TSXV: GGI
OTC: GGIFF
Frankfurt: RQM

VANCOUVER, Oct. 2, 2017 /CNW/ - Garibaldi Resources (TSX.V: GGI) (the "Company" or "Garibaldi") is pleased to confirm closing of the first tranche of the Company's recently announced $6 million private placement (see September 26, 2017 news release). The second and final tranche will close imminently.

Gross proceeds from the first tranche total $2,502,970 with all hard dollar and flow-through units subscribed for by Eric Sprott and 2176423 Ontario Ltd., respectively, a corporation beneficially owned by Mr. Sprott.

Steve Regoci, Garibaldi President and CEO, commented: "Eric Sprott is one of the most significant and accomplished investment leaders in the global resource sector. On behalf of all Garibaldi shareholders, we welcome his support in our drive to make the E&L Nickel Mountain Project near Eskay Creek the next major discovery in northwest British Columbia's prolific Golden Triangle."

First Tranche Details

Garibaldi issued 1,406,500 units at $0.82 per unit with each unit consisting of one common share of the Company and one share purchase warrant exercisable at a price of $1.05 per share for a period of two years. Garibaldi also issued an additional 1,467,000 flow-through units at $0.92 per unit with these units consisting of one common share of the Company and one half of one share purchase warrant exercisable at a price of $1.05 per share for a period of two years. All units from this first closing, non-flow-through and flow-through, are subject to a 4-month hold period from the date of issuance.

As a result of the closing of this first tranche, Eric Sprott beneficially owns and controls 9,284,593 common shares of Garibaldi and 3,951,593 share purchase warrants representing approximately 10.7% of the issued and outstanding common shares of the Company on a non-diluted basis and 14.6% on a partially diluted basis. Prior to this first closing, Mr. Sprott beneficially owned and controlled 6,411,093 common shares of Garibaldi and 1,811,593 share purchase warrants representing approximately 7.7% of the issued and outstanding common shares of the Company on a non-diluted basis and 9.6% on a partially diluted basis.

The Garibaldi non-flow-through and flow-through units were acquired by Mr. Sprott and 2176423 Ontario Ltd., respectively, for investment purposes. Mr. Sprott has a long-term view of the investment and may acquire additional securities of the Company either on the open market or through private acquisitions or sell securities of the Company either on the open market or through private dispositions in the future depending on market conditions, reformulation of plans and/or other relevant factors. A copy of Mr. Sprott's early warning report will appear on the Company's profile on SEDAR and may also be obtained by calling (416) 362-7172 (200 Bay Street, Suite 2600, Royal Bank Plaza, South Tower, Toronto, Ontario, M5J 2J2).

Use of Proceeds

Proceeds from the flow-through portion of this first tranche will be used to advance the E&L Nickel Mountain Project and other Garibaldi properties in the Eskay Camp and elsewhere in British Columbia. Proceeds from the non-flow-through financing are intended to advance the Company's gold and silver properties in Mexico, and for general working capital purposes. The financing will include finder's fee commissions and is subject to final TSX Venture approval.

About Garibaldi

Garibaldi Resources Corp. is an active Canadian-based junior exploration company focused on creating shareholder value through discoveries and strategic development of its assets in some of the most prolific mining regions in Mexico and British Columbia.

We seek safe harbor.

GARIBALDI RESOURCES CORP.

Per: "Steve Regoci"

Steve Regoci, President

Neither the TSX Venture Exchange nor its Regulation Services Provider accepts responsibility for the adequacy or the accuracy of t

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