp. The Green Point property is located adjacent to the Elmtree gold deposit. The Ramsay Brook property is located about 50km west of the town of Bathurst.

### Future Focus of the Combined Company

The future focus of the combined company will be to identify, acquire and develop a new "keystone" mining project. The new management of Stratabound has extensive development and production experience in the industry. To support the new management team an advisory team consisting of Stan Stricker, P.Geol.; Ross F. Burns, P.Geol.; Michael Gross, P.Geol.; Lindsay Bottomer, P.Geol., FAIMM; and James Garber, P.Geol., has been assembled to assist in identifying and evaluating projects which appear consistent with the company's criteria.

The technical information contained in this release has been approved by Stan Stricker, P.Geol. as to Stratabound's properties, and by James Garber, P.Geol. as to Silver Stream's properties, Qualified Persons as defined in National Instrument 43-101.

Note 1: Report prepared by John W. Rozelle, P.G., Principal Geologist.

Note 2: Mason, J.K. and McConnell, C.D. 1983, Gold Mineralization in the Beardmore-Geraldton area; in The Geology of Gold in Ontario, Ontario Geological Survey, Miscellaneous Paper 110, pp.84-97.

Note 3: New Brunswick Energy & Mines, Geological Surveys Branch.

Note 4: Qualified Person Michael P. Cullen, M. Sc., P. Geo., Senior Geologist.

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