

Conquest Resources Closes Over Subscribed \$3,110,000 Subscription Receipt Financing and \$1,300,000 Strategic Investment by Kirkland Lake Gold

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Toronto, Sept. 16, 2020 - [Conquest Resources Ltd.](#) (TSXV: CQR) ("Conquest" or the "Company") is pleased to announce that it has closed its previously announced non-brokered subscription receipt financing to raise gross proceeds of \$3,110,000 (the "Non-Brokered Financing"), and a separate concurrent subscription receipt financing with [Kirkland Lake Gold Ltd.](#) (TSX: KL) (NYSE: KL) (ASX: KLA) to raise gross proceeds of \$1,300,000 (the "KL Financing").

John Kearney, Chairman of Conquest stated, "We are very pleased with the strong interest in our financings and, in particular, we welcome Kirkland Lake as a strategic shareholder. We look forward to completing the acquisition of Canadian Continental Exploration Corp., following which the enlarged Conquest will own a unique and very prospective portfolio of exploration properties in some of the most well-known mining camps in Ontario. Conquest will be well capitalized with over \$5 million in cash and we look forward to beginning our drill program in October."

Kirkland Lake Strategic Investment

In connection with the KL Financing, Conquest has issued 10,000,000 subscription receipts (the "KL Subscription Receipts") to [Kirkland Lake Gold Ltd.](#) ("Kirkland Lake") at a price of \$0.13 each to raise gross receipts of \$1,300,000. Each KL Subscription Receipt entitles the holder to acquire one unit of Conquest (a "KL Unit"), for no additional consideration. Each KL Unit consists of one common share of Conquest (as it exists after giving effect to the previously announced 2.5 for one consolidation of the issued and outstanding Conquest shares (the "Consolidation")) and one quarter of one share purchase warrant of Conquest. Each full share purchase warrant (a "Warrant") is exercisable at \$0.18 for a period of two years following the completion of Conquest's previously announced acquisition (the "Acquisition") of Canadian Continental Exploration Corp. ("CCEC"). See Conquest News Releases July 16, 2020, August 7, 2020, and August 27, 2020.

The gross proceeds of the KL Financing have been deposited in escrow (the "KL Escrowed Funds"). The KL Subscription Receipts will automatically convert into KL Units and the KL Escrowed Funds will be released to Conquest upon completion of the Acquisition and Consolidation (the "Escrow Release Conditions"). In the event that the Escrow Release Conditions are not satisfied by November 30, 2020, the KL Escrowed Funds will be returned to KL and the KL Subscription Receipts will be cancelled.

In connection with the KL Financing, Conquest has granted Kirkland Lake certain investor rights, so long as Kirkland Lake holds at least 5% of the outstanding shares of Conquest, including the right to nominate one director to the board of Conquest, the pre-emptive right to participate pro-rata in any future financings by the Company, and a condition that the Company will not encumber any of its properties with any new third party royalty agreements without the prior written approval of Kirkland Lake, such consent not to be unreasonably withheld.

\$3,110,000 Non-Brokered Financing

In connection with the Non-Brokered Financing, Conquest has issued 21,105,266 subscription receipts at a price of \$0.12 each (the "Non-Brokered HD Subscription Receipts"), for gross proceeds of \$2,532,631 and 3,880,004 subscription receipts at a price of \$0.15 each (the "Non-Brokered FT Subscription Receipts"), for gross proceeds of \$582,000. Each Non-Brokered HD Subscription Receipt entitles the holder to acquire one unit of Conquest (a "Non-Brokered Unit"), for no additional consideration. Each Non-Brokered Unit consists

of one share of Conquest (as it exists following the Consolidation) and one-half of one Warrant. Each Non-Brokered FT Subscription Receipt entitles the holder to acquire one flow-through share (an "FT Share") of Conquest (as it exists after giving effect to the Consolidation, for no additional consideration.

An insider of Conquest subscribed for 200,000 Non-Brokered FT Subscription Receipts for gross proceeds of \$30,000.

The gross proceeds of the Non-Brokered Financing have been deposited in escrow (the "Non-Brokered Escrowed Funds"). The Non-Brokered HD Subscription Receipts will automatically convert into Non-Brokered Units, the Non-Brokered FT Subscription Receipts will automatically convert into FT Shares and the Non-Brokered Escrowed Funds will be released to Conquest upon the satisfaction of the Escrow Release Conditions. In the event that the Escrow Release Conditions are not satisfied by November 30, 2020, the Non-Brokered Escrowed Funds will be returned to the subscribers for Non-Brokered HD Subscription Receipts and Non-Brokered FT Subscription Receipts (collectively, the "Non-Brokered Subscription Receipts") and the Non-Brokered Subscription Receipts will be cancelled.

Upon completion of the Acquisition and conversion of the KL Subscription Receipts into KL Units (the "Escrow Deadline") and Non-Brokered Subscription Receipts into Non-Brokered Units and FT Shares, Kirkland Lake will hold approximately 8% of Conquest's then outstanding shares, and 9.6% of Conquest's shares on a partially diluted basis, assuming no further issuances of securities by Conquest prior to such date.

All securities issued and issuable in connection with the KL Financing and the Non-Brokered Financing are subject to a hold period of four months and one day from the closing date of such financings, expiring on January 9, 2021 and January 16, 2021, respectively.

Finders fees in the total amount of \$145,000 cash will be paid to certain arms-length parties for assisting in the Non-Brokered Financing.

PowerOne Capital Markets Limited acted as finder in connection with a portion of the Non-Brokered Financing and has been appointed to act as a financial advisor to Conquest to provide ongoing financial advisory and consulting services. Conquest has agreed to grant PowerOne 750,000 stock options under the Company's stock option plan, each exercisable at a price of \$0.13 to acquire one share of Conquest (after giving effect to the Consolidation), for a period of two years, subject to completion of the Acquisition. PowerOne, an Exempt Market Dealer, is a long-term investor focused on providing early stage capital and advisory services to emerging growth companies.

Acquisition of Canadian Continental Exploration Corp.

Subject to final acceptance of the TSXV, the Acquisition is expected to close immediately following a special meeting of shareholders of CCEC, scheduled to be held on September 23, 2020.

Pursuant to the Acquisition, Conquest will issue 40,306,667 shares of Conquest (after giving effect to the Consolidation) to the shareholders of CCEC, on the basis of one share for each share of CCEC held. Conquest will also issue 2,900,000 options (the "Replacement Options"), under the Company's stock option plan in replacement of existing options currently outstanding in CCEC. Each Replacement Option will be exercisable at \$0.15 to acquire one share of Conquest (after giving effect to the Consolidation) and expire in September 2021.

CCEC holds an extensive package of mining claims and has approximately \$900,000 in a combination of cash and marketable securities. See Conquest News Releases July 16, August 7, and August 27, 2020.

Upon completion of the Acquisition, and release of the KL Escrow Funds and Non-Brokered Escrowed Funds to Conquest, Conquest is expected to have a total of approximately \$5,200,000 in available funds to pursue its planned drilling and exploration activities, of which approximately \$800,000 will be flow through funds.

Final acceptance of the Acquisition by the TSXV is subject fulfilling the requirements of the TSXV.

Canadian Continental Properties

The CCEC land package consists of almost 10,000 hectares of underexplored mining lands in Northern Ontario, which the Company believes are highly prospective for precious and base metals. The land package includes the Teckmag1 and Eaglerock claims, which immediately surround Conquest's Golden Rose Property, situated in Afton and Scholes townships at Emerald Lake approximately 65 km northeast of Sudbury, Ontario. When combined with the Company's current land holdings, Conquest will control over 130 square kilometers making it one of the largest land holders in the Temagami Mining Camp area.

Conquest's Golden Rose Property

Conquest's Golden Rose Property encompasses patented and staked mining claims measuring 770 hectares in size that encompass the former Golden Rose gold mine and highly prospective North and South banded iron formations at Emerald Lake. The Golden Rose gold mine (which is currently flooded) consists of more than six kilometres of underground workings, as well as a three (3) compartment, 228-metre-deep shaft, and a modern decline ramp from surface to the 6th level of the mine. An inclined winze connects the 6th and 7th levels to the 5th level of the mine.

It is reported that between 1935 and 1941, mining operations at the Golden Rose gold mine by Consolidated Mining and Smelting Company of Canada, Limited (Cominco) produced 46,000 ounces of gold from structurally controlled, shallow to steeply dipping, high-grade quartz-pyrite veins, hosted almost exclusively in an east-west trending Banded Iron Formation (BIF). The property largely lay dormant from 1941 to 1982, when exploration resumed.

Diamond drilling of the mine sequence stratigraphy in 1984 intersected numerous high-grade gold intercepts. This drill campaign led to reopening and mine development by Noramco between 1986-87 which included widening of the mine adit and portal down to the 600-foot level. Minor gold production of approximately 7,000 oz. was reported.

Further, surface drilling between 1984-2011 by a previous operator identified mineralization lying adjacent to known underground development. It was reported by the previous operator that diamond drilling between 2009-2011 intersected gold grades as high as 155.7 grams of gold per tonne over 1.82 metres. However, the potential quantity and grade is conceptual in nature and Conquest has not undertaken sufficient exploration to define a mineral resource and it is uncertain if further exploration will result in the targets being delineated as a mineral resource.

Share Consolidation

At the annual and special meeting of shareholders held on August 31, 2020, Conquest shareholders approved the Consolidation.

It is intended that Articles of Amendment in prescribed form will be filed with the Director under the Business Corporations Act (Ontario) (the "OBCA") immediately prior to completion of the Acquisition and such Articles of Amendment will become effective upon the issuance by the Director under the OBCA of a Certificate of Amendment. See Conquest News Release August 31, 2020.

The TSXV has conditionally approved the Consolidation subject to the Company fulfilling all the conditions of the TSXV in respect of the Consolidation.

ABOUT CONQUEST

[Conquest Resources Ltd.](#), incorporated in 1945, is a mineral exploration company that is exploring for gold on mineral properties in Ontario.

Conquest holds a 100% interest in the Golden Rose Project, acquired in December 2017, located at Emerald Lake approximately 65 kilometres northeast of Sudbury, Ontario, which hosts the former Golden Rose Gold Mine and is underlain by highly prospective Abitibi greenstone geology along a strike length of seventeen (17) kilometres. The property is located deep within the regionally large, unexplained Emerald Lake (Temagami) Anomaly which closely resembles the magnetic signature of the adjacent Sudbury Basin.

Conquest also holds a 100% interest in the Alexander Gold Property located immediately east of the Red Lake and Campbell mines in the heart of the Red Lake Gold Camp on the important "Mine Trend" regional structure. Conquest's property is almost entirely surrounded by Evolution Mining land holdings.

In addition, Conquest owns a 100% interest in the Smith Lake Gold Property of six patented claims and 181 staked mining claims to the north, west and south of the former Renabie Gold Mine in Rennie Township in northern Ontario that had reported gold production of over 1,000,000 ounces.

Qualified Person

Paul Smith P. Geo., (NS) Senior Geologist, directs the Company's explorations programs and is the Company's Qualified Person for the purposes of National Instrument 43-101 - Standards of Disclosure for Mineral Projects and has reviewed and approved the technical disclosure contained within this news release.

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Forward-looking statements. This news release may include certain "forward-looking statements". All statements other than statements of historical fact, included in this release, including, without limitation, statements regarding the completion of the Acquisition and the Consolidation, the release of escrowed funds, future cash on hand, potential mineralization, resources and reserves, exploration results, and future plans and objectives of Conquest, are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from Conquest's expectations are exploration risks detailed herein and from time to time in the filings made by Conquest with securities regulators. Neither the TSXV nor its Regulation Services Provider (as defined in the policies of TSXV) accepts responsibility for the adequacy or accuracy of this release.

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