

# Eureka Completes Reverse Takeover by Kore Mining Ltd.

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VANCOUVER, Oct. 30, 2018 - [Eureka Resources Inc.](#) ("Eureka" or the "Company") is pleased to announce that it has its previously announced acquisition of Kore Mining Ltd. (now 1065591 B.C. Ltd.) ("Kore") by way of a three-cornered amalgamation (the "Transaction"), and issued 61,360,880 common shares in the capital of the Company (each, a "Eureka Share") to the former securityholders of Kore, not including those issued pursuant to the concurrent financing described below. In connection with the closing of the Transaction, the Company changed its name to "Kore Mining Ltd." (the "Resulting Issuer"). As a result of the Transaction, all securityholders of Kore exchanged their common shares of Kore for Eureka Shares at an exchange ratio of 3.28006406082785 per Eureka Share for every one Kore common share. The Transaction is subject to the final acceptance by the TSX Venture Exchange (the "Exchange").

The Company expects to resume trading as a Tier 2 Mining Issuer under the symbol "KORE" at market open on Friday, October 2, 2018.

## Highlights

- The Transaction will constitute a reverse takeover of Eureka by Kore under the policies of the Exchange.
- As a condition to and prior to the closing of the Transaction (the "Closing"), Eureka has completed a consolidation of its issued and outstanding Eureka Shares on the basis of one post-consolidation Eureka Share for each ten pre-consolidation Eureka Shares (the "Consolidation").
- The Transaction has been effected by way of a three-cornered amalgamation, without court approval, under the Business Corporations Act (British Columbia), pursuant to which, through the amalgamation of a British Columbia subsidiary of Eureka and Kore, Eureka acquired all of the issued and outstanding Kore Shares in exchange for the issuance of 61,360,880 post-Consolidation Eureka Shares and Kore has become a wholly-owned subsidiary of the Resulting Issuer.
- Eureka has changed its name to Kore Mining Ltd. and will resume trading under the symbol "KORE".
- The Company has closed its required concurrent subscription receipt financing (the "Financing"), as further described in the Company's release dated October 22, 2018.

## New Board of Directors and Management Team

In connection with the Closing, certain directors and officers of the Company resigned and were appointed, such that the new directors and officers of the Resulting Issuer are now as follows:

Name	Position
Adrian Rothwell	President, Chief Executive Officer and Director
James Hynes	Chief Operating Officer and Director
Alan Ahlgren	Chief Financial Officer and Secretary
Harry Pokrandt	Director
Brendan Cahill	Director
Robert J. ("Don") MacDonald	Director

## Closing of Concurrent Financing

Immediately prior to the Closing, the Company converted an aggregate of 3,900,000 previously issued subscription receipts (each, a "Subscription Receipt") (on a post-Consolidation basis) issued pursuant to the Financing for gross proceeds of \$1,950,000 into units of the Company (each, a "Unit"). PI Financial Corp. (the "Agent") acted as agent of the Company for the Financing. Each Unit consists of one Eureka Share and one-half of one share purchase warrant (each whole warrant, a "Warrant"). Each Warrant entitles the holder thereof to acquire one common share in the capital of the Resulting Issuer (each, a "Resulting Issuer Share") until October 30, 2020 at a price of \$0.75, subject to acceleration if, following the issuance of the Warrants, the closing price of the Resulting Issuer Shares on the TSX Venture Exchange, or such other Canadian stock exchange on which the Resulting Issuer Shares are then principally traded, equals or exceeds \$1.00 per Resulting Issuer Share, for a period of ten consecutive trading days during the exercise period, in which case the Resulting Issuer may accelerate the expiry date of the Warrants to 30 calendar days from the date notice is given by the Resulting Issuer, by way of dissemination of a news release, to the holders of the Warrants.

In connection with the Financing, the Resulting Issuer: (i) paid the Agent a cash commission of \$161,500, (ii) issued the Agent an aggregate of 308,000 compensation options, each of which entitles the holder to acquire one Resulting Issuer Share at a price of \$0.50 per Resulting Issuer Share until October 30, 2020, and (iii) reimbursed the Agent for its reasonable expenses in the amount of \$82,597.50 incurred in connection with the Financing.

The proceeds of the Financing are expected to be used for costs incurred in connection with the Transaction, the Phase 1 work program with respect to Kore's Long Valley gold project following the Closing, and general working capital purposes. The Resulting Issuer Shares and Warrants issued on conversion of the Subscription Receipts are subject to a hold period expiring on February 23, 2019.

MDS Management Ltd., a company controlled by Michael Sweatman, a former officer and director of the Company immediately prior to the completion of the Transaction, subscribed for 10,000 Subscription Receipts and 1081646 B.C. Ltd., a company controlled by James Hynes, an incoming officer and director of the Resulting Issuer subscribed for 61,000 Subscription Receipts. The participation in the Financing by each company described in the preceding sentence was a "related party transaction" within the meaning of Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions ("MI 61-101"). The Resulting Issuer is exempt from the valuation requirement pursuant to Section 5.5(a) of MI 61-101 and from the shareholder approval requirement pursuant to Section 5.7(a) of MI 61-101.

#### Convertible Debenture Financing

Concurrently with the Closing, pursuant to the terms of convertible debentures (each, a "Debenture") previously issued by Kore in the aggregate principal amount of \$250,000, the Debentures automatically converted, immediately prior to the amalgamation contemplated by the Transaction, into units of the Company (each, a "Debenture Unit"), on the basis of one Debenture Unit for each \$0.50 of principal amount of the Debentures. Each Debenture Unit entitles the holder thereof to the same terms of those Units offered pursuant to the Financing.

#### Success Fee

The Company issued 180,000 Resulting Issuer Shares (the "Success Fee Shares") to one finder in connection with the Transaction. The Success Fee Shares are subject to a hold period expiring on March 1, 2019.

#### Escrow Shares

As a result of the Transaction, a total of 46,938,212 Resulting Issuer Shares are escrowed pursuant to an Exchange Tier 2 Value Escrow Agreement.

#### Grant of Stock Options

In connection with the Closing, the Company granted an aggregate of 1,375,000 stock options of the

Company, effective as of the date of the Closing, to certain directors and officers of the Company. Each of the options will be exercisable into one Resulting Issuer Share at a price of \$0.50 per Resulting Issuer Share for a period of five years following the Closing. All of the options vested on the date of grant.

No securities of the Company have been or will be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any state, district or commonwealth of the United States (as defined in Regulation S under the U.S. Securities Act). Accordingly, these securities may not be offered or sold, directly or indirectly, within the United States or to or for the account or benefit of any "U.S. Person" (as defined in Regulation S under the U.S. Securities Act), absent an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws. This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities described in this news release in the United States or any jurisdiction where such offer or sale would be unlawful, or for the account or benefit of any U.S. Person or person within the United States.

#### ON BEHALF OF THE BOARD OF DIRECTORS

"Adrian Rothwell"

Adrian Rothwell  
Chief Executive Officer and Director

#### About Eureka

Eureka is a mineral exploration company based in Vancouver, British Columbia.

British Columbia, Canada

Eureka's 100% owned FG Gold property is an advanced-stage gold project located in the Cariboo Mining Division. Historical exploration has established a measured and indicated (376,000 ounces) gold resource at an average grade of 0.776 g/t gold, using a cut-off grade of 0.5 g/t, and an inferred gold resource (634,900 ounces) at an average grade of 0.718 g/t gold, using a cut-off grade of 0.5 g/t. Details of the gold resource can be found in "NI 43-101 Technical Report, Frasergold Exploration Project, Cariboo Mining Division, dated July 27, 2015" available under the Company's profile on SEDAR or on the Company's website.

Eureka has a 100% interest in the Gold Creek property located in the Cariboo Mining Division. Gold Creek is a grassroots gold project neighbouring, and with similar geology to the Spanish Mountain deposit owned by [Spanish Mountain Gold Ltd.](#)

Yukon Territory, Canada

Eureka's 100% owned Luxor property consists of three non-contiguous claim blocks totalling 360 mining claims. Luxor is located in the Dawson Range Gold Belt, a district of major porphyry, breccia and vein occurrences. Eureka's 100% owned TAK property is also located in the Dawson Range Gold Belt and consists of 82 mining claims. Eureka's 100% owned HAV claims, which form part of Eureka's Luxor property, are located adjacent to the Vertigo discover of [White Gold Corp.](#) (TSXV - WGO).

Other neighbouring projects include Goldcorp's Coffee project and White Gold's White Gold project.

Nevada, USA

Eureka owns a 50% interest in the Gemini lithium brine project located approximately 40 kilometres (26 miles) south of North America's only producing lithium mine at Silver Peak, Nevada.

Technical information with respect to Eureka contained in this news release has been reviewed and

approved by Kristian Whitehead, P.Geo., the Company's designated Qualified Person within the meaning of National Instrument 43-101.

## About KORE

KORE is a development stage company that offers exposure to precious metals exploration and development in North America, with a corporate strategy focused on the advancement of its California development and British Columbia advanced exploration stage projects.

## California, USA

KORE, indirectly through wholly-owned subsidiaries, owns 100% interests in the Imperial and Long Valley gold development projects, located in California, USA (together, the "Projects"). Combined, most recent current and historical estimates of resources specify a total of 2,126,000 measured and indicated and 1,784,000 inferred gold ounces. A Qualified Person has not done sufficient work to classify the historical estimates as current resources and KORE is not treating the historical estimates as current resources. Significant data compilation, re-drilling, re-sampling and data verification may be required by a Qualified Person before the historical estimates at the Projects can be classified as current resources. KORE has no other material financial assets or liabilities.

Each of the Projects has the potential to host near-surface, open pit, heap leachable gold deposits. The Projects combine low technical risk, high advancement potential and a low initial cost.

Kore was incorporated under the provisions of the Business Corporations Act (British Columbia) on February 22, 2016.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of TSX Venture Exchange) accepts responsibility for the adequacy of accuracy of this release.

## Cautionary Statement Regarding Adjacent Properties and Forward-Looking Information

All information contained in this news release with respect to Eureka and Kore was supplied by the parties, respectively, for inclusion herein, and Eureka and its directors and officers have relied on Kore for any information concerning such party, including information concerning the Projects.

This news release contains forward-looking statements relating to the timing and completion of the future operations of the Company, Kore, and the Resulting Issuer and other statements that are not historical facts. Forward-looking statements are often identified by terms such as "will", "may", "should", "anticipate", "expects" and similar expressions. All statements other than statements of historical fact, included in this release, including, without limitation, statements regarding the future plans and objectives of the Company, Kore, and the Resulting Issuer are forward-looking statements that involve risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company's, Kore's, and the Resulting Issuer's expectations include risks detailed from time to time in the filings made by the Company, Kore, and the Resulting Issuer with securities regulations.

The reader is cautioned that assumptions used in the preparation of any forward-looking information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company, Kore, and the Resulting Issuer. The reader is cautioned not to place undue reliance on any forward-looking information. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement. The forward-looking statements contained in this news release are made as of the date of this news release and the Company, Kore, and the Resulting Issuer will update or revise publicly any of the included forward-looking statements as expressly required by Canadian securities law.

## SOURCE Kore Mining

### Contact

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