

Comstock Metals Ltd. Announces Closing of Non-Brokered Private Placement

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Vancouver, July 3, 2018 - [Comstock Metals Ltd.](#) (TSX-V: CSL) ("Comstock" or the "Company") is pleased to announce that it has closed its previously disclosed (see press release dated June 8, 2018) non-brokered private offering of units ("Units"). Pursuant to the offering the Company issued a total of 12,127,400 Units at a price of \$0.05 per Unit raising aggregate gross proceeds of \$606,370.

Each Unit was issued at a price \$0.05 and consists of one common share in the capital of the Company (a "Share") and one common share purchase warrant (a "Warrant"). Each Warrant entitles the holder thereof to purchase one additional Share at an exercise price of \$0.10 per Share for a period of 24 months from the Closing Date.

The Warrants include an acceleration clause, whereby, if the closing price of the Company's common shares on the TSX Venture Exchange (or such other exchange on which the common shares may trade) is at a price equal to or greater than \$0.15 for a period of 10 consecutive trading days, the Company will have the right to accelerate the expiry date of the Warrants. If the Company exercises such right, it will give written notice to the holders of the Warrants that such warrants will expire 30 days from the date of notice to the warrant holders. Such notice by the Company to the holders of the Warrants may not be given until 4 months and one day after the closing date.

In connection with the closing of the financing the Company paid finders an aggregate fee of \$6,300 and issued an aggregate of 126,000 compensation options. Each compensation option entitles the holder thereof to acquire one Unit at a price of \$0.05 per Unit for a period of 24 months from the closing date.

The securities issued under the offering have not been, and will not be, registered under the U.S. Securities Act or any U.S. state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons absent registration or any applicable exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws.

The securities issued in connection with the offering were issued pursuant to applicable exemptions from the prospectus requirements under applicable securities laws. Such securities are subject to a four month hold period which will expire on November 4, 2018.

Pursuant to the offering, the Company issued Units to certain purchasers that are considered to be "related parties" (within the meaning of Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("MI 61-101")), making the Offering a "related party transaction" (within the meaning of MI 61-101) (the "Related Party Subscriptions"). The Company was exempt from obtaining a formal valuation for, and minority approval of, the Related Party Subscriptions pursuant to Section 5.5(b) and 5.7(b) of MI 61-101, respectively.

Steven H. Goldman and his wife subscribed for a total of 1,000,000 Units pursuant to the offering. Mr. Goldman is an officer and director of the Company and a "related party" of the Company (within the meaning of MI 61-101). Mr. Goldman now beneficially owns, or exercises control or direction over, 2,033,132 common shares of the Company (or, approximately 2.2% of the issued and outstanding common shares of the Company or approximately 5.9% of the issued and outstanding common shares of the Company on a partially diluted basis).

Rasool Mohammad subscribed for a total of 300,000 Units pursuant to the offering. Mr. Mohammad is a director of the Company and a "related party" of the Company (within the meaning of MI 61-101). Mr. Mohammad now beneficially owns, or exercises control or direction over, 1,541,870 common shares of the Company (or, approximately 1.7% of the issued and outstanding common shares of the Company or

approximately 3.5% of the issued and outstanding common shares of the Company on a partially diluted basis).

[Select Sands Corp.](#) subscribed for a total of 2,635,400 Units pursuant to the offering. [Select Sands Corp.](#) is a control person of the Company and a "related party" of the Company (within the meaning of MI 61-101). [Select Sands Corp.](#) now beneficially owns, or exercises control or direction over, 22,635,400 common shares of the Company (or, approximately 24.6% of the issued and outstanding common shares of the Company or approximately 26.7% of the issued and outstanding common shares of the Company on a partially diluted basis).

Zigurds (Zig) Vitols subscribed for a total of 250,000 Units pursuant to the offering. Mr. Vitols is an officer and director of [Select Sands Corp.](#), which is a control person of the Company and a "related party" of the Company (within the meaning of MI 61-101). Mr. Vitols now beneficially owns, or exercises control or direction over, 310,000 common shares of the Company (or, approximately 0.33% of the issued and outstanding common shares of the Company or approximately 0.60% of the issued and outstanding common shares of the Company on a partially diluted basis).

Gracetree Investments LLC and entities with which it acts joint and in concert subscribed for a total of 1,762,000 Units pursuant to the offering. Gracetree Investments LLC and entities with which it acts joint and in concert are together a control person of the Company and a "related party" of the Company (within the meaning of MI 61-101). Gracetree Investments LLC and entities with which it acts joint and in concert now beneficially owns, or exercises control or direction over, 15,761,999 common shares of the Company (or, approximately 17.2% of the issued and outstanding common shares of the Company or approximately 28% of the issued and outstanding common shares of the Company on a partially diluted basis).

The material change report to be filed in connection with the Private Placement will be filed less than 21 days prior to the closing of the offering. The shorter period was necessary in order to permit the Company to close the Private Placement in a timeframe consistent with usual market practice for transactions of this nature.

About Comstock Metals Ltd.

[Comstock Metals Ltd.](#) is a Canadian-focussed mineral exploration company with various resources projects located in Canada.

Forward Looking Statements

This news release includes forward-looking information and statements, which may include, but are not limited to, information and statements regarding or inferring the future business, operations, financial performance, prospects, and other plans, intentions, expectations, estimates, and beliefs of the Company. Such statements include statements regarding use of proceeds from the offering of Units. Forward-looking information and statements involve and are subject to assumptions and known and unknown risks, uncertainties, and other factors which may cause actual events, results, performance, or achievements of the Company to be materially different from future events, results, performance, and achievements expressed or implied by forward-looking information and statements herein. Although the Company believes that any forward-looking information and statements herein are reasonable, in light of the use of assumptions and the significant risks and uncertainties inherent in such information and statements, there can be no assurance that any such forward-looking information and statements will prove to be accurate, and accordingly readers are advised to rely on their own evaluation of such risks and uncertainties and should not place undue reliance upon such forward-looking information and statements. Any forward-looking information and statements herein are made as of the date hereof, and except as required by applicable laws, the Company assumes no obligation and disclaims any intention to update or revise any forward-looking information and statements herein or to update the reasons that actual events or results could or do differ from those projected in any forward looking information and statements herein, whether as a result of new information, future events or results, or otherwise, except as required by applicable laws.

For more information about Comstock Metals Ltd., please visit www.comstock-metals.com or contact:

Steven H. Goldman

Interim President, CEO and Director

[Comstock Metals Ltd.](#)

Phone: (416) 867-9100

Email: s.goldman@goldmanhine.com

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