

# First Mining Finance Corp. to Acquire Goldrush Resources Ltd.

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VANCOUVER, Nov 24, 2015 - [First Mining Finance Corp.](#) (TSX VENTURE:FF) (OTCQB:FFMGG) ("First Mining") and [Goldrush Resources Ltd.](#) (TSX VENTURE:GOD) ("Goldrush") are pleased to announce that the companies have entered into a definitive agreement (the "Agreement") pursuant to which First Mining has agreed to acquire all of the issued and outstanding common shares of Goldrush in exchange for 0.0714 of a common share of First Mining for each Goldrush Share held. On completion of the transaction, Goldrush will become a wholly-owned subsidiary of First Mining and former shareholders of Goldrush will hold approximately 3.9% of the issued and outstanding shares of First Mining. The parties to the transaction are at arm's length. The transaction implies a value of CAD\$0.026 per Goldrush share based on the closing prices of each company's common shares on the TSX Venture Exchange ("TSXV") on November 23, 2015. Based on the 30 day volume-weighted average price ("VWAP") of each of the companies on the TSXV for the period ending November 23, 2015, the offer represents a premium of approximately 52% to Goldrush's VWAP.

The transaction will be implemented by way of a court approved plan of arrangement (the "Arrangement") under the Business Corporations Act (British Columbia).

Upon completion of the Arrangement Goldrush's shares will be de-listed from the TSXV, and it is anticipated that First Mining will apply to cause Goldrush to cease being a reporting issuer under applicable Canadian securities laws.

## BENEFITS OF TRANSACTION

- Results in Goldrush shareholders having exposure with a leading exploration company with a robust portfolio of assets located in the Americas focusing on gold with an experienced management team and a proven track record of building value;
- Goldrush shareholders will receive shares of First Mining with a value representing a premium to current market price of Goldrush shares;
- Diversification from the risks associated with early stage, single asset exploration companies such as Goldrush whose shareholders will gain access to First Mining's broad portfolio of assets;
- Increases the treasury of First Mining by adding Goldrush's cash which is expected be at least CAD\$3 million at closing. In addition, Goldrush is expected to receive an additional US\$250,000 within the next six to nine months pursuant to an existing property sale agreement and up to a further US\$500,000 by December 31, 2017 which is currently held in escrow as an indemnity fund with respect to a previous sales transaction;
- Provides First Mining with a 1.5% NSR royalty on the Pompoi permit, which is 10 km from [Semafo Inc.](#)'s Siou gold mine and a 1% NSR royalty on the Kongoussi 1 and Tikare permits which host the Ronguen gold project, located 10 km from [Nord Gold N.V.](#)'s Bissa gold mine; and
- Provides Goldrush shareholders with shares in a company with an enhanced capital markets presence and a significantly larger market capitalization with a pro forma market capitalization in excess of CAD\$110 million based on current share prices and which has greater analyst coverage and trading liquidity allowing for broader access to capital markets including institutional support.

Keith Neumeyer, Chairman of First Mining, stated: "We believe that the current market climate for junior exploration companies remains very challenging and thus requires consolidation and that only companies with attractive assets and supportive shareholder bases will survive this market cycle which may last for years. We believe this transaction provides an excellent opportunity for the shareholders of Goldrush to be part of a leading exploration and development company with a dedicated, focused and experienced management team."

Len Brownlie, President and CEO of Goldrush, stated: "For over a year, we have attempted to acquire a gold project that would significantly enhance shareholder value. After reviewing over 90 projects, we believe that this transaction with First Mining offers the best potential benefit to Goldrush shareholders by enabling them to obtain a premium to the current market price for their shares while continuing to provide them with exposure to gold assets in a larger, more diversified company with sound management and other promising

projects that will be well positioned for any eventual rise in the gold market."

## **SUMMARY OF PROPOSED TRANSACTION**

Under the terms of the Agreement on closing each Goldrush shareholder will receive 0.0714 common share of First Mining for each Goldrush common share held. First Mining will issue a total of approximately 11,950,834 common shares to the former Goldrush shareholders, valuing Goldrush's equity at approximately CAD\$4.42 million. Following the completion of the transaction, the current shareholders of Goldrush will hold approximately 3.9% of the issued and outstanding shares of First Mining.

The Arrangement will require the approval of at least two-thirds of the votes cast by the shareholders of Goldrush voting on such resolution at a special meeting expected to take place in Vancouver, B.C. on December 29, 2015.

The Arrangement is subject to applicable shareholder, court and stock exchange approvals and the satisfaction of certain other closing conditions customary in transactions of this nature.

The Agreement includes customary provisions, including non-solicitation of alternative transactions, right to match superior proposals and fiduciary-out provisions. In addition, Goldrush may be required to pay a termination fee of CAD\$250,000 upon the occurrence of certain events.

After taking into consideration, among other things, the recommendation of the special committee of the Goldrush board of directors which was established to review strategic alternatives for Goldrush, including the Arrangement, and the fairness opinion of Bruce McKnight Minerals Advisor Services, the Board of Directors of Goldrush has unanimously approved the Arrangement and will provide a written recommendation that Goldrush shareholders vote in favour of the Arrangement which will be included in the information circular to be mailed to shareholders in connection with the Arrangement.

Each of the directors and senior officers of Goldrush, who hold in the aggregate of approximately 8.5% of the issued and outstanding Goldrush shares (assuming no exercise of existing Goldrush stock options) have entered into a voting agreement with First Mining and have agreed to vote in favor of the Arrangement at the special meeting of Goldrush shareholders to be held to consider the Arrangement. Upon completion of the Arrangement, all of the directors and officers of Goldrush will resign from their positions in Goldrush.

Full details of the Arrangement will be included in a Management Information Circular to be mailed to Goldrush shareholders in accordance with applicable securities laws. Goldrush expects to mail the Information Circular by the end of November 2015.

In addition and unrelated to the Goldrush Transaction, First Mining announces that it has settled certain current liabilities amounting to CAD\$17,073 by the issuance of 42,682 common shares of the Company at a deemed price of CAD\$0.40 per common share.

## **ADVISORS AND COUNSEL**

Bruce McKnight Minerals Advisor Services ("McKnight") acted as exclusive financial advisor to Goldrush. McCullough O'Connor Irwin LLP acted as legal advisor to First Mining and Axiom Law Corporation acted as legal advisor to Goldrush. McKnight has provided an opinion to the Board of Directors of Goldrush that, based upon and subject to the limitations contained in the fairness opinion, and such other matters as McKnight has considered relevant, the terms of the Arrangement (pursuant to which First Mining would acquire Goldrush by issuing to each Goldrush Shareholder 0.0714 of a First Mining Share for each Goldrush Share held) are fair from a financial point of view to the Goldrush shareholders.

## **ABOUT FIRST MINING FINANCE CORP.**

First Mining is a mineral property holding company whose principal business activity is to acquire high quality mineral assets with a focus in the Americas. The Company currently holds a portfolio of 21 mineral assets in Canada, Mexico and the United States with a focus on gold. Ultimately, the goal is to continue to increase its portfolio of mineral assets through acquisitions that are expected to be comprised of gold, silver, copper, lead, zinc and nickel.

## **ABOUT GOLDRUSH RESOURCES LTD.:**

Goldrush is a Canadian mineral exploration company focused on gold exploration, with a treasury of

approximately CAD\$3,400,000, royalty interests on two gold projects in Burkina Faso, West Africa and a US\$500,000 receivable payment due in late December, 2017.

For further information on [Goldrush Resources Ltd.](http://www.goldrushresources.ca), shareholders and other interested parties are invited to visit the Company's website at [www.goldrushresources.ca](http://www.goldrushresources.ca).

ON BEHALF OF THE BOARD OF FIRST MINING FINANCE CORP.  
Keith Neumeyer, Chairman

ON BEHALF OF THE BOARD OF GOLDRUSH RESOURCES LTD.  
Len Brownlie, President & CEO

### **Cautionary Note Regarding Forward-Looking Statements**

*This press release includes certain "forward-looking information" and "forward-looking statements" (collectively "forward-looking statements") within the meaning of applicable Canadian and United States securities legislation including the United States Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical fact, included herein, without limitation, statements relating the future operating or financial performance of the Company, are forward-looking statements.*

*Forward-looking statements are frequently, but not always, identified by words such as "expects", "anticipates", "believes", "intends", "estimates", "potential", "possible", and similar expressions, or statements that events, conditions, or results "will", "may", "could", or "should" occur or be achieved. Forward-looking statements in this press release relate to, among other things: anticipated benefits of the Arrangement to First Mining and Goldrush and their respective shareholders; the pro rata shareholdings of the current shareholders of Goldrush in First Mining; pro forma market capitalization of First Mining; the timing and receipt of required shareholder, court, stock exchange and regulatory approvals for the Arrangement; the ability of First Mining and Goldrush to satisfy the other conditions to, and to complete, the Arrangement; the anticipated timing of the mailing of the information circular regarding the Arrangement; the closing of the Arrangement; analyst coverage, liquidity and access to capital markets of First Mining; length of the current market cycle and the requirements for an issuer to survive the current market cycle; future growth potential for First Mining; and receipt by Goldrush of payments due in connection with property sales transactions. Actual future results may differ materially. 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. Forward-looking statements reflect the beliefs, opinions and projections on the date the statements are made and are based upon a number of assumptions and estimates that, while considered reasonable by the respective parties, are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies.*

*Many factors, both known and unknown, could cause actual results, performance or achievements to be materially different from the results, performance or achievements that are or may be expressed or implied by such forward-looking statements and the parties have made assumptions and estimates based on or related to many of these factors. Such factors include, without limitation: satisfaction or waiver of all applicable conditions to closing of the Arrangement including, without limitation, receipt of all necessary securityholder, court, stock exchange and regulatory approvals or consents and lack of material changes with respect to the parties and their respective businesses, all as more particularly set forth in the Arrangement Agreement; the synergies expected from the Arrangement not being realized; business integration risks; fluctuations in general macro-economic conditions; fluctuations in securities markets and the market price of First Mining's shares; fluctuations in the spot and forward price of gold, silver, base metals or certain other commodities; fluctuations in the currency markets (such as the Canadian dollar versus the U.S. dollar); changes in national and local government, legislation, taxation, controls, regulations and political or economic developments; risks and hazards associated with the business of mineral exploration, development and mining (including environmental hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins and flooding); inability to obtain adequate insurance to cover risks and hazards; and the presence of laws and regulations that may impose restrictions on mining; employee relations; relationships with and claims by local communities and indigenous populations; availability and increasing costs associated with mining inputs and labour; the speculative nature of mineral exploration and development, including the risks of obtaining necessary licenses, permits and approvals from government authorities; title to properties; inaccuracies in the representations given by Goldrush in previous property sales agreements, the failure to meet the closing conditions thereunder and the failure by counterparties to such agreements to comply with their obligations thereunder. In addition, Goldrush may in certain circumstances be required to pay a non-completion or other fee to First Mining, the result of which could have a material adverse effect on Goldrush's financial position and results of operations and its ability*

*to fund growth prospects and current operations. Readers should not place undue reliance on the forward-looking statements and information contained in this news release concerning these times. Except as required by law, neither First Mining nor Goldrush assumes any obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change, except as required by law.*

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

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