Ecometals Limited Announces Convertible Debentures Financing

05.03.2013 | Marketwired

NOT FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICE OR FOR DISSEMINATION IN THE UNITED STATES

VANCOUVER, BRITISH COLUMBIA -- (Marketwire - March 5, 2013) - Ecometals Limited (the "Company") (TSX VENTURE:EC) (FRANKFURT:GDQ) (BERLIN:GDQ) announces that it intends to complete a private placement of convertible debentures (the "Offering") in reliance on the TSXV Bulletin dated December 12, 2012, Private Placements - Temporary Relief From Certain Pricing Requirements (the "Bulletin"). The Offering will consist of up to 120 units of securities of the Company (each a "Unit") at a price of US$1,000 per Unit (the "Issue Price") for maximum aggregate proceeds of up to US$120,000, and is subject to the conditional acceptance of the TSXV.

Each Unit comprises a convertible unsecured debenture (the "Debenture") of the Company in the principal amount of US$1,000, convertible at the option of the holder at anytime up to and including the date of maturity, being the first anniversary of the issuance of the Debenture for 20,000 common shares of the Company. The remainder of the Unit consists of 20,000 common share purchase warrants (each, a "Warrant"), with each Warrant entitling the holder thereof to acquire one Common Share at a price of $0.05 until the first anniversary of the issuance of the Warrant.

Except for up to $50,000 of the proceeds that will be used for general working corporate purposes the remainder of the proceeds will be used to maintain the Company's existing operations, activities and assets.

This news release shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

About Ecometals

Ecometals Limited is a Canadian TSX Venture Exchange listed mineral exploration and development company focused on the mineral resources in Latin America. Apart from its gold exploration in Ecuador, Ecometals also has significant manganese, iron and gold projects in Brazil at grass roots exploration and development planning stages.

Forward-Looking Information:

This press release contains certain "forward-looking information". All statements, other than statements of historical fact, that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future (including, without limitation, statements relating to the proposed placement) constitute forward-looking information. This forward-looking information reflects the current expectations or beliefs of the Company based on information currently available to the Company as well as certain assumptions including, without limitation, assumptions as to the ability of the Company to raise funds in general and to obtain the approval of the TSXV to the Offering. Forward-looking information is subject to a number of significant risks and uncertainties and other factors that may cause the actual results of the Company to differ materially from those discussed in the forward-looking information, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on the Company. Factors that could cause actual results or events to differ materially from current expectations include, but are not limited to, detrimental market conditions, a lack of investor interest, and the failure of the Company to obtain the approval of the TSXV in a timely manner.

Any forward-looking information speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking information, whether as a result of new information, future events or results or otherwise. Although the Company believes that the assumptions inherent in the forward-looking information are reasonable, forward-looking information is not a guarantee of future performance and accordingly undue reliance should not be put on such information due to the inherent uncertainty therein.

Neither 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.

Contact

Ecometals Limited - Investors
William Lamarque, Chief Executive Officer
wglamarque@ecometalslimited.com

Ecometals Limited - Investors
Andrew Robertson, Chief Financial Officer
+44 207 340 8521
arobertson@ecometalslimited.com

Ecometals Limited
Enquiries: info@ecometalslimited.com
www.ecometalslimited.com