Chieftain Metals Announces Receipt of Repayment Demand and Notice of Intention to Enforce Security

16.08.2016 | Marketwired

TORONTO, Aug 16, 2016 - On August 15, 2016, Chieftain Metals Corp. (TSX VENTURE:CFB) and its wholly owned subsidiary, Chieftain Metals Inc., (collectively "Chieftain" or the "Corporation"), received from West Face Capital Inc. ("West Face") acting as an agent of West Face Long Term Opportunities Global Master L.P. a repayment demand in the amount of C$26,544,454.94 plus a forbearance fee of C$150,000, plus any costs and expenses. The Corporation also received a notice of intention to enforce the security under the July 4, 2014 loan agreement, subsequently amended on March 31, 2015 and May 10, 2016 pursuant to section 244(1) of the Bankruptcy and Insolvency Act (Canada) (the "Notice of Intention to Enforce").

Chieftain continues to pursue alternative financing; however, there is no assurance that the Corporation will be successful in securing such financing or if such financing discussions will be sufficiently advanced in the next 10 days when the notice period set out in the Notice of Intention to Enforce expires, at which time West Face may seek to take steps to enforce its security.

About Chieftain

Chieftain Metals Corp. is a public holding company, whose principal business is the acquisition, exploration and development of mineral properties. Chieftain's business has focused on the development of the Tulsequah Chief deposit located in north-western British Columbia, Canada. Chieftain's properties consist of 65 mineral claims and Crown-grants covering approximately 32,722 hectares including two previously producing mines.

Cautionary Statement Regarding Forward-Looking Information

This press release contains forward-looking information. All statements, other than statements of historical fact, are forward-looking and can be identified by the use of future-oriented words and phrases including without limitation "may", "will", "could", "subject to", "expects" and variations and negatives thereof. Forward-looking information contained in this document is based on the opinions and estimates of management as well as certain assumptions considered by management to be reasonable and which are made as at the date the information is given. Readers should be cautioned that forward-looking information is subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information. Readers are cautioned to not place undue reliance on forward-looking information because it is possible that predictions, forecasts, projections and other forms of forward-looking information will not be achieved by Chieftain. The forward-looking information contained herein is made as of the date hereof and Chieftain assumes no responsibility to update or revise it to reflect new events or circumstances, except as required by law.

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

Chieftain Metals Corp.
Victor Wyprysky, President & CEO
(416) 479-5410
vw@chieftainmetals.com

Chieftain Metals Corp.
Pompeyo Gallardo, CFO
(416)-479-5410
pg@chieftainmetals.com