

# Tailwind Capital Corp. and Kairos Metals Corp. Announce Amalgamation Agreement in Respect of Qualifying Transaction

04.11.2020 | [Accesswire](#)

CALGARY, Nov. 4, 2020 - [Tailwind Capital Corp.](#) ("Tailwind") (TSXV:TW.P) and [Kairos Metals Corp.](#) ("Kairos") are pleased to announce that they have entered into a definitive agreement dated August 10, 2020 (the "Amalgamation Agreement") pursuant to which Tailwind will amalgamate with Kairos (the "Amalgamation") to complete Tailwind's qualifying transaction (the "Transaction") in accordance with the policies of the TSX Venture Exchange Inc. (the "TSXV"). Upon completion of the Amalgamation, it is intended that the resulting corporation will be known as "San Lorenzo Gold Corp. ", or such other name as the parties may agree (the "Resulting Issuer"). The Transaction is subject to the receipt of all necessary regulatory and shareholder approvals as well as the satisfaction of conditions to closing as set out in the Amalgamation Agreement.

## ADVERTISEMENT

### About Kairos

Kairos is a reporting issuer incorporated in January 2018 under the laws of the Province of Alberta and currently has 25,266,704 common shares outstanding and no dilutive securities such as options or warrants outstanding. Kairos' principal business is the acquisition and exploration of mineral properties in Chile. Kairos holds a 100% interest in 10,396 hectares of mineral claims through its wholly owned Chilean subsidiary, Compañía Minera San Lorenzo Limitada. Those claims are divided into the "Salvadora" and the "Nancagua" claim groups or properties. Salvadora is a prospective copper-gold porphyry property and has been the subject of significant exploration efforts by Kairos and its predecessors since 2014, which includes significant sampling and geophysical surveying together with two exploration drilling programs totalling approximately 2,725 meters of drilling. Kairos has also conducted programs of surface sampling and geochemical analysis on Nancagua which is a prospective high grade epithermal gold-silver property.

As of the date hereof, there are 25,266,704 outstanding common shares of Kairos (the "Kairos Common Shares"). The following person own, control or direct 10% or more of the outstanding Kairos Common Shares:

Name	Number of Kairos Common Shares	Percentage of Outstanding Kairos
		Common Shares
Al J. Kroontje	2,811,750	11.13%

### Summary of Financial Information for Kairos

The following table sets forth selected financial information for Kairos for the financial years ended December 31, 2019 and the period from January 15, 2018 (date of incorporation) to December 31, 2018 and for the six-month period ended June 30, 2020. The financial information has been prepared in accordance with International Financial Reporting Standards.

## ADVERTISEMENT

	Six months ended June 30, 2020 (Unaudited)	Year ended December 31, 2019 (Audited)	Period from January 15, 2018 (date of incorporation) to Dec 31, 2018 (Audited)
	(\$)	(\$)	(\$)
Kairos Metals Corp.			
Operating Activities			
Net loss	(106,659)	(907,169)	(243,847)
Other comprehensive income	(3,758)	73,104	-
Interest income	(2,648)	-	-
Gain on reduction in loan payable	(549,153)	-	-
Fair value adjustment of notes payable	-	-	(441,048)
Transaction costs included in notes payable	-	-	65,000
Interest accrued on notes payable	32,808	74,145	48,998
Accretion of notes receivable	172,864	558,178	313,434
Foreign exchange loss	426,533	60,378	226,241
Trade and other payables	(4,341)	65,371	59,452
Other receivables	1,049	(1,049)	Nil
Cash Flow (used in) provided by operating activities	(33,305)	(77,042)	28,230
Balance Sheet			
Total assets	2,326,250	3,372,058	3,733,932
Total liabilities	1,340,114	3,682,093	3,136,798
Total equity	986,136	(310,035)	597,134

## Private Placement

In connection with the Transaction, Tailwind intends to complete a non-brokered private placement (the "Private Placement") of up to 21,428,572 common shares (the "Tailwind Common Shares") at a price of \$0.07 per Tailwind Common Share for gross proceeds of up to \$1,500,000.

In connection with the Private Placement, Tailwind, in its discretion, may pay a cash commission of up to 7% of the gross proceeds from the sale of Tailwind Common Shares and a number of broker warrants ("Tailwind Broker Warrants") that is up to 7% of the number of Tailwind Common Shares sold pursuant to the Private Placement. Each Tailwind Broker Warrant will entitle the holder to one (1) Tailwind Common Share and is exercisable at a price of \$0.07 per Tailwind Common Share for a period of up to 12 months from the date of issuance, subject to the requirements of the TSXV.

The Private Placement will be completed pursuant to certain exemptions from the prospectus requirements under applicable securities laws. The Private Placement is also available to all eligible existing shareholders of Tailwind (the "Existing Shareholder Exemption") or subscribers who receive suitability advice from a registered investment dealer (the "Investment Dealer Exemption") in reliance upon the prospectus exemptions described in ASC Rule 45-516 Prospectus Exemptions For Retail Investors And Existing Security Holders and other equivalent provisions of applicable securities laws in other jurisdictions in Canada.

In the following order, depending on the proceeds raised from the Private Placement and assuming completion of the Transaction, Tailwind intends to use up to \$105,000 for commissions and expenses of the Private Placement, up to a maximum of \$485,000 for the exploration of the Salvador Cu-Au Project, and up to \$937,000 for general working capital and for legal and transaction costs associated with the Transaction.

The aggregate acquisition cost to a subscriber under the Existing Shareholder Exemption cannot exceed \$15,000 unless that subscriber has obtained advice from a registered investment dealer regarding the suitability of the investment. Tailwind has fixed October 23, 2020 as the record date for the purpose of determining existing shareholders of Tailwind who are entitled to participate in the Private Placement pursuant to the Existing Shareholder Exemption. Subscribers purchasing Tailwind Common Shares under the Existing Shareholder Exemption will need to represent in writing that they meet certain requirements of the Existing Shareholder Exemption, including that on or before the record date, they became a shareholder of Tailwind and that they continue to be a shareholder of Tailwind. Unless Tailwind determines to increase

the gross proceeds of the Private Placement, if subscriptions received for the Private Placement based on all available exemptions exceed the maximum amount of \$1,500,000, Tailwind Common Share will be allocated pro rata among all subscribers qualifying under all available exemptions.

In accordance with the requirements of the Investment Dealer Exemption, Tailwind confirms there is no material fact or material change related to Tailwind which has not been generally disclosed. Any existing holders of Common Shares interested in participating in the Private Placement should contact Tailwind using the contact information set forth at the end of this news release.

### **Waiver from Sponsorship**

Tailwind has applied to the TSXV for a waiver from the sponsorship requirement.

### **About the Transaction**

The Amalgamation Agreement contemplates Tailwind and Kairos completing a non-arm's length business combination transaction by way of amalgamation pursuant to the Business Corporations Act (Alberta) to continue as a new company, the Resulting Issuer. Each one and a half (1.5) Tailwind Common Shares that is outstanding immediately prior to the Amalgamation (other than Tailwind Common Shares held by shareholders of Tailwind (the "Tailwind Shareholders") who exercise their dissent rights) shall be converted into one (1) issued and fully paid and non-assessable common shares in the share capital of the Resulting Issuer (the "Resulting Issuer Shares") at a deemed price of \$0.10 per Resulting Issuer Share. Each Kairos Common Share that is outstanding immediately prior to the Amalgamation (other than Kairos Common Shares held by shareholders of Kairos (the "Kairos Shareholders") who exercise their dissent rights) shall be converted one (1) issued and fully paid and non-assessable Resulting Issuer Shares at a deemed price of \$0.10 per Resulting Issuer Share.

Assuming there are no dissenting Tailwind Shareholders or dissenting Kairos Shareholders and that the Private Placement is fully subscribed, there will be: (i) approximately 41,314,323 Resulting Issuer Shares issued and outstanding; (ii) the former Tailwind Shareholders will hold 5,333,333 Resulting Issuer Shares immediately following completion of the Amalgamation, representing approximately 12.91% of the issued and outstanding Resulting Issuer Shares; (iii) former Kairos Shareholders will hold 25,266,704 Resulting Issuer Shares, representing approximately 61.16% of the issued and outstanding Resulting Issuer Shares; and (iv) investors in the Private Placement will hold 10,714,286 Resulting Issuer Shares, representing approximately 25.963% of the of the issued and outstanding Resulting Issuer Shares.

The Resulting Issuer Shares to be issued pursuant to the Amalgamation will be issued pursuant to exemptions from the prospectus requirements of applicable securities legislation and certain of the Resulting Issuer Shares issued to insiders of Kairos will be subject to escrow conditions, as required by the TSXV.

Tailwind expects that the Amalgamation will result in the Resulting Issuer being a Tier 2 Mining Issuer on the TSXV. It is intended that the net proceeds from the Transaction and Private Placement will be used for the exploration of Salvadora Cu-Au Project and general working capital following completion of the Transaction.

### **Interest of Insiders**

Al J. Kroontje, a director and insider of Tailwind and President, Chief Executive Officer, insider and a director of Kairos, holds 1,900,000 Tailwind Common Shares (representing 23.75% of the issued and outstanding Tailwind Common Shares), 253,333 Tailwind stock options and 2,811,750 Kairos Common Shares (representing 11.13% of the issued and outstanding Kairos Common Shares). As a result, the Amalgamation constitutes a Non-Arm's Length Qualifying Transaction (as defined by the policies of the TSXV) and a business combination under Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions. The Amalgamation must be approved by not less than 662/3% of the votes cast at the meeting (the "Tailwind Meeting") of Tailwind Shareholders and 662/3% of the votes cast at the meeting (the "Kairos Meeting") of Kairos Shareholders. In addition, "Majority of the Minority" approval will be required from disinterested Tailwind Shareholders and the disinterested Kairos Shareholders. A joint management information circular will be provided to Tailwind Shareholders and Kairos Shareholders in due course.

### **Conditions to Completion of the Transaction**

The completion of the Amalgamation contemplated by the Amalgamation Agreement is subject to certain conditions, including (a) obtaining all necessary regulatory approvals, including TSXV approval of the Amalgamation, the Private Placement and other matters comprising part of the Amalgamation; (b) the approval by the Tailwind Shareholders and the Kairos Shareholders of the Amalgamation; and (c) other

customary conditions. There can be no assurance that all of the necessary regulatory and shareholder approvals will be obtained.

#### Proposed Management and Board of Directors of the Resulting Issuer

Upon completion of the Transaction, it is anticipated that the persons identified below will serve as directors and officers of the Resulting Issuer.

##### Ken Booth - President, Chief Executive Officer and Director

Mr. Booth is a geologist with an MBA and has more than 35 years of experience in exploration, mining corporate finance and public mineral company administration. Over the years he has been a director of numerous public mineral exploration companies and has chaired both audit and compensation committees. In mining corporate finance, he has worked for two of Canada's largest investment banks executing numerous equity financings for both junior and senior companies and was involved in a variety of significant mergers and acquisitions. While working for resource companies, Ken Booth has held several positions including Chief Executive Officer and vice-president of corporate development. In these roles he was instrumental in raising equity funding and negotiating property acquisitions and joint ventures.

##### Al J. Kroontje - Director

Mr. Kroontje is the President of Tailwind Capital Partners Inc. Mr. Kroontje has been involved with numerous corporate start-ups and corporate restructurings. Mr. Kroontje holds a Bachelor of Science degree (Chemical Engineering) from the University of Waterloo, Ontario. Mr. Kroontje also holds a P. Eng. designation from the Association of Professional Engineers and Geologists of Alberta but is currently a non-practicing engineer.

Mr. Kroontje currently or in the past has served as a Director and Officer of several public companies listed on the TSX, TSX Venture or the NEX board of TSX Venture.

##### Kevin R. Baker, Q.C. - Director

Kevin R. Baker, Q.C. has extensive experience managing corporate start-ups, including management experience in relation with operations, corporate securities and initial public offerings. Mr. Baker serves as the President of Baycor Capital Inc., a private merchant bank with its head office in Calgary, Alberta, which he has been with since it was founded in 1990. Additionally, Mr. Baker is Chairman and CEO of ConleyMax Inc., a private oilfield services company. Mr. Baker is also currently a Director of Calfrac Well Services Ltd., a public company listed on the Toronto Stock Exchange ("TSX"), and was the President and CEO of Northern Spirit Resources Inc. (now Altura Energy Inc.), a public company listed on the TSXV, and Loncor Resources Inc., a public company listed on the TSX.

Mr. Baker holds a Bachelor of Arts degree and a Bachelor of Laws degree (LLB) all from the University of Alberta. Mr. Baker has been a member of the Law Society of Alberta since 1972. In 1993 Mr. Baker was appointed Queen's Counsel.

Mr. Baker has served on the boards of a number of exploration and production companies and a number of oilfield service companies.

##### Terence Walker - Director and Vice President, Exploration

Mr. Walker is a professional geologist with over 52 years of experience in mineral exploration in 12 countries. Mr. Walker resides in the city of La Serena, Chile. He has a BSc. (Geology) from the London School of Mines and a MSc. (Geology) from McGill University in Montreal, Quebec and holds P. Geo. from the Association of Professional Engineers and Geologists of British Columbia.

##### John F. K. Aihoshi - Chief Financial Officer

Mr. Aihoshi is currently the Chief Financial Officer of N7 Exploration Ltd., an Alberta-based oil and gas company. Formerly, Mr. Aihoshi was the Chief Financial Officer of Border Petroleum Ltd. and Canflame Energy Ltd. and prior thereto was the Corporate Controller of Enseco Energy Services Partnership. Mr. Aihoshi holds a Business Diploma from the Southern Alberta Institute of Technology and a Logistics Lieutenant designation from the Canadian Forces Officer Candidate School. Mr. Aihoshi also held a Chartered Professional Accountant designation until December, 2015.

##### Jana Lillies - Corporate Secretary

Ms. Lillies is the controller for PetroFrontier Corp., an Alberta-based oil and gas company listed on the TSXV

and Chief Financial Officer of Big Dougie Capital Corp., an Alberta based mining company listed on the TSXV. Prior thereto, Ms. Lillies was a director of ChaiNode Opportunities Corp. (now Doré Copper Mining Corp.) and Chief Financial Officer of Elkwater Resources, an oil and gas company listed on the TSXV, from 2000 until 2014. Ms. Lillies is the Corporate Secretary of Lithium Chile Inc. and also provides accounting and administrative services through a private consulting firm in Calgary. Over the past 10 years, Ms. Lillies has been a director of several capital pool companies listed on TSXV that completed their Qualifying Transactions.

Ms. Lillies completed an Applied Bachelor of Business Administration Degree (Accounting) from Mount Royal University and holds a CGA, CPA designation.

#### Qualified Person

The technical information contained in this news release has been reviewed and approved by Eric L. Hanson, P. Geo, an independent "Qualified Person" within the meaning of National Instrument 43-101 - Standards of Disclosure for Mineral Projects.

#### Information Circular

In connection with the Transaction and pursuant to TSXV requirements, Tailwind and Kairos will file a joint information circular on SEDAR ( [www.sedar.com](http://www.sedar.com) ), which will contain details regarding the Transaction, the Amalgamation, the Private Placement, Kairos, Tailwind and the Resulting Issuer.

This press release does not constitute an offer to sell or the solicitation of an offer to buy any securities in any jurisdiction.

ANY SECURITIES REFERRED TO HEREIN HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE "1933 ACT") AND MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES OR TO A U.S. PERSON IN THE ABSENCE OF SUCH REGISTRATION OR AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE 1933 ACT AND APPLICABLE U.S. STATE SECURITIES LAWS. THE ISSUER WILL NOT MAKE ANY PUBLIC OFFERING OF THE SECURITIES IN THE UNITED STATES.

The information contained or referred to in this press release relating to Kairos has been furnished by Kairos. Although Tailwind has no knowledge that would indicate that any statement contained herein concerning Kairos is untrue or incomplete, neither Tailwind nor any of its respective directors or officers assumes any responsibility for the accuracy or completeness of such information.

The information contained or referred to in this press release relating to Tailwind has been furnished by Tailwind. Although Kairos has no knowledge that would indicate that any statement contained herein concerning Tailwind is untrue or incomplete, neither Kairos nor any of its respective directors or officers assumes any responsibility for the accuracy or completeness of such information.

#### Cautionary Note Regarding Forward-Looking Statements

This news release includes certain "forward-looking statements" under applicable Canadian securities legislation. Forward-looking statements include, but are not limited to, statements with respect to: the terms and conditions of the proposed Transaction; the terms and conditions of the proposed Private Placement; use of proceeds from the Private Placement; and the business and operations of the Resulting Issuer after the proposed Transaction. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to: general business, economic, competitive, political and social uncertainties; delay or failure to receive board, shareholder or regulatory approvals; the price of gold and copper; and the results of current exploration. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Tailwind and Kairos disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

Completion of the Transaction is subject to a number of conditions, including but not limited to, TSXV approval and, if applicable pursuant to TSXV requirements, majority of the minority shareholder approval. Where applicable, the Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the 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 Transaction, any information released or received with respect to the 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 TSXV has in no way passed upon the merits of the Transaction and has neither approved nor disapproved the content of this press release.

For further information, please contact:

Tailwind Capital Corporation

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Al J. Kroontje

Interim President and Chief Executive Officer

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SOURCE: Tailwind Capital Corporation

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Die URL für diesen Artikel lautet:

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