

Gowest Gold Closes First Tranche of Private Placement and Announces Shares for Debt Transactions

20.12.2019 | [GlobeNewswire](#)

TORONTO, Dec. 20, 2019 - [Gowest Gold Ltd.](#) ("Gowest" or the "Company") (TSX VENTURE: GWA) announced today that, pursuant to its previously announced non-brokered private placement (the "Private Placement") (see news release dated December 8, 2019), it has completed an initial closing of the Private Placement pursuant to which it raised aggregate gross proceeds of \$2,043,049. Specifically, the Company has issued 5,000,000 units of the Company (the "Units"), at a price of \$0.20 per Unit, for gross proceeds of \$1,000,000 and 4,741,130 flow-through units (the "FT Units"), at a price of \$0.22 per FT Unit, for gross proceeds of \$1,043,049.

Each Unit comprises one common share and one-half (1/2) of one common share purchase warrant (each whole common share purchase warrant, a "Warrant"), with each Warrant being exercisable to acquire one common share of the Company at a price of \$0.30 for a period of 24 months following the closing date of the Private Placement.

Each FT Unit comprises one common share and one-half (1/2) of one Warrant issued on a flow-through basis, with each Warrant being exercisable to acquire one common share of the Company at a price of \$0.30 for a period of 24 months following the closing date of the Private Placement. The common shares underlying the Warrants will not be issued as flow-through shares.

It is anticipated that one or more additional closings of the Private Placement will be completed in early 2020.

The proceeds of the Private Placement will be used by the Company for the continued development of its 100% owned Bradshaw Gold Deposit and for working capital purposes. The proceeds derived from the sale of the FT Units will be used for "Canadian exploration expenses" (within the meaning of the *Income Tax Act* [Canada]) in connection with the mineral exploration programs of the Company.

Subscriptions by insiders of the Company accounted for approximately \$1,490,000 of the gross proceeds of the Private Placement. Participation by insiders under the Private Placement is exempt from the valuation and minority shareholder approval requirements of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("MI 61-101") by virtue of the exemptions contained in Sections 5.5(b) and 5.7(1)(b) of MI 61-101.

In connection with the closing of the private placement, the Company paid finders' fees of \$22,274 in cash.

All of the securities issuable in connection with the Private Placement will be subject to a hold period expiring four months and one day after date of issuance.

The securities offered have not been registered under the *United States Securities Act of 1933*, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons absent registration or an applicable exemption from registration requirements. This release does not constitute an offer for sale of securities in the United States.

Shares for Debt

The Company also announced that it intends to settle up to an aggregate of \$545,000 of indebtedness (the "Debt Settlement") through the issuance of common shares of the Company. Pursuant to the proposed Debt Settlement, the Company will issue (i) 1,725,000 common shares, at a deemed price of \$0.20 per share, to non-management directors of the Company, in satisfaction of director fees owing and outstanding to such individuals as of October 31, 2019, and (ii) 1,000,000 common shares, at a deemed price of \$0.20 per share, to a consultant of the Company in satisfaction of consulting fees owing and outstanding to such consultant. The Company has elected to settle the indebtedness through the issuance of common shares to preserve cash and improve the Company's balance sheet.

The Debt Settlement is subject to the approval of the TSX Venture Exchange. All of the securities issuable in connection with the Debt Settlement will be subject to a hold period expiring four months and one day after date of issuance

Participation by insiders under the Debt Settlement is exempt from the valuation and minority shareholder approval requirements of MI 61-101 by virtue of the exemptions contained in Sections 5.5(b) and 5.7(1)(b) of MI 61-101.

About Gowest

Gowest is a Canadian gold exploration and development company focused on the delineation and development of its 100% owned Bradshaw Gold Deposit (Bradshaw), on the Frankfield Property, part of the Company's North Timmins Gold Project (NTGP). Gowest is exploring additional gold targets on its +100 square kilometre NTGP land package and continues to evaluate the area, which is part of the prolific Timmins, Ontario gold camp. Currently, Bradshaw contains a National Instrument 43-101 Indicated Resource estimated at 2.1 million tonnes ("t") grading 6.19 grams per tonne gold (g/t Au) containing 422 thousand ounces (oz) Au and an Inferred Resource of 3.6 million t grading 6.47 g/t Au containing 755 thousand oz Au. Further, based on the Pre-Feasibility Study produced by Stantec Mining and announced on June 9, 2015, Bradshaw contains Mineral Reserves (Mineral Resources are inclusive of Mineral Reserves) in the probable category, using a 3 g/t Au cut-off and utilizing a gold price of US\$1,200 / oz, totaling 1.8 million t grading 4.82 g/t Au for 277 thousand oz Au.

Forward-Looking Statements

This news release may contain certain "forward looking statements." Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Any forward-looking statement speaks only as of the date of this news release and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise.

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<https://www.minenportal.de/artikel/296398--Gowest-Gold-Closes-First-Tranche-of-Private-Placement-and-Announces-Shares-for-Debt-Transactions.html>

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