

# Fireweed Zinc Closes \$5.2 Million Private Placement

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VANCOUVER, Aug. 06, 2020 - [Fireweed Zinc Ltd.](#) (the "Company" or the "Fireweed"; (TSXV: FWZ) is pleased to announce closing of the non-brokered private placement (the "Offering") announced July 15, 2020 for total gross proceeds of CAD\$5.2 million.

## Highlights

- \$5.2 million Offering over-subscribed
- Insiders, namely Directors, Management, and their proxies, participated for a total of 521,697 Units plus 76,961 Flow Through Shares in the financing to add to their holdings
- Financing will provide Fireweed with capital to fund the 2020 work program primarily focused on drilling in the Boundary Zone at Macmillan Pass but also exploration of new target areas

Fireweed CEO Brandon Macdonald stated, "Thanks to impressive investor demand we are able to close this financing on proceeds almost 50% higher than what we opened on. Now, building on last year's best holes ever at Boundary including 100 metres of 7.94% zinc from surface including 6.4 metres of 42.88% zinc, we can drill to further test the high grade and extensions of the zone as we start to outline a potential open pit deposit at Boundary. We will also be exploring and drilling on some new targets seeking new discoveries. Our crews are already in the field finalizing drill sites and we are looking forward to more great results this summer."

The Offering consists of three parts for gross proceeds of CAD\$5,239,351 as follows:

1. 3,154,673 units (the "Units") of the Company at a price of CAD\$0.53 per Unit, each Unit consisting of one non-flow-through common share and a half two-year warrant exercisable at CAD\$0.80 per share;
2. 3,582,423 flow-through common shares of the Company at a price of CAD\$0.65 per share (the "Flow-Through Shares"); and
3. 1,630,000 flow-through common shares of the Company at a price of CAD\$0.76 per share through a donation arrangement (the "Charity Flow-Through Units") with a half two-year warrant exercisable at CAD\$0.80 per share.

The proceeds from the Offering will be used for exploration and development of the Company's Macmillan Pass Project in Yukon, Canada, and for general working capital purposes. The gross proceeds from the issuance of all flow-through shares will be used to incur Canadian Exploration Expenses (the "CEE"), and will qualify as flow-through mining expenditures under the Income Tax Act (Canada), which will be renounced to the purchasers of flow-through shares with an effective date no later than December 31, 2020 in an aggregate amount no less than the proceeds raised from the issue of the Flow-Through Shares and Charity Flow-Through Shares. The Company will pay finders fees in compliance with the policies of the TSX Venture Exchange and applicable securities legislation, to arm's length finders in connection with subscriptions from subscribers introduced by them, totaling \$131,691 and 232,386 warrants. All finder's warrants are exercisable for 12 months from the date of issuance to acquire common shares of the Company at an exercise price of \$0.60 per share for the 75,532 warrants issued for the \$0.53 Units, \$0.65 per share for the 71,054 warrants issued for the \$0.65 Flow-Through Shares, and \$0.76 per share for the 85,800 issued for the Charity Flow-Through Units. The Company also paid 56,604 Units (56,604 shares and 28,302 two-year warrants exercisable at CAD\$0.80) to an arm's length party for corporate finance services.

Insiders of the Company acquired an aggregate of 571,697 Units and 76,961 Flow Through Shares in the Offering, which participation constituted a "related party transaction" as defined under Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions (the "MI 61-101"). Such

participation is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as neither the fair market value of the securities acquired by the insiders, nor the consideration for the securities paid by such insiders, exceed 25% of the Company's market capitalization. As required by MI 61-101, the Company advises that it expects to file a material change report relating to the Offering less than 21 days before completion of the Offering, as the nature of the related party transaction is relatively immaterial, and was not necessary to complete the Offering, and can generally be considered reasonable in the circumstances.

This Offering remains subject to final approval of the TSX Venture Exchange. All securities issued under the Offering will be subject to a statutory hold period of four months plus a day following the date of closing.

About Fireweed Zinc Ltd. (TSXV: FWZ): Fireweed Zinc is a public mineral exploration company focused on zinc and managed by a veteran team of mining industry professionals. The Company is advancing its district-scale 544 km<sup>2</sup> Macmillan Pass Project in Yukon, Canada, which is host to the 100% owned Tom and Jason zinc-lead-silver deposits with current Mineral Resources and a PEA economic study (see Fireweed news releases dated January 10, 2018, and May 23, 2018, respectively, and reports filed on [www.sedar.com](http://www.sedar.com) for details) as well as the Boundary Zone, Tom North Zone and End Zone which have significant zinc-lead-silver mineralization drilled but not yet classified as mineral resources. The project also includes option agreements on large blocks of adjacent claims (MAC, MC, MP, Jerry, BR and NS) which cover exploration targets in the district where previous and recent work identified zinc, lead and silver prospects, and geophysical and geochemical anomalies in prospective host geology.

Additional information about Fireweed Zinc and its Macmillan Pass Zinc Project can be found on the Company's website at [www.FireweedZinc.com](http://www.FireweedZinc.com) and at [www.sedar.com](http://www.sedar.com).

ON BEHALF OF [Fireweed Zinc Ltd.](#)

*&#8220;Brandon Macdonald&#8221;*

CEO & Director

*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 release.*

## Cautionary Statements

### *Offering Disclosure Statements*

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

### *Forward Looking Statements*

This news release may contain &#8220;forward-looking&#8221; statements and information relating to the Company and the Macmillan Pass Project that are based on the beliefs of Company management, as well as assumptions made by and information currently available to Company management. Such statements reflect the current risks, uncertainties and assumptions related to certain factors including but not limited to, without limitations, exploration and development risks, expenditure and financing requirements, general economic conditions, changes in financial markets, the ability to properly and efficiently staff the Company's operations, the sufficiency of working capital and funding for continued operations, title matters, First Nations relations, operating hazards, political and economic factors, competitive factors, metal prices, relationships with vendors and strategic partners, governmental regulations and oversight, permitting, seasonality and weather, technological change, industry practices, and one-time events. Additional risks are set out in the Company's prospectus dated May 9, 2017, and filed under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com). Should any one or more risks or uncertainties materialize or change, or should any underlying assumptions prove incorrect, actual results and forward-looking statements may vary materially from those described herein. The Company does not undertake to update forward&#8208;looking

statements or forward&#8208;looking information, except as required by law.

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