

VANCOUVER, March 10, 2016 /CNW/ - [Wellgreen Platinum Ltd.](#) (TSX: WG; OTC-QX: WGPLF) ("Wellgreen Platinum" or the "Company") is pleased to announce that it intends to issue up to 60,500,000 units (the "Units") in two separate tranches, at a price of \$0.20 per Unit (the "Subscription Price"), by way of a non-brokered private placement (the "Private Placement") for total gross proceeds of up to \$12.1 million. The Units are comprised of one common share in the capital of the Company and one common share purchase warrant (each, a "Warrant"). Each Warrant will entitle the holder thereof to purchase one common share of Wellgreen Platinum at a price of \$0.27 for a period of five (5) years following the closing of the First Tranche Financing (as defined below) or the Second Tranche Financing (as defined below), as applicable.

In connection with the Private Placement, the Company has entered into an agreement (the "Agreement") to issue a total of 50,000,000 Units to Electrum Strategic Opportunities Fund L.P. ("Electrum") in two tranches. The closing of each tranche is subject to the fulfilment or waiver of certain terms and conditions. Upon closing of the second tranche of the Private Placement (the "Second Tranche Financing") and assuming that a total of 60,500,000 Units are issued in aggregate, Electrum will own a 26.9% equity interest in the Company, or a 40.6% equity interest on a partially diluted basis assuming the exercise of all Warrants acquired by the subscribers of the Private Placement.

John Sagman, Wellgreen Platinum's Interim President & COO, commented, "We are very pleased to announce this substantial equity investment by Electrum. We believe the Company and its shareholders will benefit from Electrum's strong mining expertise as we continue to advance the Wellgreen PGM-nickel project."

The Company intends to issue up to 15,500,000 Units in the first tranche of the Private Placement which is expected to close later this month (the "First Tranche Financing"). Electrum has agreed to subscribe for 14,000,000 Units as part of the First Tranche Financing. Assuming the First Tranche Financing is fully subscribed, Electrum will own a 9.9% equity interest in the Company, or a 17.9% equity interest on a partially diluted basis assuming the exercise of all Warrants acquired by the subscribers of the First Tranche Financing.

Upon completion of the First Tranche Financing, Electrum will have the right to designate an individual as a nominee to the Company's board of directors (the "Board") and will hold a right to participate (the "Pro Rata Right") in any future financing of the Company in order to maintain its pro rata shareholding (assuming for such purpose full exercise of any Warrants held by Electrum). The Pro Rata Right will continue until such time that Electrum no longer holds more than 5% of the then outstanding voting shares of the Company.

Following the closing of the First Tranche Financing, the Company will seek shareholder approval at a special meeting of its shareholders (the "Shareholder Meeting") for the Second Tranche Financing under which the Company will issue up to 45,000,000 Units at the Subscription Price. Electrum has agreed to subscribe for 36,000,000 Units as part of the Second Tranche Financing, subject to, among other things, the Company obtaining shareholder approval. Details of the Shareholder Meeting will be provided in a future news release.

Upon completion of the Second Tranche Financing, Electrum will have the right to designate an additional nominee to the Board. This right will continue until such time that Electrum no longer holds more than 15% of the then outstanding voting shares of the Company.

All securities issued in the Private Placement will be subject to a statutory four month hold period. Closing of the Private Placement is subject to, among other things: (i) completion of satisfactory due diligence by Electrum prior to completion of the First Tranche Financing; (ii) the receipt of all regulatory approvals, including approval of the TSX; and (iii) receipt of shareholder approval at the Shareholder Meeting (for the Second Tranche Financing only).

The net proceeds of the Private Placement will be used for the development of the Company's Wellgreen PGM-nickel project in the Yukon and for general corporate purposes.

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 Wellgreen Platinum

Wellgreen Platinum is a Canadian mining exploration and development company focused on the active advancement of its 100% owned Wellgreen platinum group metals (PGM) and nickel project. Located in Yukon, Canada, the 2015 Preliminary Economic Assessment demonstrated that the Wellgreen PGM-nickel project has the potential to become a large, low cost, open pit producer of platinum, palladium, gold, nickel, and copper. The Wellgreen property is accessible from the paved Alaska Highway, which leads to year-round deep sea ports in southern Alaska.

The Company is led by a management team with a track record of successful large-scale project discovery, development, financing and operation. Our vision is to create value for our shareholders through development of the Wellgreen deposit into a leading North American PGM and nickel producer.

Cautionary Note Regarding Forward Looking Information:

This news release includes certain information that may be deemed "forward-looking information". Forward-looking information can generally be identified by the use of forward-looking terminology such as "may", "will", "expect", "intend", "estimate", "anticipate", "believe", "continue", "plans" or similar terminology, or negative connotations thereof. All information in this release, other than information of historical facts, including, without limitation, the completion of the Private Placement, the expected use of proceeds, the holding of the Shareholder Meeting, the receipt of shareholder approval at the Shareholder Meeting, the receipt of TSX approval, a potential future prefeasibility study, assay results, updated geological deposit model, the size and scale of the Wellgreen deposit, future exploration and development of the Wellgreen PGM-nickel project, the undertaking of future activities and work programs at the Wellgreen PGM-nickel project, realization of the potential of the Wellgreen deposit, the active advancement of the Wellgreen PGM-nickel project, and general future plans and objectives for the Company and the Wellgreen PGM-nickel project are forward-looking information that involve various risks and uncertainties. Although the Company believes that the expectations expressed in such forward-looking information are based on reasonable assumptions, such expectations are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking information. Forward-looking information is based on a number of material factors and assumptions. Factors that could cause actual results to differ materially from the forward-looking information include changes in project parameters as plans continue to be refined, future metal prices, availability of capital and financing on acceptable terms, general economic, market or business conditions, uninsured risks, regulatory changes, defects in title, availability of personnel, materials and equipment on a timely basis, accidents or equipment breakdowns, delays in receiving government approvals, the Company's ability to maintain the support of stakeholders necessary to develop the Wellgreen PGM-nickel project, unanticipated environmental impacts on operations and costs to remedy same, and other risks detailed herein and from time to time in the filings made by the Company with securities regulatory authorities in Canada. Mineral exploration and development of mines is an inherently risky business. Accordingly, actual events may differ materially from those projected in the forward-looking information. For more information on the Company and the key assumptions, risks and challenges with respect to the forward looking information discussed herein, and about our business in general, investors should review the 2015 PEA technical report on the Wellgreen PGM-nickel project, our most recently filed annual information form, and other continuous disclosure filings which are available at www.sedar.com. Readers are cautioned not to place undue reliance on forward-looking information. The Company does not undertake to update any forward looking information, except in accordance with applicable securities laws.

SOURCE [Wellgreen Platinum Ltd.](http://www.wellgreenplatinum.com)

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