

Northway Resources Corp. Provides Transaction Update

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Vancouver, Nov. 3, 2020 - [Northway Resources Corp.](#) (TSXV: NTW) (the "Company") and [Kenorland Minerals Ltd.](#) ("Kenorland") jointly provided an update on the status of the Company's acquisition of Kenorland (the "Transaction"), as previously announced July 28, 2020 and September 14, 2020.

Pursuant to the amalgamation agreement dated September 14, 2020 between the parties, the Transaction will be conducted by way of a three-cornered amalgamation among Northway, Kenorland and a wholly-owned subsidiary of Northway (the "Amalgamation"). The Resulting Issuer is expected to be named "[Kenorland Minerals Ltd.](#)" or such other name as the Company and Kenorland may determine. Details of the Transaction remain unchanged from those announced in the Company's September 14, 2020 press release.

Financing Update

Kenorland anticipates the completion of the brokered private placement of subscription receipts (each a "Subscription Receipt"), as announced on September 28, 2020, on or around November 4, 2020.

As previously announced, Kenorland entered into an agreement with a syndicate of agents led by Stifel GMP and including Canaccord Genuity Corp, Haywood Securities Inc., Laurentian Bank Securities and Echelon Wealth Partners Inc. (the "Agents") pursuant to which the Agents will undertake a brokered private placement of up to 12 million Kenorland subscription receipts (each, a "Subscription Receipt"), on a best efforts basis, at a price of C\$1.00 per Subscription Receipt (the "Offering Price") for gross proceeds of up to C\$12 million (the "Offering").

Each Subscription Receipt will entitle the holder thereof to receive, without any further action on the part of the holder or payment of any additional consideration, one common share of the resulting issuer, upon completion of the Transaction (as defined below), subject to the satisfaction or waiver of certain conditions, including all conditions to the closing of the Transaction prior to December 31, 2020 (or such later date as may be agreed to by Kenorland and the Agents), and provided that the Transaction has not otherwise been terminated.

It is anticipated that the Offering will result in the issuance of 10 million Kenorland subscription receipts for gross proceeds of C\$10 million. The balance of the terms regarding the Offering remain unchanged from those announced in the Company's press release dated September 28, 2020.

Northway anticipates that certain "related parties" of Northway may participate in the Offering. Participation of such "related parties" in the Offering will constitute a "related party transaction" as defined under Multilateral Instrument 61-101 -- Protection of Minority Security Holders in Special Transactions ("MI 61-101"). Northway expects that the Offering will be exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as neither the fair market value of securities being issued to insiders nor the consideration being paid by insiders will exceed 25% of Northway's market capitalization.

Special Meeting

The Company and Kenorland further advise that they anticipate setting the special meeting date to consider, among other things, the Transaction and matters associated with the Transaction for on or around December 15, 2020. The Company anticipates that the meeting will be held virtually only having regard for the ongoing public health concerns associated with the COVID-19 pandemic. The final meeting date will be set pending the regulatory review of the joint information circular for the meetings.

Information Concerning Kenorland

Kenorland is a private mineral exploration company incorporated under the laws of the Province of British Columbia and based in Vancouver, British Columbia, Canada. Kenorland's business model is project generation focused on early to advanced stage exploration assets and advancing those projects through joint ventures with other mining companies. The company currently holds three properties where work is being completed under an earn-in agreement from third parties. The Frotet and Chicobi Projects, which are both located in Quebec, Canada, are optioned to Sumitomo Metal Mining Canada Ltd. and the Chebistuan Project, also located in Quebec, is optioned to Newmont Mining. The company also owns 100% of the advanced stage Tanacross porphyry Cu, Au, Mo project in Alaska, USA. Additional information concerning Kenorland is available at www.kenorlandminerals.com.

Significant Shareholders

John Tognetti, indirectly through San Jacopo Trading Inc., holds 4,980,000 shares of Kenorland, representing 32.75% of the outstanding Kenorland shares. The Company's CEO, Zachary Flood, who is also the President, CEO and a director of Kenorland, holds 1,780,000 Kenorland shares, representing 11.70% of the outstanding Kenorland shares. Francis MacDonald holds 1,640,000 Kenorland shares, representing 10.78% of the outstanding Kenorland shares.

Selected Financial Information about Kenorland

The following table sets out selected financial information from Kenorland's unaudited financial statements as of June 30, 2020. The information provided herein should be read in conjunction with such financial statements, which will be included in the information circular being prepared in connection with the Transaction and will be filed on www.sedar.com in due course.

	Six Month Interim Period Ended June 30, 2020
Total Assets	\$4,381,621
Total Liabilities	\$1,119,487
Working Capital	\$1,067,539
Revenues	\$619,669
Expenses	\$327,153
Net Operating (Loss)	(\$142,539)

Sponsorship

The Transaction is subject to the sponsorship requirements of the TSX Venture Exchange, unless an exemption from those requirements is granted. The Company has requested an exemption from the sponsorship requirements. There can be no assurance that any exemption or waiver will be obtained, and if an exemption or waiver from the sponsorship requirements is not obtained, a sponsor will be identified at a later date. An agreement to act as sponsor in respect of the Transaction should not be construed as any assurance with respect to the merits of the Transaction or the likelihood of its completion.

Trading Halt

The Company's shares continue to be halted from trading, and the trading of the Company's shares is expected to remain halted pending completion of the Transaction.

Forward-Looking Statements

This news release contains certain "forward looking statements" including, for example, statements relating to the completion of the Transaction and Offering, Use of Proceeds, the receipt of all necessary approvals and the Resulting Issuer's anticipated share capital. Such forward-looking statements involve risks and uncertainties, both known and unknown. The results or events depicted in these forward-looking statements may differ materially from actual results or events. In addition to other factors and assumptions which may be

identified herein, assumptions have been made regarding and are implicit in, among other things: receipt of regulatory approvals, the Company's ability to complete the Transaction and Offering, the state of the capital markets, the impact of the COVID-19 pandemic, the ability of the Resulting Issuer to successfully manage the risks inherent in pursuing business opportunities in the mining industry, and the ability of the Resulting Issuer to obtain qualified staff, equipment and services in a timely and cost efficient manner to develop its business. Any forward-looking statement reflects information available to the Company as of the date of this news release and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise.

For more information visit our website www.northwayresources.com

On behalf of the Board of Directors

Zachary Flood
President and Chief Executive Officer

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Completion of the Transaction is subject to a number of conditions, including but not limited to, TSX-V acceptance and if applicable pursuant to TSX-V requirements, disinterested shareholder approval. Where applicable, the Transaction cannot close until the required shareholder approval is obtained. 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 the Company should be considered highly speculative.

The TSX-V has in no way passed upon the merits of the Transaction and has neither approved nor disapproved the contents of this news 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 release.

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