

# African Metals Corporation Announces Completion of Private Placement

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TORONTO, May 21, 2021 - [African Metals Corp.](#) (NEX:AFR.H) (TSXV:AFR.H) ("African Metals" or the "Company") is pleased to announce that, further to the Company's news release dated March 23, 2021, it has closed in escrow on May 17, 2021, subject to receipt of final approval from the TSX Venture Exchange (the "TSXV"), its non-brokered private placement of 4,000,000 common shares at a price of \$0.075 per common share (the "Private Placement"). The TSXV conditionally approved the completion of the Private Placement on May 3, 2021.

The Private Placement resulted in the Company raising an aggregate of \$300,000. No finder's fee or commissions were paid in connection with the Private Placement. All common shares issued under the Private Placement are subject to a four-month hold period in accordance with applicable Canadian securities laws expiring on September 18, 2021.

Officers and directors of the Company participated in the Private Placement in keeping with their intention to align their interests with those of the shareholders and have subscribed for an aggregate of 3,000,000 common shares and raising a total of \$225,000 pursuant to the Private Placement as follows: (i) Simeon Tshisangama, CEO subscribed for 1,230,000 common shares; (ii) John F. O'Donnell, Chairman of the Board subscribed for 1,000,000 common shares; (iii) DVM Finance Inc., a company controlled by David V. Mason, Director, subscribed for 700,000 common shares; and (iv) Errol Farr, CFO subscribed for 70,000 common shares. As such, the issuance of such common shares constitutes a "related party transaction" under Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("MI 61-101"). The Company is relying on the exemption from the formal valuation requirement in section 5.5(b) of MI 61-101 (as a result of its common shares being listed on the NEX Board of the TSXV) and the exemption from the minority approval requirement in section 5.7(1)(a) of MI 61-101 (as neither the fair market value of the common shares distributed to, nor the consideration paid by, such directors and officers exceeded 25% of the Company's market capitalization). The Company wished to complete the Private Placement in an expeditious manner and a material change report will be filed by the Company shortly.

In addition, 1,000,000 common shares were acquired by IBK Capital Corp. and a small number of its principals and clients. John F. O'Donnell commented "We are extremely pleased to have IBK Capital Corp. participate in this Private Placement as it will align its interests with those of the Company and shareholders as we move forward to aggressively seek out other serious opportunities for the Company". Since its inception in 1989, IBK Capital Corp. has established an enviable track record as an independent Canadian investment banking firm, having played a role in global transactions with a combined value of \$5.6 billion. IBK's expertise in financial advisory services includes: Debt and Equity Financing; Going Public (Reverse Takeover); M&A and Divestiture Advisory Services; Business Valuations; and Fairness Opinions; and Takeover Defense Planning.

"We are excited to work with management in an effort to significantly enhance shareholder value," states Michael White, President and CEO of IBK Capital Corp. "It's a good time to be sourcing value creating projects in the metals and mining sector as it transitions into what is expected to be a very strong bull market."

As indicated in previous press releases, the Company intends to examine projects other than its existing mineral exploration project in Montana (the "SBSL Project") which is subject to acceptance by the TSXV. No specific other projects have been identified at this time. The proceeds of the Private Placement will primarily be used to fund the Company's search for, and due diligence expenses related to, potential new projects and for general administrative expenses.

This news release shall not constitute an offer to sell any of the common shares in the United States where such offer, solicitation or sale would be unlawful. The common shares have not been registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States

without an applicable exemption from registration requirements.

On behalf of the Board of Directors,

"John F. O'Donnell"

John F. O'Donnell, Chairman of the Board of Directors

For more information on the Company, investors should review the Company's filings on SEDAR at [www.sedar.com](http://www.sedar.com).

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

#### About African Metals

The common shares of the Company are listed on the NEX Board ("NEX") of the TSX Venture Exchange ("TSXV"). The Company has applied to the TSXV to transfer its listing from the NEX to the TSXV as a Tier 2 issuer and to reinstate trading of the Common Shares on the TSXV, all in accordance with applicable rules and policies of the TSXV.

For more information, please contact:

John F. O'Donnell, Chairman of the Board at (647) 966-3100 or by email at [john@odonnell-law.ca](mailto:john@odonnell-law.ca) or Errol Farr, Chief Financial Officer at (647) 296-1270 or by email at [efarr001@me.com](mailto:efarr001@me.com).

**Forward-Looking Information:** This news release contains certain forward-looking statements ("FLS") relating to the Company's plans, expectations, intentions and beliefs in connection with its business, including, without limitation, statements in connection with the Private Placement, the expected use of proceeds of the Private Placement, the material change report to be filed in connection with the Private Placement and the continued evaluation of the SBSL and examination of other business opportunities. FLS can be identified by forward-looking words such as "proposed", "intends", "expects", "potential", "estimated", "anticipated", "may" and "will" or similar words suggesting future outcomes or other expectations, beliefs, plans, objectives, assumptions, intentions or statements about future events or performance. Such FLS reflect management's current beliefs and are based on information currently available to management. FLS involve risks and uncertainties that could cause actual results to differ materially from those contemplated by such statements, and there can be no assurance that actual results will be consistent with these FLS. Factors that could cause such differences include, without limitation: the inability of the Company to obtain the TSXV's approval respecting its listing of its common shares on the TSXV as a Tier 2 issuer and the reinstatement of trading of its common shares on the TSXV; risks related to general economic and market conditions and financial markets; economic, social and market conditions related to the COVID-19 global pandemic; the worldwide economic and social impact of COVID-19; the duration and extent of COVID-19; changes in general economic conditions; the imposition of government restrictions on business related to COVID-19, any positive cases of COVID-19 at a project site or in the area which may cause a reduction or suspension in operations and activities which may ultimately affect and delay the exploration timeline; changes in prices for gold and other metals; and other as yet unknown or unidentified risks. This list is not exhaustive of the factors that may impact the Company's FLS. These and other factors should be considered carefully, and readers should not place undue reliance on the Company's FLS. Although the Company believes that the expectations reflected in the forward-looking information or statements are reasonable and does not believe that the worldwide COVID19 situation will have any immediate or long-term effect on its projects, as a result of the foregoing and other factors, no assurance can be given as to the occurrence of these future events, and neither the Company nor any other person assumes responsibility for the accuracy and completeness of these FLS. The factors underlying current expectations are dynamic and subject to change.

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