

DIEPPE, NB, April 3, 2017 /CNW/ - (CBI: TSX-V) Further to its news release of December 16, 2016, [Colibri Resource Corp.](#) ("Colibri" or the "Company") wishes to announce that, subject to regulatory and shareholder consent, it has reached a definitive agreement with Ontop Capital Limited (the "Vendor") regarding the acquisition of Canadian Gold Resources Ltd. ("CGR") from the Vendor (the "Transaction"). Under the terms of a letter of intent dated December 15, 2016, the Company originally had anticipated issuing up to 26,666,667 common shares at a price of \$0.15 per share for all of the issued and outstanding shares of CGR. Following a due diligence review of CGR and its properties, Colibri has agreed to issue 24,242,425 common shares (the "Consideration Shares") at a price of \$0.165 per share to the Vendor for an aggregate acquisition cost of \$4,000,000.

Immediately after closing, the Vendor intends to distribute the Consideration Shares to its shareholders by way of a dividend in kind. As a result of such distribution, a new Control Person will be created as one of the shareholders of the Vendor, John Schiavi, will be holding or controlling Consideration Shares equal to more than 20% of the issued and outstanding common shares of the Company after giving effect to the Transaction. In accordance with TSXV rules, the Company will be seeking shareholder approval to this aspect of the Transaction.

The Transaction is also a "related party transaction" within the meaning of Multilateral Instrument 61-101 Protection of Minority Shareholders in Special Transactions ("MI 61-101") as Ronald J. Goguen, a director, officer and shareholder of the Company, is also a significant shareholder of the Vendor, holding more than 19% of its shares. As a consequence, the Transaction is subject to minority shareholder approval requirements.

Although the Transaction is exempt from the formal valuation requirements pursuant to section 5.5(a) (Issuer not Listed on Specified Markets) of MI 61-101, the independent directors nonetheless commissioned a 3rd party valuation of CGR (the "Valuation") by Harris Capital Corporation of Toronto, Ontario to assist them in their review of the Transaction and to provide protection for minority shareholders. The Valuation, dated March 8, 2017, provided the board of directors with, amongst other things, a discussion of various methodologies to value CGR as well as a range of possible values.

Further details of the Transaction (including a summary of the Valuation) and the matters requiring shareholder approval will be provided in the management information circular to be issued in connection with an upcoming annual and special meeting of the Company's shareholders. A further announcement will be made when this meeting has been formally called.

The independent directors who reviewed the Transaction included Edward Stringer, William Macdonald, Roger Doucet, Paul Bartos, Jacques F. Monette.

Qualified Persons

As disclosed in the Company's news release of December 16, 2016, an NI 43-101 report was prepared for the Pilar property which is one of the principal assets of CGR. Jamie Lavigne M.Sc., P.Geo., a Qualified Person under NI 43-101 and independent of the Pilar Gold Project, prepared the report dated November 9, 2016. A summary of the report will be provided in the management information circular while a full copy of the report will be posted on SEDAR.

About Colibri Resource Corporation:

Colibri is a Canadian mineral exploration company listed on the TSX-V (CBI) focused on acquiring and exploring properties in Mexico.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as the term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

This news release may contain forward looking statements concerning future operations of [Colibri Resource Corp.](#) (the "Company"). All forward looking statements concerning the Company's future plans and operations, including management's assessment of the Company's project expectations or beliefs may be subject to certain assumptions, risks and uncertainties beyond the Company's control. Investors are cautioned that any such statements are not guarantees of future performance and that actual performance, exploration and financial results may differ materially from any estimates and projections.

SOURCE [Colibri Resource Corp.](#)

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