

Dakota Territory Resource Corp Announces Effective Registration Statement and Shareholder Meeting Date

2/01/2022 | Press Release

Lead, South Dakota, February 1, 2022 -- **Dakota Territory Resource Corp** (OTCQB: DTRC) ("Dakota Territory" or the "Company") is pleased to announce that the United State Securities and Exchange Commission (the "SEC") has declared effective the Company and JR Resources Corp.'s ("JR Resources") registration statement on Form S-4, filed in connection with their merger (the "Merger") pursuant to a merger agreement dated September 10, 2021 (the "Merger Agreement"). Dakota Territory will hold a shareholder meeting on March 24, 2022 to approve the Merger, among other things.

"The Board strongly encourages Dakota Territory shareholders to vote for the Merger and also to complete the letters of transmittal that will be mailed to them," said Stephen O'Rourke, Co-Chair of the Company. "With your help we will continue to build on our success as Dakota Gold Corp."

Dakota Territory Shareholder Meeting

Dakota Territory will hold a shareholder meeting on March 24, 2022 to approve the Merger, approve Dakota Territory's 2021 stock incentive plan, elect directors and ratify the appointment of Dakota Territory's independent registered accounting firm. The approval of the Dakota Territory shareholders of the Merger is required in order to complete the combination of Dakota and JR Resources under the terms of the Merger Agreement. The proposal is described in more detail in the proxy statement/prospectus that will be mailed to Dakota Territory shareholders, which shareholders should read carefully in its entirety before submitting a proxy or otherwise voting their shares.

Whether or not Dakota Territory shareholders plan to attend the meeting, it is important that their shares be represented and voted.

Dakota Territory shareholders are asked to please vote their shares either electronically over the Internet, or if they receive a paper proxy card by mail, by completing and returning the proxy card mailed to them. The Company encourages shareholders to submit their proxy as soon as possible by Internet or by signing, dating and returning all proxy cards or instruction forms provided to them.

The board of directors of Dakota Territory has approved the Merger Agreement and the transactions contemplated thereby and recommends that Dakota Territory shareholders vote "FOR" the proposal to approve the Merger.

Holders of JR Resources shares are not entitled to vote their JR Resources shares at the Dakota Territory shareholder meeting, however, a JR Resources shareholder that also owns Dakota Territory shares may vote his or her Dakota Territory shares at the Dakota Territory shareholder meeting. The Merger does not require approval from JR Resources shareholders to proceed.

Closing of Merger

Assuming the approval of the Dakota Territory shareholders on March 24, 2022, the Company anticipates the Merger will close on or before March 31, 2022.

Following the approval of Dakota Territory shareholders of the Merger, on closing of the Merger and pursuant to the Merger Agreement:

- Dakota Territory shareholders will receive one share of JR Resources (which will be renamed Dakota Gold Corp. prior to closing) for each share of Dakota Territory;
- JR Resources shareholders will continue to hold shares of JR Resources (which will be renamed Dakota Gold Corp. prior to closing); and
- Immediately prior to the closing of the Merger, JR Resources will complete a reverse share split such that the total number of JR Resources shares will be proportionately reduced to 35,641,667 JR Resources shares.

For example, on the closing of the Merger:

- A Dakota Territory shareholder holding 100 Dakota Territory shares will receive 100 shares of Dakota Gold Corp.;
- A Dakota Territory convertible security holder holding 100 Dakota Territory convertible securities will receive 100 convertible securities of Dakota Gold Corp.;
- A JR Resources shareholder holding 100 JR Resources shares will receive 72 shares of Dakota Gold Corp.; and
- A JR Resources warrant holder holding 100 JR Resources share purchase warrants will receive 72 Dakota Gold Corp. share purchase warrants.

To receive Dakota Gold shares on closing, Dakota Territory shareholders must complete the letter of transmittal they receive from Odyssey Trust Company. This letter of transmittal will contain instructions for how to surrender Dakota Territory stock certificates (or affidavit of loss, if applicable) or shares held in book-entry or other uncertificated form in order to exchange them for shares of Dakota Gold common stock. Shares of Dakota Gold common stock will be in uncertificated book-entry form.

Dakota Territory and JR Resources have filed an initial application with the NYSE American to list the merged company, which will be called Dakota Gold Corp., on the NYSE American. The Company and JR Resources anticipate that both Dakota Gold Corp. shares and share purchase warrants will be listed for trading on the NYSE American. The Company and JR Resources anticipate approval to list Dakota Gold Corp. on the NYSE American on or before the closing of the Merger.

About Dakota Territory Resource Corp

Dakota Territory Resource Corp is a Nevada corporation with offices located at Lead, South Dakota. Dakota Territory is committed to creating shareholder value through the acquisition and responsible exploration and development of high caliber gold properties in the Homestake District of South Dakota.

Subscribe to Dakota Territory's e-mail list to have press releases and other Company information sent to your e-mail address at <https://DakotaTRC.com/subscribe.php>.

Inquiries

Shareholder and Investor Inquiries: For more information, please contact Jonathan Awde at 604-761-5251 or JAwde@gold-sd.com.

Inquiries regarding the proxy and letters of transmittal: For more information, please contact Daniel Cherniak at 605-906-8363 or DCherniak@gold-sd.com.

Cautionary Note to U.S. Investors

The SEC limits disclosure for U.S. reporting purposes to mineral deposits that a company can economically and legally extract or produce. Our property currently does not contain any known proven

or probable ore reserves under SEC reporting standards. Our reference above to the various formations and mineralization believed to exist in our property as compared to historical results and estimates from other property in the district is illustrative only for comparative purposes and is no indication that similar results will be obtained with respect to our property. U.S. investors are urged to consider closely the disclosure in our latest reports filed with the SEC. You can review and obtain copies of these filings at <http://www.sec.gov/edgar.shtml>.

Forward Looking Statements

This communication contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including the statements regarding the Merger. These forward-looking statements are based on assumptions and expectations that may not be realized and are inherently subject to numerous risks and uncertainties, which could cause actual results to differ materially from these statements. These risks and uncertainties include, among others, the inability to complete the Merger in a timely manner, the inability to complete the Merger due to the failure of the Company's shareholders to approve the Merger, as described in the proxy statement/prospectus that will be delivered to Company shareholders prior to the meeting of shareholders, the failure to satisfy other conditions to completion of the Merger, including receipt of required third-party consents, the failure of the Merger to close for any other reason, the effect of the announcements regarding the Merger on the market price of Dakota Territory common stock, the possibility that the anticipated benefits of the Merger will not be realized, or will not be realized within the expected time period, the inability to meet expectations regarding the accounting and tax treatments of the Merger, the possibility that the Merger may be more expensive to complete than anticipated, including as a result of unexpected factors or events, the NYSE American's review and approval of our listing application, diversion of management's attention from ongoing business operations and opportunities, the execution and timing of our planned exploration activities, our use and evaluation of historic data, our ability to achieve our strategic goals, changes in the market price of the Company's common stock following the Merger, the state of the economy and financial markets generally and the effect on our industry, and the market for our common stock. The foregoing list is not exhaustive. For additional information regarding factors that may cause actual results to differ materially from those indicated in our forward-looking statements, we refer you to the risk factors included in Item 1A of our Annual Report on Form 10-K for the year ended March 31, 2021, as amended, as updated by annual, quarterly and other reports and documents that we file with the SEC, including the registration statement on Form S-4 that has been confidentially filed with the SEC in connection with the Merger. We caution investors not to place undue reliance on the forward-looking statements contained in this communication. These statements speak only as of the date of this communication, and we and JR Resources undertake no obligation to update or revise these statements, whether as a result of new information, future events or otherwise, except as may be required by law. Neither we nor JR Resources gives any assurance that either we or JR Resources or the combined company will achieve its expectations

Important Information and Where You Can Find It

This document relates to the proposed Merger involving Dakota Territory and JR Resources. JR Resources has filed a registration statement on Form S-4 with the SEC, which includes a proxy statement of Dakota Territory and a prospectus of JR, referred to as a proxy statement/prospectus, and each party will file other documents with the SEC regarding the proposed transaction. **INVESTORS AND HOLDERS OF DAKOTA TERRITORY'S SECURITIES ARE URGED TO CAREFULLY READ THE ENTIRE PROXY STATEMENT/PROSPECTUS AND ANY OTHER RELEVANT DOCUMENTS FILED WITH THE SEC, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THESE DOCUMENTS, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION.** The documents filed by Dakota Territory and JR Resources with the SEC may be obtained free of charge at the SEC's website at www.sec.gov. In addition, investors and holders of Dakota Territory's securities are able to obtain free copies of the proxy statement/prospectus and other documents filed with the SEC on Dakota Territory's website at <http://DakotaTRC.com/>.

No Offer or Solicitation

This communication is for information purposes only and is not intended to and does not constitute a solicitation of a proxy, consent, or authorization with respect to any securities or in respect of the proposed transaction. This communication is also not intended to and does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval, nor will there be any sale of any securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such other jurisdiction. No offering of securities will be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended, or an exemption therefrom.

Participants in the Solicitation

Dakota Territory, JR Resources and certain of their respective directors and executive officers may be deemed to be participants in the solicitation of proxies in favor of the approval of the Merger and related matters. Information regarding the Company's directors and executive officers is contained in the Company's most recent Annual Report on Form 10-K for the year ended March 31, 2021 and the Schedule 14f-1 filed on March 15, 2021. Additional information regarding the interests of those participants and other persons who may be deemed participants in the transaction may be obtained by reading the proxy statement/prospectus and other relevant documents filed with the SEC when they become available. Free copies of these documents may be obtained as described above.