

Galane Gold Announces Execution of Definitive Agreement for the Acquisition of the Summit Mine in New Mexico

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And Closing of C\$9.68 Million Private Placement With Lead Order From Palisades Goldcorp

TORONTO, April 08, 2021 - [Galane Gold Ltd.](#) ("Galane Gold" or the "Company") (TSX-V: GG; OTCQB: GGGOF) is pleased to announce that it has entered into a definitive agreement to acquire (the "Acquisition"), through a wholly-owned subsidiary, the Summit Mine (the "Mine") and the infrastructure constituting the Banner Mill in New Mexico (collectively, the "Assets") from Pyramid Peak Mining, LLC, a wholly-owned subsidiary of Waterton Precious Metals Fund II Cayman, LP.

Closing of the Acquisition is expected to occur on or about May 16, 2021, and is subject to certain conditions including, but not limited to, completion of a confirmatory title report on the Assets and approval of governmental and regulatory authorities, including the TSX Venture Exchange ("TSXV"). For further details on the Acquisition and the Assets, please see the Company's press release dated March 16, 2021.

Nick Brodie, CEO of Galane Gold commented, "The Galane Gold management team is excited with the opportunity of restoring another mining operation to economic production. We have successfully done this twice already at our Mupane and Galaxy properties.

The acquisition of the Summit Mine is another step in our corporate goal to reshape the Company into a long-life and low-cost operation that can produce positive returns for investors across commodity cycles. This operation represents a perfect example of this representing an opportunity to increase Galane Gold's production, lower its operating costs and reduce its country risk."

The Company is also pleased to announce that it has closed its previously announced private placement (the "Offering") of subscription receipts of the Company ("Subscription Receipts"). In connection with the Offering, the Company has issued 44,028,700 Subscription Receipts at a price of C\$0.22 per Subscription Receipt (the "Issue Price") for aggregate proceeds of C\$9,686,314, including a lead order from Palisades Goldcorp Ltd. ("Palisades"). The net proceeds of the Offering will fund the initial cash consideration of US\$6 million payable at the closing of the Acquisition.

Canaccord Genuity Corp. acted as lead agent in connection with the Offering, on behalf of a syndicate of agents, including Research Capital Corporation (the "Agents").

The Subscription Receipts were issued pursuant to a subscription receipt agreement (the "SRA") entered into among the Company, Canaccord Genuity Corp., and TSX Trust Company, as subscription receipt agent (the "Escrow Agent"). Each Subscription Receipt entitles the holder thereof to receive one Common Share and one common share purchase warrant of Galane Gold (a "SR Warrant"), without any further action on the part of the holder and without payment of additional consideration, upon satisfaction of certain escrow release conditions included in the SRA, including but not limited to the satisfaction of all conditions precedent to completing the Acquisition. Each SR Warrant will entitle the holder thereof to purchase one Common Share at a price of C\$0.30, for a period of three years following the closing of the Acquisition.

The aggregate gross proceeds of the Offering, less 50% of the Agents' commission and certain expenses of the Offering, will be held in escrow pursuant to the SRA pending closing of the Acquisition. In the event that the Acquisition is not completed within 60 days after the closing of the Offering, the Escrow Agent shall return to the holders of the Subscription Receipts an amount equal to the aggregate purchase price paid for the Subscription Receipts held by each holder and each such Subscription Receipt shall be cancelled.

In connection with the Offering, the Agents are entitled to receive a cash commission of 7.0% or, in the case

of the president's list, 3.5% of the aggregate proceeds raised pursuant to the Offering (the "Agents' Commission") and broker warrants in the amount of 7.0% or, in the case of the president's list, 3.5% of the number of Subscription Receipts sold pursuant to the Offering (the "Broker Warrants"). On closing of the Offering, the Agents received payment of 50% of the Agents' Commission and were issued all of the Broker Warrants. The remaining 50% of the Agents' Commission will be paid to the Agents upon satisfaction of the escrow release conditions.

All Subscription Receipts issued in connection with the Offering, including the Common Shares and SR Warrants underlying the Subscription Receipts, and the Common Shares and common share purchase warrants issued in connection with the Acquisition are subject to a statutory four month and one day hold period in accordance with Canadian securities laws. The Offering is subject to customary regulatory and stock exchange approvals, including final approval of the TSXV.

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This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

About Galane Gold

Galane Gold is an un-hedged gold producer and explorer with mining operations and exploration tenements in Botswana and South Africa. Galane Gold is a public company and its shares are quoted on the TSXV under the symbol "GG" and the OTCQB under the symbol "GGGOF". Galane Gold's management team is comprised of senior mining professionals with extensive experience in managing mining and processing operations and large-scale exploration programmes. Galane Gold is committed to operating at world-class standards and is focused on the safety of its employees, respecting the environment, and contributing to the communities in which it operates.

About Palisades Goldcorp Ltd.

Palisades Goldcorp is Canada's resource focused merchant bank. Palisades' management team has a demonstrated track record of making money and is backed by many of the industry's most notable financiers. With junior resource equities valued at generational lows, management believes the sector is on the cusp of a major bull market move. Palisades is positioning itself with significant stakes in undervalued companies and assets with the goal of generating superior returns.

Cautionary Notes

Certain statements contained in this press release constitute "forward-looking statements". All statements other than statements of historical fact contained in this press release, including, without limitation, those regarding the closing of the Acquisition, satisfaction of the escrow release conditions under the SRA, obtaining customary governmental, regulatory and stock exchange approvals including that of the TSXV for the Acquisition and the Offering, the use of proceeds of the Offering, technical, financial and business prospects of the Company, future financial position and results of operations, strategy, proposed acquisitions, plans, objectives, goals and targets, and any statements preceded by, followed by or that include the words "believe", "expect", "aim", "intend", "plan", "continue", "will", "may", "would", "anticipate", "estimate", "forecast", "predict", "project", "seek", "should" or similar expressions or the negative thereof, are forward-looking statements. These statements are not historical facts but instead represent only the Company's expectations, estimates and projections regarding future events. These statements are not guarantees of future performance and involve assumptions, risks and uncertainties that are difficult to predict. Therefore, actual results may differ materially from what is expressed, implied or forecasted in such forward-looking statements.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to: the Company's dependence on two mineral projects; gold price volatility; risks

associated with the conduct of the Company's mining activities in Botswana and South Africa; regulatory, consent or permitting delays; risks relating to the Company's exploration, development and mining activities being situated in Botswana and South Africa; risks relating to reliance on the Company's management team and outside contractors; risks regarding mineral resources and reserves; the Company's inability to obtain insurance to cover all risks, on a commercially reasonable basis or at all; currency fluctuations; risks regarding the failure to generate sufficient cash flow from operations; risks relating to project financing and equity issuances; risks arising from the Company's fair value estimates with respect to the carrying amount of mineral interests; mining tax regimes; risks arising from holding derivative instruments; the Company's need to replace reserves depleted by production; risks and unknowns inherent in all mining projects, including the inaccuracy of reserves and resources, metallurgical recoveries and capital and operating costs of such projects; contests over title to properties, particularly title to undeveloped properties; laws and regulations governing the environment, health and safety; the ability of the communities in which the Company operates to manage and cope with the implications of COVID-19; the economic and financial implications of COVID-19 to the Company; operating or technical difficulties in connection with mining or development activities; lack of infrastructure; employee relations, labour unrest or unavailability; health risks in Africa; the Company's interactions with surrounding communities and artisanal miners; the Company's ability to successfully integrate acquired assets; risks related to restarting production; the speculative nature of exploration and development, including the risks of diminishing quantities or grades of reserves; development of the Company's exploration properties into commercially viable mines; stock market volatility; conflicts of interest among certain directors and officers; lack of liquidity for shareholders of the Company; risks related to the market perception of junior gold companies; and litigation risk. Management provides forward-looking statements because it believes they provide useful information to investors when considering their investment objectives and cautions investors not to place undue reliance on forward-looking information. Consequently, all of the forward-looking statements made in this press release are qualified by these cautionary statements and other cautionary statements or factors contained herein, and there can be no assurance that the actual results or developments will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, the Company. These forward-looking statements are made as of the date of this press release and the Company assumes no obligation to update or revise them to reflect subsequent information, events or circumstances or otherwise, except as required by law.

Neither the TSXV nor its regulation services provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this release.

The information in this news release under the section titled "About Palisades Goldcorp Ltd." was provided by management of Palisades Goldcorp Ltd.

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