

Rockwealth Resources Corp. Enters into Definitive Agreement with Realgold Resources Corp.

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KELOWNA, Sept. 13, 2019 - [Rockwealth Resources Corp.](#) ("Rockwealth" or the "Company") (TSXV: RWR) announces that it has entered into a binding amalgamation agreement dated September 12, 2019 (the "Definitive Agreement") with Realgold Resources Corp. ("Realgold"), pursuant to which the Company will acquire all of the issued and outstanding securities of Realgold (the "Transaction"), as more particularly described below. Upon completion, the Transaction will constitute an arm's length majority shareholder takeover of the Company by Realgold in accordance with Policy 5.2 (the "Policy") of the TSX Venture Exchange (the "Exchange") and the Company will be renamed "Realgold Resources Corp." or such other name as the parties may reasonably agree upon and as is acceptable to the TSXV and the corporate registrar. The Transaction was initially disclosed in the Company's news release dated September 3, 2019, indicating the Company and Realgold had entered into a letter of intent in respect of the Transaction.

The Transaction is subject to a number of terms and conditions as set forth in the Definitive Agreement, including (among other things) the approval of the Exchange.

The Transaction

Pursuant to the Definitive Agreement, the parties will complete a three-cornered amalgamation whereby 1222502 B.C. Ltd. ("Rockwealth Subco"), a wholly-owned subsidiary of Rockwealth, will amalgamate with Realgold, and the Company will acquire all of the issued and outstanding common shares in the capital of Realgold and all of the securities of Realgold convertible into common shares of Realgold. The amalgamated corporation resulting from the amalgamation of Rockwealth Subco and Realgold will be wholly-owned by the Resulting Issuer.

All of the outstanding common shares of Realgold (including the Realgold common shares to be issued on the conversion of the Rockwealth Subco Subscription Receipts (as defined below)) will then be exchanged for common shares of Rockwealth on a one for one basis. In addition, all of the outstanding convertible securities of Realgold (common share purchase warrants) will, in accordance with the terms, cease to represent a right to acquire Realgold common shares and will instead provide the right to acquire Rockwealth common shares on a one for one basis and on the same economic terms and conditions. Immediately after the closing of the Transaction, it is expected that the existing shareholders of Realgold will hold approximately 82% of the common shares of the Resulting Issuer on an undiluted basis and not including the Private Placement (as defined below). Pursuant to the Transaction, the shareholders of Realgold will receive 68,475,468 common shares and 12,194,937 common share purchase warrants of the Resulting Issuer (equal to the number of common shares and common share purchase warrants of Realgold outstanding prior to those to be issued pursuant to the Private Placement). Upon completion of the Transaction, it is anticipated that the Resulting Issuer will have 83,584,071 common shares and 17,264,937 common share purchase warrants issued and outstanding, including the securities issued in exchange for the securities of Realgold issued pursuant to the Private Placement (as defined below).

In connection with the Transaction, Realgold will complete a financing (the "Private Placement") by way of a non-brokered private placement relying on the prospectus exemptions pursuant to National Instrument 45-106 – Prospectus Exemptions, as applicable laws, rules and regulations, to raise a minimum of \$5,000,000 and up to a maximum of \$10,000,000 at an issue price of \$0.35 per subscription receipt (each a "Subscription Receipt"). Each Subscription Receipt will automatically be converted immediately prior to the closing of the Transaction into a Realgold unit comprised of one Realgold common share and one Realgold common share purchase warrant (each whole warrant, a "Realgold Warrant"). Each Realgold Warrant so issued in connection with the Private Placement will entitle the holder thereof to purchase one common share of Realgold at a price of \$0.46 per share for a period of one year. Each Realgold common share and Realgold Warrant issued in the Private Placement will automatically be converted into Resulting Issuer common shares and Resulting Issuer warrants upon the completion of the Transaction, with such Resulting Issuer warrants bearing the same terms as the Realgold Warrants.

The Private Placement may close in one or more tranches. The gross proceeds from the Private Placement (the "Escrowed Proceeds") will be held in escrow until the satisfaction of certain escrow release conditions, including the conditional approval of the Exchange for the Transaction and confirmation that all conditions precedent to the Transaction, other than the release of the Escrowed Proceeds, have been satisfied or waived.

Upon completion of the Transaction, the Resulting Issuer will carry on the business currently conducted by Realgold and to carry on the business currently being conducted by the Company.

It is anticipated that trading of the Company's shares will remain halted until completion of the Transaction.

Conditions

The Transaction is conditional upon, among other things:

- (i) the representations and warranties of each of the Company and Realgold, as set out in the Definitive Agreement, being true and correct in all material respects at the closing of the Transaction;
- (ii) the absence of any material adverse change in the business of each of the parties;
- (iii) the parties receiving all requisite regulatory approval, including the approval of the Exchange, and any third party approvals and authorizations;
- (iv) the Company and Realgold obtaining the requisite shareholder approvals for the Transaction;
- (v) the parties obtaining requisite board approvals for the Transaction; and
- (vi) Realgold completing the Private Placement for minimum aggregate gross proceeds of \$5,000,000.

Resulting Issuer Board of Directors

It is intended that concurrent with the closing of the Transaction, the board of directors and management of the Company will be reconstituted. The first directors of the Resulting Issuer will be Douglas Kirwin (Chair), Devinder Randhawa, Ross McElroy and Jean Cline. The first officers of the Resulting Issuer will be Devinder Randhawa as Chief Executive Officer and Latika Puri as Chief Financial Officer and Corporate Secretary. Additional biographic information about the proposed directors and officers of the Resulting Issuer is provided below.

Devinder Randhawa, proposed CEO and Director of the Resulting Issuer. Mr. Randhawa is the President and founder of Capital Inc., a privately held consulting firm providing venture capital and corporate finance service to emerging companies since 1994 in the resources and non-resource sectors both in Canada and the United States. For more than 20 years Mr. Randhawa has been, and currently is, a director and/or officer of a number of TSX Venture Exchange and TSX listed companies. Mr. Randhawa obtained an MBA in Finance from the University of British Columbia in 1985. Mr. Randhawa is also the CEO and Director of Uranium Corp.

Ross McElroy, proposed Director of the Resulting Issuer. Mr. McElroy is a Director and the President and COO of Fission Geo Corp. He is a professional geologist with nearly 30 years of experience in the mining industry and the winner of the PDAC Dennis Award for a Canadian Mineral Discovery and Exploration Success. Mr. McElroy received a Bachelor of Science degree with a specialization in Geology from the University of Alberta and is a registered professional geologist in Alberta, Saskatchewan and Nunavut/Northwest Territories.

Douglas Kirwin, proposed Director and Chair of the Resulting Issuer. Mr Kirwin, M.Sc Geology, is an independent geologist with over 30 years of international exploration experience including detailed knowledge of Tianshan geology and mineral deposits. A

of the joint discovery team for the super giant Hugo Dummett deposit at Oyu Tolgoi in Mongolia, Mr. Kirwin was a co-receiver of the PDAC inaugural Thayer Lindsley medal, awarded for the most significant international mineral discovery in 2004. Some of Kirwin's exploration team's discoveries or significant resources expansions include a base metals mine in Jalisco, Mexico, deposits at Eunsan in South Korea, the Seruyung mine in Indonesia, the Moditaung gold mine in Myanmar and Merlin gold deposit in Australia. Mr. Kirwin was Executive VP for Ivanhoe Mines Limited from 1995 until 2012. He was a director of Realgold and a founding non-executive Director of Ivanhoe Australia Ltd. He is currently an adjunct professor at James Cook University, Australia.

Dr. Jean Cline, proposed Director of the Resulting Issuer. Dr. Jean Cline is a Professor Emerita at the University of Nevada, Las Vegas where she served as a Professor of Geoscience for 25 years until 2015. Prior to her academic career she was an exploration geologist for Inspiration Development Company, Arizona, where she explored for porphyry copper and epithermal deposits and lithium bearing pegmatites in the western United States for 11 years when the company was purchased by BHP American. She is a recognized global expert on the Nevada USA Carlin type gold deposits on which she has conducted research and published extensively she has also conducted research and published on porphyry copper, porphyry molybdenum, and epithermal deposits. Dr. Cline received an M.Sc degree from the University of Arizona and a PHD degree from Virginia Tech. She was recently elected President elect 2020 of the Society of Economic Geologists, and she was awarded an honorary membership of the Geological Society of Nevada in 2015 for her work on the Nevada Carlin type gold deposits.

Latika Prasad, proposed CFO and Corporate Secretary of the Resulting Issuer.

Ms. Latika D. Prasad is currently the Corporate Secretary of Realgold Resources Corp. Ms. Prasad was a Director and Corporate Secretary of Turmalina Metals Corp. from April 2017 to July 2019. She was a Director and Assistant Corporate Secretary of Azincourt Exploration Inc. (CNSX: WAB) from September 2015 to July 2017. She served as the Chief Financial Officer of Azincourt Resources Inc. (TSX.V: AAZ) from October 5, 2011 until June 18, 2013 and as a Director for Azincourt from May 12, 2013 until May 29, 2013. She served as a Controller of Hip Digital Media Inc. from October 2006 to November 2010. Ms. Prasad has served as a Controller, Chief Financial Officer and/or a Director of private and publicly traded companies for 30 years. She has been self-employed in corporate, administrative and financial functions since April 2008 providing such services to companies in Canada and the U.S.

About Realgold Resources Corp.

Realgold has assembled an extensive land portfolio in the Kyrgyz Republic that includes 16 projects in 28 licenses covering 274,124 ha within the highly prolific Tien Shan gold belt. The Carlin type potential in southwestern Kyrgyz Republic was first recognized by Doug Kirwin, Realgold's President and CEO, and ground was subsequently acquired by staking.

The orogenic gold deposits of the Tien Shan Mineral Belt include some of the largest economic gold accumulations in the world. These deposits are spread across the belt in Russia, Uzbekistan, Tajikistan, Kyrgyzstan, Kazakhstan and western China, over the time scale from Lower to Late Paleozoic¹.

It is host to several giant gold deposits, including the world's single largest operating gold mine (Muruntau in Uzbekistan) to the west and the giant Kumtor mine in eastern Kyrgyzstan to the east end of the belt. Carlin type deposits are the most important source of gold in the United States and the Tien Shan belt within the Kyrgyz Republic is now recognized as hosting the largest confirmed Carlin terrain in the world. Realgold licences cover 90% of newly recognized and unexplored Carlin type gold deposits. Mineralization hosted on adjacent and nearby properties is not necessarily indicative of mineralization that may be hosted on properties subject to the Transaction.

¹ Cole and Seltmann, 2000; Yakubchuk et al., 2002; Mao et al., 2004.

Financial Information Concerning Realgold

The audited financial statements of Realgold, together with other required financial information, will be included in the Company's filing statement in connection with the Transaction.

Sponsorship

The Company intends to make application for an exemption from the Exchange's sponsorship requirements.

Shareholder Approval

The Company does not intend to seek shareholder approval of the Transaction and intends to request confirmation from Exchange that shareholder approval for the Transaction is not required given that the Company satisfies subsections (a), (b), (c) and (d) of section 4.1 of the Policy.

Qualified Person

The scientific and technical information contained in this news release as it relates to Realgold and its properties has been reviewed and approved by Ross McElroy, a director of the Company and a "Qualified Person" as defined in National Instrument 43-101 – Standards of Disclosure for Mineral Projects.

ON BEHALF OF THE BOARD OF DIRECTORS

"Dev Randhawa"
Dev Randhawa
President and Director

Completion of the Transaction is subject to a number of conditions, including but not limited to, Exchange acceptance and, if applicable, pursuant to the requirements of the Exchange, shareholder approval. There can be no assurance that the Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.

The TSX Venture Exchange Inc. has in no way passed upon the merits of the proposed Transaction and has neither approved nor disapproved the contents of this press release.

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 this news release.

This news release does not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of any of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful, including any of the securities in the United States of America. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "1933 Act") or any state securities laws and may not be offered or sold within the United States or to, or for account or benefit of, U.S. Persons (as defined in Regulation S under the 1933 Act) unless registered under the 1933 Act and applicable state securities laws, or an exemption from such registration requirements is available.

Forward-Looking Statements

Completion of the Transaction is subject to a number of conditions, including but not limited to, Exchange acceptance and, if applicable, pursuant to the requirements of the Exchange, shareholder approval. There can be no assurance that the Transaction will be completed as proposed or at all.

All information in this news release concerning Realgold has been provided for inclusion herein by Realgold. Although the Company has no knowledge that would indicate that any information contained herein concerning Realgold is untrue or incomplete, the Company assumes no responsibility for the accuracy or completeness of any such information. Investors are cautioned that, except as disclosed in the filing statement to be prepared in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. Trading in the

securities of the Company should be considered highly speculative.

Certain statements included in this news release constitute forward-looking information or statements (collectively, "forward-looking statements"), including those identified by the expressions "anticipate", "believe", "plan", "estimate", "expect", "intend", "may", "should" and similar expressions to the extent they relate to the Company or its management. The forward-looking statements are not historical facts but reflect current expectations regarding future results or events. This news release contains forward looking statements. These forward-looking statements are based on current expectations and various estimates, factors and assumptions and involve known and unknown risks, uncertainties and other factors. Any statements about Realgold's business plans, closing of the Transaction, expected terms of the Transaction, the number of securities of the Company that may be issued in connection with the Transaction, the ownership and the directors of the Company, the requirement to obtain shareholder approval, the parties' ability to satisfy any and all other closing conditions including but not limited to completion of the Private Placement, and receive necessary regulatory and Exchange approvals in connection therewith and the terms associated therewith and any additional reorganizational transactions are all forward-looking information. Forward-looking statements are not guarantees of future performance and involve risks, uncertainties and assumptions which are difficult to predict. Such statements and information are based on numerous assumptions regarding present and future business strategies and the environment in which the Company will operate in the future, including, anticipated costs, and the ability to achieve its goals.

Factors that could cause the actual results to differ materially from those in the forward-looking statements include, failure to obtain regulatory approval, the continued availability of capital and financing, and general economic, market or business conditions, changes in legislation and regulations, increase in operating costs, equipment failures, failure of counterparties to perform their contractual obligations, litigation, the loss of key directors, employees, advisors or consultants and fees charged by service providers. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement. These statements should not be read as guarantees of future performance or results. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by such statements. Although such statements are based on management's reasonable assumptions, there can be no assurance that the Transaction will occur or that, if the Transaction does occur, it will be completed on the terms described above, nor can there be any assurance that the listing of the common shares of the Company upon completion of the Transaction will occur. The Company assumes no responsibility to update or revise forward-looking information to reflect new events or circumstances unless required by law. Readers should not place undue reliance on the Company's forward-looking statements.

SOURCE [Rockwealth Resources Corp.](#)

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