

MONTREAL, March 8, 2017 /CNW/ - Monarques Gold Corporation ("Monarques" or the "Corporation") (TSXV:MQR) (FRANKFURT: MR7) is pleased to announce that it has completed a bought deal private placement (the "Offering"), as previously announced on February 23, 2017, of 4,000,000 units of the Corporation (the "Units") at a price of \$0.45 per Unit for gross proceeds of \$1,800,000 and 5,000,000 flow-through common shares of the Corporation (the "Flow-Through Shares") at a price of \$0.66 per Flow-Through Share for gross proceeds of \$3,300,000, pursuant to the terms and conditions of an underwriting agreement entered into between the Corporation and a syndicate of underwriters led by Laurentian Bank Securities Inc. and including Canaccord Genuity Corp. (together the "Underwriters"). The Underwriters also exercised part of their over-allotment option (the "Over-Allotment Option") and acquire an additional 38,000 Flow-Through Shares for additional gross proceeds of \$25,080 and an additional 34,522 Units for additional gross proceeds of \$15,534.90. Including the proceeds from the exercise of the Over-Allotment Option, the total gross proceeds of the Offering were \$5,140,614.90, with a total of 4,034,522 Units and 5,038,000 Flow-Through Shares being issued.

Each Unit is comprised of one common share of the Corporation (a "Common Share") and one Common Share purchase warrant of the Corporation (a "Warrant"). Each Warrant entitles the holder thereof to purchase one Common Share at a price of \$0.60 per Common Share, for a period of 36 months following the closing of the Offering.

In consideration for the services rendered in connection with the Offering, the Underwriters received a cash commission equal to 7.0% of the gross proceeds of the Offering, other than in respect of orders received from a president's list purchasers on which a cash commission of 5.0% of the gross proceeds has been paid. As additional consideration, the Corporation also issued to the Underwriters compensation warrants (the "Compensation Warrants") equal to 5.0% of the number of Units and Flow-Through Shares issued pursuant to the Offering. Each Compensation Warrant is exercisable to acquire one Common Share at an exercise price of \$0.50 at any time in whole or in part for a period of 36 months from the closing of the Offering.

The gross proceeds from the sale of the Flow-Through Shares will be used for exploration expenses on the properties located in the province of Québec while the net proceeds from the sale of the Units will be used for general corporate and working capital purposes. Following this placement the corporation holds in treasury more than \$10M in cash.

All securities issued under the Offering are subject to a four month and one day hold period from the date of issue in accordance with applicable securities laws expiring on July 9, 2017.

Guy Bourassa, a director of the Corporation has subscribed for 20,000 Units under the Offering, which constitutes a "related party transaction" within the meaning of Regulation 61-101 respecting Protection of Minority Security Holders in Special Transactions ("Regulation 61-101") and TSX Venture Exchange Policy 5.9 &#8211; Protection of Minority Security Holders in Special Transactions. However, the directors of the Corporation who voted in favour of the Offering have determined that the exemptions from formal valuation and minority approval requirements provided for respectively under subsections 5.5(a) and 5.7(1)(a) of Regulation 61-101 can be relied on as neither the fair market value of the Units issued to Mr. Bourassa nor the fair market value of the consideration paid exceed 25% of the Corporation's market capitalization. None of the Corporation's directors has expressed any contrary views or disagreements with respect to the foregoing.

A material change report in respect to this related party transaction will be filed by the Corporation but could not be filed earlier than 21 days prior to the closing of the Offering due to the fact that the terms of the participation of each of the non-related parties and the related party in the Offering were not confirmed.

This press release does not constitute an offer of securities for sale in the United States or to "U.S. persons" ("U.S. persons"), as such term is defined in Regulation S promulgated under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"). The securities being offered have not been, nor will be, registered under the U.S. Securities Act or any state securities laws, and may not be offered or sold in the United States or to U.S. persons absent registration or an applicable exemption from such registration requirements.

## ABOUT MONARQUES GOLD CORPORATION

Monarques Gold is a growing junior gold company focused on becoming the leading explorer and developer of gold properties in the Val-d'Or/Abitibi gold camp in Quebec, Canada. In addition to its main asset, the Croinor Gold mine, which has great potential to become a producing mine, the Corporation currently has approximately 200 km<sup>2</sup> of gold exploration properties along the Cadillac Break (see map). Monarques Gold is well financed and has close to \$9 million in credits from Quebec's Ministry of Energy and Natural Resources.

(Watch our latest Corporate Video)

Forward-Looking Statements

The forward-looking statements in this press release involve known and unknown risks, uncertainties and other factors that may cause Monarques' actual results, performance and achievements to be materially different from the results, performance or achievements expressed or implied 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 press release.

SOURCE [Monarques Gold Corp.](#)

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