

VANCOUVER, BC / ACCESSWIRE / August 29, 2016 / Wolf Wiese, CEO of [Golden Dawn Minerals Inc.](#) (TSXV: GOM) (FRANKFURT: 3G8A) (the "Company" or "Golden Dawn") announces it has executed a definitive agreement and has received conditional approval from the TSX Venture Exchange (the "Exchange") for the issue of a Convertible Security with a face value of US\$2,400,000 (the "Investment") from Lind Asset Management VI, LLC, managed by The Lind Partners, LLC, a New York-based institutional fund manager (together, the "Investor" or "Lind"). Lind is an experienced investor in the mining sector in Canada, the United States, Australia and elsewhere. The terms of the Investment are detailed below.

The Company will use the USD\$1,880,000 (approx. CN\$2,400,000) net proceeds from the Investment plus additional cash on hand to exercise the Company's option with [Huakan International Mining Inc.](#) ("Huakan") (see news release for the Company dated April 12th, 2016) to acquire a 100% interest in the Greenwood Project assets (Lexington Mine, Golden Crown Mine and processing facility in southeastern British Columbia) for CDN\$2,900,000 plus posting of a remedial bond for CDN\$450,000 CAD, for a total of CAD \$3,350,000.

The Investment is in the form of a senior secured convertible security with an initial maturity of 36 months and a fixed conversion price per share of CDN\$0.31, being the last closing price of the Company's common shares on the Exchange prior to execution of the definitive agreement. The gross funded amount is US\$2,000,000 (US\$1,880,000 net to Company) which will have a pre-paid interest component of US\$400,000 for a total Face Value amount of US\$2,400,000. The Company is required to repay US\$100,000 monthly after the first four months, except that the repayment amount will be reduced in any month by the amount converted to common shares, and will also be reduced in subsequent months where the Investor converts more than US\$100,000 to common shares in a month.

The Investment will be completed under private placement rules with a 4 month plus one day hold period. Pre-paid interest will accrue monthly with Investor's option to convert accrued interest quarterly in common shares up to the then maximum allowable discount by the Exchange at that time.

The Investor will also receive 8,389,355 warrants at CDN \$ 0.31 exercise price which expire 36 months from their date of issue and will also receive additional warrants if and when interest payments are made which will have 36 month expiry and priced at the then current market price under Exchange rules.

The Company has the right to buy-back the Investment at any time for a 5% premium, or for no premium during the initial lock-up period; furthermore, if the Company buys back the Investment within the first six months, then the Face Value will be reduced by US\$100,000. The Investment contains strict no shorting clauses and the Investor will notify the Company in the event of a change in its prime broker. The Investor has the right to re-invest up to an additional US\$1,000,000 on similar terms and conditions as the initial Investment, subject to Exchange approval at that time.

It is also a term of the investment that if the Company arranges or obtains any debt funding (including convertible debt), or sells a metal stream or royalty, or issues new common shares in private placement or public offering with a per share price of CDN\$0.15 or less, then the Investor has the right to require that the such proceeds be used to repay the investment. As well, the investment is subject to customary events of default which, if they occur, make the total remaining Face Value immediately repayable, and this includes if, after the first four months, the Company's cash balance is less than CDN\$750,000 or its market capitalization falls to less than CDN\$15 million.

The issuance of the Convertible Security remains subject to conditions, including the perfection of a security package that includes the Company and its subsidiaries providing security over all of their assets, including the assets to be acquired from Huakan. The closing of the investment and issuance of the Convertible Security is expected on or before September 2, 2016. While the investment has received conditional approval from the Exchange it also remains subject final due diligence by the investor.

The Company appreciates Lind's cooperation and diligent efforts to complete this acquisition financing in a timely manner.

On behalf of the Board of Directors:

GOLDEN DAWN MINERALS INC.

"Wolf Wiese"

Wolf Wiese

Chief Executive Officer

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*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.*

SOURCE: [Golden Dawn Minerals Inc.](#)