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**PENFOLD CAPITAL ACQUISITION II CORPORATION ANNOUNCES  
MERGER TRANSACTION WITH EAGLERIDGE MINERALS LTD.**

For Immediate Release

March 23, 2010: Toronto, Ontario – Penfold Capital Acquisition II Corporation (TSXV – PAC.P), a capital pool company ("Penfold" or the "Company"), is pleased to announce that it has entered into an arm's length binding letter agreement (the "Agreement") dated March 22, 2010 with EagleRidge Minerals Ltd. ("EagleRidge"), pursuant to which Penfold will, subject to a number of conditions, acquire all of the issued and outstanding securities of EagleRidge. The transaction will constitute the Company's qualifying transaction (the "Qualifying Transaction") under the policies of the TSX Venture Exchange (the "Exchange"). Following completion of the Qualifying Transaction, it is anticipated that the resulting issuer (the "Resulting Issuer") will be a Tier 2 mining exploration company.

**Terms of Acquisition**

Pursuant to the Agreement, Penfold has agreed to form a new corporation ("Newco") for the purpose of amalgamating with EagleRidge. Newco will be a wholly-owned subsidiary of the Company and will be created under the *Business Corporations Act* (Ontario). As consideration for the amalgamation of EagleRidge and Newco, holders of common shares in the capital of EagleRidge ("EagleRidge Shares") will be entitled to receive one (1) common shares in the capital of Penfold (a "Penfold Share") for each one (1) EagleRidge Share. The foregoing EagleRidge Shares will be issued at an ascribed price of \$0.25 per Penfold Share. Penfold has 3,500,000 Penfold Shares issued and outstanding, 350,000 stock options exercisable at a price of \$0.20 per Penfold Share and 150,000 agent's options exercisable at a price of \$0.20 per Penfold Share. EagleRidge currently has 32,763,809 EagleRidge Shares and 2,994,613 EagleRidge Share purchase warrants issued and outstanding. The principal stakeholders of Eagleridge are MineralFields Group (division of Pathway Asset Management), which is based in Toronto, Vancouver and Calgary, that holds approximately a 20.2% interest in the issued and outstanding EagleRidge Shares, and Central Consolidated Resources Inc., a Manitoba based private company, that holds approximately a 14.8% interest in the issued and outstanding EagleRidge Shares. Robert Freeman (of Newfoundland) holds a controlling interest in Central Consolidated Resources Inc. Upon completion of the Qualifying Transaction, all securities convertible into EagleRidge Shares will become securities convertible into Penfold Shares on the same exchange basis as described above.

Pursuant to the terms of the Agreement, completion of the Qualifying Transaction will be subject to a number of conditions, including receipt of gross proceeds of not less than \$3.5 million pursuant to the QT Financing (as defined and described below), completion or waiver of sponsorship, receipt of all required regulatory approvals, including the approval of the Exchange of the Qualifying Transaction, completion of all due diligence reviews, satisfaction of the Minimum Listing Requirements of the Exchange and all requirements under the Exchange rules

relating to completion of a "Qualifying Transaction", and execution of a definitive amalgamation agreement.

In connection with the execution of the Agreement, EagleRidge has provided a non-refundable deposit in the amount of \$10,000 to Penfold.

The proposed Qualifying Transaction is not a "Non-Arm's length qualifying transaction" within the meaning of Policy 2.4 of the Exchange and, as such, shareholder approval is not required, unless otherwise required by the Exchange.

Sponsorship of a qualifying transaction of a capital pool company is required by the Exchange, unless exempt in accordance with Exchange policies. Penfold intends to apply for an exemption from sponsorship requirements, however, there is no assurance that Penfold will obtain this exemption.

A filing statement in respect of the proposed Qualifying Transaction will be prepared and filed in accordance with Policy 2.4 of the Exchange on SEDAR at [www.sedar.com](http://www.sedar.com) no less than seven business days prior to the closing of the proposed Qualifying Transaction. A press release will be issued once the filing statement has been filed, as required pursuant to Exchange policies.

### **QT Financing**

It is expected that concurrent with the completion of the Qualifying Transaction, EagleRidge will also complete a brokered private placement of up to \$3.5 million worth of EagleRidge securities (the "QT Financing"). The terms of the QT Financing are to be determined. It is expected that Kingsdale Capital Markets Inc. will act as an agent (the "Agent") in the QT Financing and will receive a cash commission (the "Agent's Commission") equal to 7.5% of the aggregate gross proceeds raised through the QT Financing and non-assignable broker warrants (the "Broker Warrants") to purchase that number of EagleRidge securities equal to 10% of the number of EagleRidge sold under the QT Financing (but only 5% of the number of EagleRidge securities sold to investors on the President's list).

The net proceeds of the QT Financing will be used by the Resulting Issuer to pay costs associated with the closing of the Qualifying Transaction and the QT Financing, to finance EagleRidge's exploration properties, with the primarily focus on the Hannes Gold Project (as defined below), and for general working capital purposes.

### **EagleRidge Minerals Ltd.**

EagleRidge is a private mineral resource exploration company existing under the laws of the Province of Ontario. EagleRidge was incorporated on March 25, 2008 pursuant to the *Business Corporations Act (Ontario)* ("OBCA"), as a wholly-owned subsidiary of Bell Gold Resources Inc. On July 1, 2008, EagleRidge amalgamated with Bell Gold Resources Inc. pursuant to the OBCA.

EagleRidge has a diverse exploration portfolio for gold, base metals and lithium/rare earths in the provinces of Manitoba and Newfoundland and Labrador.

## EagleRidge Claim Holdings - Manitoba

EagleRidge has two large gold project areas and one lithium/REE project in Manitoba. One of the primary exploration interests of EagleRidge is to explore its gold properties in the Rice Lake greenstone belt of southeast Manitoba.

The Hannes gold project (the "Hannes Gold Project") is located on the western portion of the Rice Lake greenstone belt. Numerous historical showings are being examined and new ones are being found. EagleRidge has started a drill program on the Hannes Gold Project in southeast Manitoba. (Please see recent news release of EagleRidge, which is available at [www.eagleridgeminerals.com](http://www.eagleridgeminerals.com))

The East Rice Lake gold project (the "East Rice Lake Gold Project") consists of several mineral claim blocks in the Bissett region on the east side of the Rice Lake greenstone belt. This area is actively being explored for gold by other companies and several mines are in production.

The Silverleaf project is located in the Greer Lake region of southeast Manitoba. The claims were recently optioned from Mustang Minerals Corp. (TSX Venture: MUM). EagleRidge has an agreement to earn an 100% interest in a historic pegmatite field known for its rare earth and lithium enriched pegmatites.

## EagleRidge Claim Holdings – Newfoundland and Labrador

In Newfoundland, EagleRidge is focused on gold and base metals in north and north-central Newfoundland.

The St. Juliens Copper project has received the most amount of exploration by EagleRidge to date. Exploration work includes airborne geophysics, surface mapping, geochemistry, trenching and prospecting. Drilling is planned for later in the year.

The Baie Verte and Little Bay projects are located in north-central Newfoundland, between White Bay and Notre Dame Bay. Exploration is focused on gold and base metals. The immediate exploration plan includes surface mapping, geochemistry and prospecting.

Please refer to the company's website at [www.eagleridgeminerals.com](http://www.eagleridgeminerals.com) for further details on the property holdings.

## **Proposed Management and Directors**

As part of the completion of the Qualifying Transaction, EagleRidge's current management will assume responsibility for the Resulting Issuer and the Resulting Issuer's board of directors will be comprised of the current EagleRidge board of directors, being Messrs. Daniel J. Gregory, Carey Galeschuk, Christopher Irwin, John Siriunas, Wilbert McGrath along with Messrs. Gary Clifford and Salil Munjal each of whom currently serves on the board of directors of Penfold The following are brief descriptions of EagleRidge's management team and its proposed nominees that will, collectively, assume management responsibility for the Resulting Issuer upon completion of the Qualifying Transaction:

Carey Galeschuk, B.Sc., P. Geo, QP – President, Chief Executive Officer and Director

Mr. Galeschuk joined EagleRidge in April 2009. He is a graduate of the University of Saskatchewan and brings to EagleRidge over 20 years of mineral exploration in base metals, nickel, rare earth metals and gold. He is a fellow of the Geological Association of Canada, member of the Society of Economic Geologists, Association of Applied Geochemists, Prospectors and Developers Association of Canada and the Manitoba Prospectors and Developers Association. He is a "qualified person" under NI 43-101.

Daniel Gregory, B.Comm, CA, CPA – Chief Financial Officer, Chief Operating Officer and Director

Mr. Gregory joined EagleRidge from its inception in the role of Chief Financial Officer of the EagleRidge. He is responsible for overseeing the financial management of EagleRidge. Mr. Gregory has 25 years of experience in the field of business management and accounting.

Christopher Irwin, LLB – Director

Christopher Irwin has been the President of Irwin Professional Corporation, Barristers and Solicitors since August 2006. Prior thereto, from January 2004 to July 2006, he was an associate at Wildeboer Dellelce, LLP. Mr. Irwin, has over ten years of experience in corporate securities law and is a director and/or officer of several public companies.

John Siriunas, P. Eng. – Director

John Siriunas is a Geological Engineer. Mr. Siriunas is the President, Corporate Secretary and a director of Cuervo Resources Inc. (CNQ:FE), a director of GoldTrain Resources Inc. (CNSX:GT), a director of Shield Gold Inc. (TSXV:SHG.P) and a director of N.W.T. Copper Mines Limited (reporting issuer, but not trading).

Wilbert McGrath – Director

Mr. McGrath is Health, Safety and Environmental specialist for Chevron Canada in overseas operations.

The Company will provide further details in respect of the Qualifying Transaction, in due course by way of press release.

**For further information please contact:**

Penfold Capital Corporation

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## **About Penfold Capital Acquisition II Corporation**

Penfold is part of the Penfold Capital group of companies. Penfold Capital is a private merchant bank. For more information see [www.penfoldcapital.com](http://www.penfoldcapital.com).

## **Cautionary Note**

*Completion of the Qualifying Transaction is subject to a number of conditions including, but not limited to, Exchange acceptance and if applicable pursuant to Exchange Requirements, majority of the minority shareholder approval. Where applicable, the Qualifying Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Qualifying Transaction will be completed as proposed, or at all.*

*Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the Qualifying Transaction, any information released or received with respect to the Qualifying Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.*

*The TSX Venture Exchange Inc. has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved of the contents of this release.*

*This press release does not constitute and the subject matter hereof is not, an offer for sale or a solicitation of an offer to buy, in the United States or to any "U.S. Person" (as such term is defined in Regulation S under the U.S. Securities Act of 1933, as amended (the "1933 Act")) of any equity or other securities of the Company. The securities of the Resulting Issuer to be issued in connection with the QT Financing have not been registered under the 1933 Act and may not be offered or sold in the United States (or to a U.S. Person) absent registration under the 1933 Act or an applicable exemption from the registration requirements of the 1933 Act.*

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