

SYLLA GOLD CORP. REMINDS SHAREHOLDERS OF UPCOMING MEETING

May 28, 2021 – Bedford, Nova Scotia – Sylla Gold Inc. (NEX: SYG.H) (the “Company”) would like to remind shareholders of the upcoming special meeting of the shareholders of the Company to be held on Friday, June 4, 2021, at 3:00 in the afternoon at 802-155- Bedford Highway, Nova Scotia. The meeting is being held to approve the settlement of an aggregate of \$491,057.90 of indebtedness owing to arm’s length and non-arm’s length creditors through the issuance of an aggregate of 1,964,232 common shares (each, a “Common Share”) in the capital of the Company and approving Greg Isenor, the Chief Financial Officer and a director of the Company, as a control person of the Company.

The Company has been inactive for several years and management determined to reduce the Company’s indebtedness to clean up the Company’s balance sheet with the intention to identify transactions to enhance shareholder value. The Company has not established a definitive timeline with respect to identifying and completing a transaction, however, reducing the Company’s indebtedness is the initial step in this process.

Of the \$491,057.90 of indebtedness being settled, \$205,000 is owed to Gregory Isenor, a non-arm’s length creditor of the Company. This amount represents management fees owing to Mr. Isenor and various advances made by Mr. Isenor to the Company which were accrued but could not be paid due to the Company’s lack of financial resources. Mr. Isenor will receive 820,000 Common Shares for these accrued management fees and loans at a deemed price of \$0.25 per Common Shares. The market price of the Common Shares on February 4, 2021, being the date the debt settlement was agreed to, was \$0.03, and the Common Shares were consolidated on April 23, 2021, resulting in an effective market price of \$0.15. This results in Mr. Isenor receiving Common Shares having a value of \$123,000, and effectively foregoing \$82,000 of value in connection with his portion of the debt settlement. The NEX board of the TSX Venture Exchange has conditionally approved the settlement of debt, subject to receipt of disinterested shareholder approval at the upcoming special meeting of shareholders to be held on June 4, 2021.

In connection with the Debt Settlement, a written resolution of the board of directors was executed by all of the directors of the Company, with Mr. Isenor’s signature being necessary to ensure compliance with Section 117(1) of the *Canada Business Corporations Act* (the “Act”), and not a vote in favour of the resolution in accordance with Section 120(5) of the Act. No materially contrary vote was expressed by any of the directors who executed the resolution. The board of directors, including the independent directors, acting in good faith, determined that the terms of the settlement of the debt are reasonable in the Company’s circumstances.

Pursuant to Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“MI 61-101”), the portion of the debt settlement involving Mr. Isenor, who is the Chief Financial Officer and a director of the Company, is a “related party transaction” as he will be receiving Common Shares in settlement of the debt owing to him. Accordingly, pursuant to MI 61-101, the Debt Settlement is subject to the minority shareholder approval and the formal valuation requirements of MI 61-101. The Company has not received any valuations with respect to the indebtedness and is relying on the exemption from the valuation requirement set out in Section 5.5(b) of MI 61-101, due to the fact that that the Company is not listed on one of the specified markets set out in Section 5.5(b) of MI 61-101. As set out above, the Company will be seeking the approval of the disinterested shareholders at the upcoming meeting. Pursuant to the minority shareholder approval requirements of MI 61-101, the votes attached to Common Shares held by Mr. Isenor or his associates will be excluded from voting on the settlement of indebtedness. Based on information provided to the Company, votes attaching to an aggregate of 1,227,100 Common Shares, representing approximately 23.37% of the issued and outstanding Common Shares, will be excluded from voting on the settlement of indebtedness. Pursuant to MI 61-101, the resolution approving the settlement of the indebtedness must be approved by a simple majority of affirmative votes cast by the shareholders, other than votes attaching to Common Shares held by Mr. Isenor and his

associates. In addition, under the policies of the TSXV, the votes attaching to Common Shares held by Mr. John Cummings, an arm's length creditor of the Company, will be excluded from voting on the settlement of debt due to the fact he was an insider of the Company at the time his indebtedness arose.

For more information, please contact:

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