

TORONTO, June 29, 2017 /CNW/ - [Kerr Mines Inc.](#) ("Kerr" or the "Company") (TSX: KER, OTCQB: KERMF, FRA: 7AZ1) announces that it has closed the first tranche of a non-brokered private placement previously announced on June 15, 2017 and June 21, 2017, which was oversubscribed, raising gross proceeds of \$8,000,000 (the "Offering").

The Company completed the first tranche of the Offering consisting of 35,640,538 units of the Company (the "Units") at a price of \$0.18 per Unit for total gross proceeds of \$6,415,297. Each Unit of the Offering is comprised one common share ("Share") and one-half of one common share purchase warrant ("Warrant"). Each Warrant entitles the holder thereof to acquire a Share at a price of \$0.27 per share for a period of 24 months from the date of issuance, provided, that if, at any time the Shares trade at a volume weighted average trading price of \$0.40, or greater, per Share for a period of 20 consecutive trading days. The Company may accelerate the expiry date of the Warrants by giving notice to the holders thereof and in such case the Warrants will expire on the 30th day after the date on which such notice is given by the Company. In connection with the Offering the Company paid finder fees totalling \$153,717 to certain eligible persons. The securities issued pursuant to the Offering are subject to a four month hold period, expiring on October 30, 2017.

The Company will use the net proceeds from the Offering to finance its exploration and development at its flagship Copperstone Mine in Arizona.

Mr. Fahad Al Tamimi, who is the Chairman of the Board, acquired a total of 1,111,111 Units. The Offering constituted a related party transaction within the meaning of Multilateral Instrument 61-101 ("MI 61-101") as insiders of the Company subscribed for an aggregate of \$200,000. The Company is relying on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101, as the fair market value of the participation in the Offering by insiders does not exceed 25% of the market capitalization of the Company, as determined in accordance with MI 61-101. The Company did not file a material change report in respect of the related party transaction at least 21 days before the closing of the Offering, which the Company deems reasonable in the circumstances so as to be able to avail itself of the proceeds of the Offering in an expeditious manner. In addition, Mr. Tamimi will participate in the second tranche of the Offering.

The Offering has been conditionally approved by the Toronto Stock Exchange ("TSX") but remains subject to final approval from the TSX.

About Kerr Mines Inc.

Kerr Mines is a North American gold development and exploration company currently advancing the fully permitted past-producing Copperstone Mine project. Copperstone is a high-grade gold project located along the Walker Lane mineral belt in mining-friendly Arizona. The project demonstrates significant upside exploration potential within a 12,000 acre land package which includes a production history of over 500,000 ounces of gold. The Company's current focus is on maximizing Copperstone's potential by defining and expanding current resources and strengthening the mine's economics leading to a production decision.

Cautionary Note Regarding Forward Looking Statements

This news release contains forward-looking statements, including current expectations on the timing of the commencement of production and the rate of production, if commenced. These forward-looking statements entail various risks and uncertainties that could cause actual results to differ materially from those reflected in these forward-looking statements. Such statements are based on current expectations, are subject to a number of uncertainties and risks, and actual results may differ materially from those contained in such statements. These uncertainties and risks include, but are not limited to, the strength of the Canadian economy; the price of gold; operational, funding, and liquidity risks; the degree to which mineral resource estimates are reflective of actual mineral resources; and the degree to which factors which would make a mineral deposit commercially viable are present; the risks and hazards associated with underground operations. Risks and uncertainties about Kerr Mines' business are more fully discussed in the Company's disclosure materials, including its annual information form and MD&A, filed with the securities regulatory authorities in Canada and available at www.sedar.com and readers are urged to read these materials. Kerr Mines assumes no obligation to update any forward-looking statement or to update the reasons why actual results could differ from such statements unless required by law.

Neither TSX nor its Regulation Services Provider (as that term is defined in the policies of the TSX) accepts responsibility for the adequacy or accuracy of this release and no stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein.

SOURCE [Kerr Mines Inc.](#)

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