

Northern Sun Mining Corp. Launches Private Placement Financing for Up to \$30 Million

31.10.2013 | [Marketwired](#)

PART OF FINANCING TO BE USED TO FUND SNOW LAKE ACQUISITION (AS ANNOUNCED ON OCTOBER 20, 2013)

CONFERENCE CALL TO BE HELD TOMORROW NOVEMBER 1, 2013 AT 10:00 AM (EST)

TORONTO, ONTARIO -- (Marketwired - Oct. 31, 2013) - [Northern Sun Mining Corp.](#) (formerly Liberty Mines Inc.) (TSX:NSC) continues to build upon its restructuring activities by launching a private placement financing of up to 50,000,000 subscription receipts for gross proceeds of up to \$30,000,000. Since Forbes & Manhattan Inc. became involved with management in June 2013, Northern Sun Mining Corp. ("Northern Sun" or the "Company"), together with its largest shareholder Jien International Investment Inc. ("JIIL"), have aggressively implemented a turnaround plan involving various restructuring activities to re-position the Company as a near term gold producer.

Northern Sun plans to host a conference call on Friday, November 1, 2013 at 10:00 AM (EST). To participate in the call please dial:

International: +1 416-340-2217
Toll Free North America: 866-696-5910
Toronto Area: 416-340-2217
Participant Passcode: 2891117

The Company has entered into a definitive agreement with [QMX Gold Corporation](#) to acquire the Snow Lake property in Manitoba. Upon completion of the transaction, which is expected to close on or about November 30, 2013, Northern Sun will have the following profile:

- Immediate medium-term growth potential targeting 80,000 ounces of gold per year at the Snow Lake Property, with projected total cash costs estimated at CDN\$852 per ounce gold.
- Measured and indicated mineral resources of 5,471,000 tonnes grading 4.14 g/t Au for 728,000 oz Au; and additional inferred resources of 2,367,000 tonnes grading 4.43 g/t Au for 336,700 oz Au (see Press Release dated August 28, 2013).
- Proven and probable mineral reserves from these resources are calculated to be 3,477,000 tonnes grading 4.04 g/t Au for 451,900 oz Au (See Press Release dated August 28, 2013).
- Two mills (1,500 tpd capacity Redstone Mill in Timmins, Ontario and 2,150 tpd capacity Snow Lake Mill in Snow Lake, Manitoba) strategically located in two leading Canadian gold districts providing a platform for regional consolidation and future production growth, including custom milling.

The Snow Lake project's assets include the New Britannia Mine with associated plant, infrastructure, and equipment including a fully permitted 2,150 tonne per day modern mill and tailings facility. The property consists of approximately 104 km² of mineral claims and leases containing over ten known mineralized zones, including four gold deposits with NI 43-101 mineral resources, three of which are historic production sites. The Snow Lake camp is highly prospective for gold mineralization and hosts the Lalor gold project, owned by HudBay Minerals Inc. For additional information relating to the Snow Lake Property please see Northern Sun's press release dated August 28, 2013 filed on SEDAR and the feasibility study dated December 14, 2010 entitled "Technical Report NI 43-101 Feasibility Study, Snow Lake Mine Re-activation Project", prepared for QMX which is available under QMX's company profile on www.sedar.com.

During July to September of this year, the Company also instituted a remediation plan of its Redstone mill and McWatters mine site through the engagement of JMX Environmental Inc.; and implemented a share consolidation to effect a 50:1 consolidation. In addition, in October, the Company entered into debt settlement agreements with various creditors to settle approximately \$3,043,474 in payables through the issuance of shares and cash and intends to settle approximately \$1,320,000 in debt currently held by JIIL through the issuance of 2,000,000 common shares of the Company. Further, as approved by shareholders

at its latest special meeting, the Company shall transfer all of its existing properties, assets and liabilities, including the debts owed to JILL, to its wholly-owned subsidiary to facilitate the acquisition of additional assets and provide the Company with the ability to develop new projects.

Details of Private Placement

In connection with the acquisition of the Snow Lake property, the Company intends to complete a private placement financing of subscription receipts for gross proceeds of up to \$30,000,000 (the "Offering"). The Company will issue up to 50,000,000 subscription receipts ("Subscription Receipts") at a price of \$0.60 per Subscription Receipt. Subject to certain escrow release conditions set out below, each Subscription Receipt will automatically be exchangeable for a unit of the Company (a "Unit") without any additional payment or further action on the part of the holder on the date which is the earlier of: (i) the date that the securities underlying the Units become qualified by a prospectus; and (ii) the date that is four months and one day from the date that the escrow release conditions are satisfied. Each Unit shall be comprised of one common share of the Company and one half of one common share purchase warrant (each whole warrant, a "Warrant"), entitling the holder thereof to acquire a common share at a price of \$0.75 for a period of twelve months from the closing of the Offering.

JILL, which is the Company's largest shareholder and strategic partner, will participate in the Offering to acquire that number of Subscription Receipts that maintains its pro rata 60% interest in the Company, on a partially diluted basis upon completion of the Offering.

The Company intends to use the net proceeds from the sale of the Subscription Receipts to fund the consideration payable by Northern Sun for the acquisition of the Snow Lake property. The gross proceeds from the sale of the Subscription Receipts, including any finder's fees payable with respect to the Offering and the expenses payable by the Company on closing, will be held in escrow pending satisfaction of certain conditions including: (a) the conditional approval of the TSX; (b) receipt of shareholder approval for the Offering; and (c) confirmation that all conditions precedent to the acquisition of the Snow Lake property have been satisfied or waived (the "Escrow Release Conditions"). If the Escrow Release Conditions are not satisfied by 11:59 p.m. (Toronto time) on December 31, 2013, the holders of the Subscription Receipts shall be entitled to a refund of the full subscription price and any interest accrued thereon.

Closing of the Offering is expected to occur on or before November 30, 2013 or such other date that is agreed upon by Northern Sun. All securities issued pursuant to the Offering which are not qualified by a prospectus, including the common shares underlying the Warrants will be subject to a statutory four month and one day hold period. The Offering is subject to a number of conditions, including the receipt of all regulatory approvals, shareholder approval and the approval of the TSX. The Company may pay finder's fees with respect to the Offering.

Qualified Persons

The technical and scientific content of this press release has been reviewed and approved by David M. Rigg, P.Geol. and qualified person under NI 43-101. As President and CEO of Northern Sun, Mr. Rigg is not considered independent.

About Northern Sun Mining Corp.

Northern Sun owns two former producing nickel mines and a large prospective land package in the Shaw Dome area, a prospective nickel belt near Timmins, Ontario. Northern Sun owns the Redstone Mill which has operated as the only nickel concentrator in this Region. The Mill was designed with two processing circuits which can operate in tandem at 1,500 tonnes per day ("tpd"), but with the flexibility to operate independently processing two different ore types, each at 750 tpd. In 2014, the Company intends to re-open the mill to offer toll milling services to a variety of deposits in the Timmins Camp and general area.

REGULATORY NOTES AND CAUTIONARY STATEMENTS

This document includes "forward looking statements", as defined under applicable securities laws. All statements, other than statements of historical fact, including statements regarding the impact of the private placement financing, the timing of completion of the financing, future plans and objectives of Northern Sun, and the timing and completion of necessary financing and its consequences 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 Northern Sun's expectations are: insolvency risks; regulatory approvals; environmental risks and other risks inherent in the mining industry, as described in Northern Sun's public filings. Forward-looking statements speak only as of the date on which they are made. Northern Sun does not undertake to publicly update any such statement, except where required by securities regulations. Accordingly, readers should not place undue reliance on forward-looking statements.

No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained here.

Contact

[Northern Sun Mining Corp.](#)
David Rigg, President & CEO
(416) 861-5889
david.rigg@broadleaf.com

Dieser Artikel stammt von [Rohstoff-Welt.de](#)

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/159675--Northern-Sun-Mining-Corp.-Launches-Private-Placement-Financing-for-Up-to-30-Million.html>

Für den Inhalt des Beitrages ist allein der Autor verantwortlich bzw. die aufgeführte Quelle. Bild- oder Filmrechte liegen beim Autor/Quelle bzw. bei der vom ihm benannten Quelle. Bei Übersetzungen können Fehler nicht ausgeschlossen werden. Der vertretene Standpunkt eines Autors spiegelt generell nicht die Meinung des Webseiten-Betreibers wieder. Mittels der Veröffentlichung will dieser lediglich ein pluralistisches Meinungsbild darstellen. Direkte oder indirekte Aussagen in einem Beitrag stellen keinerlei Aufforderung zum Kauf-/Verkauf von Wertpapieren dar. Wir wehren uns gegen jede Form von Hass, Diskriminierung und Verletzung der Menschenwürde. Beachten Sie bitte auch unsere [AGB/Disclaimer!](#)

Die Reproduktion, Modifikation oder Verwendung der Inhalte ganz oder teilweise ohne schriftliche Genehmigung ist untersagt!
Alle Angaben ohne Gewähr! Copyright © by Rohstoff-Welt.de -1999-2026. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).