

Amarillo Gold Closes Previously Announced \$10 Million Private Placements With Strategic Investment by Eric Sprott

29.08.2019 | [GlobeNewswire](#)

TORONTO, Aug. 29, 2019 - [Amarillo Gold Corp.](#) (‘‘Amarillo’’ or the ‘‘Company’’; (TSXV: AGC) (OTCQB:AGCBF), is pleased to announce the closings of the previously announced private placements of 50,025,000 units of securities of the Company (‘‘Units’’;) at \$0.20 per Unit, including the exercise of the over-allotment option (the ‘‘Offerings’’;), for aggregate gross proceeds to the Company of \$10,005,000.

Each Unit is comprised of one common share of the Company (a ‘‘Common Share’’;) and one Common Share purchase warrant (a ‘‘Warrant’’;). Each Warrant is exercisable to acquire one Common Share (a ‘‘Warrant Share’’;) at a price of \$0.30 per Warrant Share for a period of 24 months from the date hereof.

Through the brokered portion of the Offerings, which was underwritten on a bought-deal basis by Mackie Research Capital Corporation as sole underwriter and bookrunner (the ‘‘Underwriter’’;), the Company issued 47,599,000 Units, including 4,099,000 Units issued pursuant to the exercise of the over-allotment option. Through the non-brokered portion of the Offerings, the Company issued 2,426,000 Units.

Eric Sprott, through 2176423 Ontario Ltd. (‘‘2176423’’;), a corporation which is beneficially owned by him, acquired 25,000,000 of the Units pursuant to the brokered portion of the Offerings. Prior to the Offerings, Mr. Sprott did not beneficially own and control any securities of the Company. As a result of the Offerings, Mr. Sprott beneficially owns and controls 25,000,000 Common Shares and 25,000,000 Warrants, representing approximately 13.1% of the issued and outstanding Common Shares on a non-diluted basis, and 23.2% on a partially diluted basis, assuming the exercise of the Warrants forming part of the Units purchased by 2176423. Accordingly, Mr. Sprott has undertaken that, unless approval of disinterested shareholders of the Company has been obtained and any other requirements of the TSX Venture Exchange (the ‘‘TSXV’’;) in such regard have been met, the Warrants acquired by 2176423 will only be exercised to the extent that the Warrant Shares issued upon such exercise would not result in him becoming a ‘‘control person’’; (as such term is defined in the policies of the TSXV) of the Company.

The Units were acquired by Mr. Sprott, through 2176423, for investment purposes. Mr. Sprott has a long-term view of the investment and may acquire additional securities of the Company including on the open market or through private acquisitions or sell securities of the Company including 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 2176423’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 2J1).

The Company intends to use the net proceeds from the Offerings for advancing the Company’s mineral exploration and development projects, and for general corporate purposes.

The Underwriter will receive an aggregate cash fee equal to 6% of the gross proceeds from the brokered portion of the Offerings (the ‘‘Commission’’;), including in respect of the exercise of the over-allotment option. In addition, the Company will grant the Underwriter, on the date of hereof, non-transferable options (the ‘‘Compensation Options’’;) equal to 6% of the total number of Units sold under the brokered portion of the Offerings (including in respect of the exercise of the over-allotment option). Each Compensation Option will entitle the holder thereof to purchase one Unit (a ‘‘Compensation Option Unit’’;) at a price of \$0.20, for a period of 24 months after the date

hereof. Notwithstanding the foregoing, the Units subscribed to by Eric Sprott, through 2176423, will have a reduced cash commission of 4.0% of the gross proceeds and the Underwriter will not receive any Compensation Options on such order.

The private placement is considered a related party transaction within the meaning of TSX Venture Exchange Policy 5.9 and Multilateral Instrument 61-101 (“MI 61-101”;) as certain directors and officers of the Company subscribed for 1,101,000 Units pursuant to the Offering. 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 Offerings 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 Offerings, which the Company deems reasonable in the circumstances in order to complete the Offerings in an expeditious manner.

About Amarillo

Amarillo is developing an open pit gold resource at its Mara Rosa Project in the mining friendly jurisdiction of Goias State in Brazil. The Mara Rosa Project was awarded its main (LP) permit which provides the social and environment permission to mine. Amarillo is progressing toward obtaining an installation permit (LI). Based on the NI 43-101 Pre-Feasibility Study 2018 (PFS 2018) update filed on SEDAR on September 13, 2018, the Posse Deposit at the Mara Rosa Project contains estimated 513,000 ounces of gold in the Proven category from 9.6 Mt at 1.65 g/t Au, and 574,000 ounces gold in the Probable category from 14.2 Mt at 1.26 g/t Au, for total estimated Reserves of 1,087,000 ounces from 23.8 Mt at 1.42 g/t Au. In addition to the Mara Rosa Project, Amarillo has an advanced exploration project with excellent grades at Lavras do Sul, Brazil. A Mineral Resource Estimate Study (NI 43-101 technical report) for Lavras do Sul was filed on SEDAR on October 4, 2010. The Lavras do Sul Project is an advanced exploration stage property (190 sq. km.) comprising of more than 22 prospects centered on historic gold workings. The initial resource estimate at the Butia prospect reported 215,000 ounces of gold in the Indicated category from 6.4 Mt at 1.05 g/t Au, and 308,000 ounces of gold in the Inferred category from 12.9 Mt at 0.74 g/t Au using a 0.3 g/t cut-off grade. Both projects have excellent nearby infrastructure.

Mike Mutchler, President and Chief Executive Officer of the Company, is a Qualified Person as defined by NI 43-101 guidelines, and has reviewed and approved the scientific and technical disclosure relating to the PFS 2018 in this section of the news release.

For further information, please contact:

Mike Mutchler
President & CEO
416-294-0736
mike.mutchler@amarillogold.com

or

Karen Mate
External Communications
416-230-6454
karen.mate@amarillogold.com

32 Richmond St. East Suite 201
Toronto, ON Canada, M5C 1P1
Website: www.amarillogold.com

Neither the 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 the content of this news release.

Forward Looking Statements

This news release contains Forward Looking Statements regarding the Company's current expectations regarding future events, including with respect to the Company's business, operations and condition, and management's objectives, strategies, beliefs and intentions. Various factors may prevent or delay our plans, including but not limited to, the trading price of the common shares of the Company, capital market conditions, counterparty risk, TSXV approval(s), contractor availability and performance, weather, access, mineral and gold prices, and success and failure of the exploration and development carried out at various stages of the program. Permission from the Government and community is also required to proceed with future mining production. Readers should review the Company's ongoing quarterly and annual filings, as well as any other additional documentation comprising the Company's public disclosure record, for additional information on risks and uncertainties relating to these forward-looking statements. Readers should also review the risk factors applicable to junior mining exploration companies generally to better understand the variety of risks that can affect the Company. The Company undertakes no obligation to update publicly or otherwise revise any Forward Looking Statements whether as a result of new information or future events or otherwise, except as may be required by law.

PDF available: <http://ml.globenewswire.com/Resource/Download/e6ccef10-188c-411b-b62b-30256ceadb73>

Dieser Artikel stammt von Rohstoff-Welt.de

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/333423--Amarillo-Gold-Closes-Previously-Announced-10-Million-Private-Placements-With-Strategic-Investment-by-Eric-Spr>

Für den Inhalt des Beitrages ist allein der Autor verantwortlich bzw. die aufgeführte Quelle. Bild- oder Filmrechte liegen beim Autor/Quelle bzw. bei der vom ihm benannten Quelle. Bei Übersetzungen können Fehler nicht ausgeschlossen werden. Der vertretene Standpunkt eines Autors spiegelt generell nicht die Meinung des Webseiten-Betreibers wieder. Mittels der Veröffentlichung will dieser lediglich ein pluralistisches Meinungsbild darstellen. Direkte oder indirekte Aussagen in einem Beitrag stellen keinerlei Aufforderung zum Kauf-/Verkauf von Wertpapieren dar. Wir wehren uns gegen jede Form von Hass, Diskriminierung und Verletzung der Menschenwürde. Beachten Sie bitte auch unsere [AGB/Disclaimer!](#)

Die Reproduktion, Modifikation oder Verwendung der Inhalte ganz oder teilweise ohne schriftliche Genehmigung ist untersagt!
Alle Angaben ohne Gewähr! Copyright © by Rohstoff-Welt.de -1999-2026. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).