

Gran Colombia Gold Corp. Announces Closing of CA\$40 Million Private Placement

06.02.2020 | [GlobeNewswire](#)

Eric Sprott Increases Investment to Approximately 11%; Gran Colombia Announces It Will Redeem 30% of Its 2024 Gold Notes on March 31, 2020

TORONTO, Feb. 06, 2020 - [Gran Colombia Gold Corp.](#) (TSX: GCM; OTCQX: TPRFF) announced today that it has closed its previously announced non-brokered private placement (the "Private Placement") of 7,142,857 Units of the Company at a price of CA\$5.60 per Unit for total proceeds of CA\$40 million. Each Unit consists of one common share and one common share purchase warrant exercisable into a full common share at CA\$6.50 per share expiring February 6, 2023. As of today, Gran Colombia has 60,812,630 common shares issued and outstanding and, including the effect of warrants, stock options and convertible debentures, the total would be 88,710,189 common shares on a fully diluted basis.

Gran Colombia also announced today that it will use a portion of the net proceeds of the Private Placement to redeem 30%, equivalent to US\$19,162,500, of the aggregate principal amount outstanding of its 8.25% Senior Secured Gold-Linked Notes due 2024 (the "Gold Notes") (TSX: GCM.NT.U) on March 31, 2020 (the "Redemption Date"), reducing the aggregate principal amount outstanding to US\$44,712,500. The redemption price will be equal to 100% of the aggregate principal amount of the Gold Notes redeemed plus the Applicable Premium calculated in accordance with the provisions of the Gold Notes Indenture, currently estimated to be approximately 10%. Further details, including the actual amount of the Applicable Premium, will be announced later in March as it gets closer to the Redemption Date. The balance of the net proceeds of the Private Placement will be used for general working capital and corporate purposes, including potential repurchases of the Company's listed warrants (GCM.WT.B) under its normal course issuer bid.

Serafino Iacono, Executive Chairman of Gran Colombia, stated, "We are pleased to see Mr. Sprott, a well-known gold investor, increase his stake in Gran Colombia to over 10% and to welcome investment from other key strategic and institutional investors. While our operations continue to generate free cash flow, we believe the opportunity to apply a significant portion of the net proceeds of this private placement toward a further deleveraging of our balance sheet creates value for our shareholders, particularly in the current gold price environment, enabling us to reduce our debt service ahead of schedule and preserving for our shareholders the gold premium we would otherwise be paying on the Gold Notes we intend to redeem."

Prior to completion of the Private Placement, Mr. Sprott owned or controlled 3,260,870 common shares and 3,260,870 warrants of the Company, which represented 6.09% of the issued and outstanding common shares of Gran Colombia on a non-diluted basis and approximately 11.48% on a partially diluted basis. Through the Private Placement, 2176423 Ontario Ltd., a corporation that is beneficially owned by Mr. Sprott, acquired 3,571,429 Units of Gran Colombia at a price of CA\$5.60 per Unit for a total investment of CA\$20 million. As a result of the Private Placement, when combined with existing holdings, Mr. Sprott beneficially owns or controls 6,832,299 common shares and 6,832,299 warrants of the Company representing 11.24% of the issued and outstanding common shares of Gran Colombia on a non-diluted basis and approximately 20.20% of the issued and outstanding common shares of Gran Colombia assuming only the exercise of the warrants. This represents an increase in the number of common shares held or controlled by Mr. Sprott by 5.15% on a non-diluted basis and by 8.72% on a partially diluted basis. Mr. Sprott has undertaken not to exercise more than 1,784,471 warrants acquired in the Private Placement without prior approval of the Toronto Stock Exchange and until shareholder approval (excluding the votes of 2176423 Ontario Ltd. and its "associates" and "affiliates", as those terms are defined by the *TSX Company Manual*) has been received. Gran Colombia intends to seek the requisite approval from shareholders at its annual and special meeting to be held in early June 2020. The Units were acquired by Mr. Sprott for investment purposes. Mr. Sprott has a long-term view of the investment and may acquire additional securities of Gran Colombia including on the open market or through private acquisitions or sell securities of Gran Colombia including on the open market or through private dispositions in the future depending on market conditions, reformulation of plans and/or other factors that Mr. Sprott considers relevant from time to

time. 2176423 Ontario Ltd.'s early warning report will appear on Gran Colombia's profile on SEDAR at www.sedar.com and may also be obtained by calling Mr. Sprott's office at (416) 945-3294 (200 Bay Street, Suite 2600, Royal Bank Plaza, South Tower, Toronto, Ontario M5J 2J1).

In addition, through the Private Placement, MM Asset Management Inc. ("MM Asset"), on behalf of MMCAP International Inc. SPC ("MMCAP"), acquired 1,785,714 Units of Gran Colombia at a price of CA\$5.60 per Unit for a total investment of CA\$10 million. Prior to completion of the Private Placement, MMCAP owned or controlled 4,868,431 common shares and CA\$18 million of convertible debentures of the Company, which represented 9.09% of the issued and outstanding common shares of Gran Colombia on a non-diluted basis and approximately 15.10% on a partially diluted basis. As a result of the Private Placement, when combined with existing holdings, MMCAP beneficially owns or controls 6,654,145 common shares, 1,785,714 warrants and CA\$18 million of convertible debentures of the Company representing 10.94% on a non-diluted basis and approximately 18.42% of the issued and outstanding common shares of Gran Colombia assuming only the exercise of the warrants and convertible debentures beneficially owned or controlled by MMCAP. This represents an increase in the number of common shares held or controlled by MMCAP by 1.85% on a non-diluted basis and by 3.32% on a partially diluted basis. The securities were acquired in the ordinary course of business, for investment purposes only and not for the purpose of exercising control or direction over the Company. Depending on market conditions and other factors, MM Asset, on behalf of MMCAP, may in the future increase or decrease its ownership, control or direction over securities of the Company through open market transactions, private agreements or otherwise.

About Gran Colombia Gold Corp.

Gran Colombia is a Canadian-based mid-tier gold producer with its primary focus in Colombia where it is currently the largest underground gold and silver producer with several mines in operation at its Segovia and Marmato Operations. Gran Colombia is continuing to focus on exploration, expansion and modernization activities at its high-grade Segovia Operations and, through a spin out transaction with [Bluenose Gold Corp.](#) announced on October 7, 2019, is progressing toward a major expansion and modernization of its underground mining operations at the Marmato Project.

The head office of Gran Colombia is located at 401 Bay Street, Suite 2400, PO Box 15, Toronto, Ontario M5H 2Y4.

Additional information on Gran Colombia can be found on its website at www.grancolombiagold.com and by reviewing its profile on SEDAR at www.sedar.com.

Cautionary Statement on Forward-Looking Information:

This news release contains "forward-looking information", which may include, but is not limited to, statements with respect to anticipated business plans or strategies. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Gran Colombia to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Factors that could cause actual results to differ materially from those anticipated in these forward-looking statements are described under the caption "Risk Factors" in the Company's Annual Information Form dated as of March 27, 2019 which is available for view on SEDAR at www.sedar.com. Forward-looking statements contained herein are made as of the date of this press release and Gran Colombia disclaims, other than as required by law, any obligation to update any forward-looking statements whether as a result of new information, results, future events, circumstances, or if management's estimates or opinions should change, or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, the reader is cautioned not to place undue reliance on forward-looking statements.

For Further Information, Contact:
Mike Davies

Chief Financial Officer
(416) 360-4653
investorrelations@grancolombiagold.com

Dieser Artikel stammt von [Rohstoff-Welt.de](#)

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/344022--Gran-Colombia-Gold-Corp.-Announces-Closing-of-CA40-Million-Private-Placement.html>

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](#).