

Amarillo announces underwritten private placement and bought deal prospectus offerings totalling \$57.2 million led by strategic investments from Eric Sprott and a private investor

22.07.2020 | [GlobeNewswire](#)

TORONTO, July 22, 2020 - [Amarillo Gold Corp.](#) (Amarillo or the Company) (TSXV: AGC, OTCQB: AGCBF) has entered into an agreement with Mackie Research Capital Corporation (MRCC) for a \$35.7 million underwritten private placement and a \$21.5 million bought deal short form prospectus public offering for total gross proceeds of \$57.2 million.

The Company will use the net proceeds from the offerings to build the Posse Gold Mine and advance the Lavras do Sul exploration project, both in Brazil, for working capital, and for general corporate purposes.

"There has been a great deal of interest in Amarillo since we announced the results of our positive feasibility study in June," said Mike Mutchler, the Company's Chief Executive Officer. "This financing capitalizes on that interest. We can now start detailed engineering and order long lead items for the Posse Gold Project, as well as plan exploration programs at both our properties for later this year."

About the private placement

MRCC, as sole underwriter and sole bookrunner, will purchase on an underwritten basis 118,967,000 common shares of the Company at a price of \$0.30 per share to be offered under a private placement for gross proceeds of approximately \$35.7 million. Eric Sprott and Baccarat Trade Investments Limited (Baccarat) have committed to and subscribed for the whole private placement.

"We are thrilled that Eric Sprott has decided to increase his holdings in Amarillo, and excited to welcome Baccarat as a significant shareholder," said Mutchler. "We see this as a vote of confidence in our feasibility study results, and that new investors are recognizing the tremendous opportunity of our Posse Gold Project, particularly in this gold market."

About the public offering

MRCC, as lead underwriter and sole bookrunner, on behalf of a syndicate of underwriters, including Sprott Capital Partners LP (collectively, the Underwriters), will purchase on a bought deal basis per the filing of a short form prospectus, 71,699,000 common shares at a price of \$0.30 per share for gross proceeds of approximately \$21.5 million.

"This financing, which has no warrants, significantly reduces the need to issue any more equity in the foreseeable future," said Mutchler. "It will allow us to negotiate our debt financing from a stronger position, which we are continuing to work on with our adviser, Auramet International."

The offerings are scheduled to close at the same time, on or about August 13, 2020. The offerings are subject to certain conditions, including but not limited to, the receipt of all necessary approvals including the approval of the TSX Venture Exchange. The closing of each offering is conditional on the closing of the other offering.

MRCC will receive a cash commission equal to up to 4.0% of the gross proceeds from the private placement.

The Underwriters will receive an aggregate cash fee equal to up to 6.0% of the gross proceeds from the public offering.

The common shares issued under the private placement will have a hold period of four months and one day from closing. In connection with the private placement, the Company and the purchasers under the private placement entered into agreements, so that each purchaser, provided it owns at least a 10% interest in the Company, has the right to participate in equity financings by the Company to maintain its pro rata ownership in the Company at the time of any such financing.

The common shares issued under the public offering will be offered by way of short form prospectus to be filed in each of the Canadian provinces except Quebec and in other jurisdictions outside of Canada on exempt basis in accordance with applicable securities laws.

The securities described in this news release have not been, and will not be, registered under the *United States Securities Act of 1933*, as amended, or any state securities laws. Accordingly, the securities may not be offered or sold in the United States except in compliance with the registration requirements of the act and applicable state securities requirements, or under exceptions in set out in the act.

This press release is not an offer to sell or a solicitation to buy any securities in any jurisdiction.

About Amarillo

[Amarillo Gold Corp.](#) is advancing two gold projects in Brazil. Both are in mining-friendly states and have excellent nearby infrastructure. The development stage Posse Gold Project on its Mara Rosa Property in Goi s State has received the main permit that provides social and environmental permission for mining. Work is underway on receiving the installation permit. The advanced exploration stage Lavras do Sul Project in Rio Grande do Sul State has more than 22 prospects centred on historic gold workings.

[Amarillo Gold Corp.](#) trades on the TSXV under the symbol AGC, and on the OTCQB under the symbol AGCBF.

For further information, please contact

Mike Mutchler
President & CEO
416-294-0736

mike.mutchler@amarillogold.com

Annemarie Brissenden
Investor Relations
416-844-6284

annemarie.brissenden@amarillogold.com

Disclaimer

Neither the TSX Venture Exchange nor its Regulation Services Provider (as 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 its 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, impacts from the coronavirus or other epidemics, 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.

Dieser Artikel stammt von [Rohstoff-Welt.de](https://www.rohstoff-welt.de)

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/356926--Amarillo-announces-underwritten-private-placement-and-bought-deal-prospectus-offerings-totalling-57.2-million-led>

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 -1999-2025. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).