

# Galleon Gold Announces Closing of C\$3.5 Million Brokered Private Placement, Including a Lead Order from Eric Sprott

25.03.2022 | [Newsfile](#)

Toronto, March 25, 2022 - [Galleon Gold Corp.](#) (TSXV: GGO) (the "Company" or "Galleon Gold") is pleased to announce the closing of the previously announced "best efforts" brokered private placement (the "Offering") for gross proceeds of C\$3,500,000 from the sale of 2,462,437 units of the Company (each, a "Unit") at a price of C\$0.50 per Unit, 3,306,821 flow-through units of the Company (each, a "FT Unit") at a price of C\$0.55 per FT Unit and 642,900 FT Units to be sold to charitable purchasers (each, a "Charity FT Unit") at a price of C\$0.70 per Charity FT Unit. The Offering was led by Red Cloud Securities Inc. and included Paradigm Capital Inc. (the "Agents").

Each Unit consists of one common share of the Company (each a "Unit Share") and one half of one common share purchase warrant (each whole warrant, a "Warrant"). Each FT Unit and Charity FT Unit consists of one common share of the Company to be issued as a "flow-through share" within the meaning of the Income Tax Act (Canada) (each, a "FT Share") and one half of one Warrant to be issued as a "flow-through share" (each, a "FT Warrant"). Each Warrant and FT Warrant shall entitle the holder to purchase one common share of the Company at a price of C\$0.75 at any time on or before March 25, 2024.

The Company intends to use the proceeds raised from the Offering for the exploration and advancement of the Company's West Cache Gold Project in Timmins, Ontario as well as for general working capital purposes. Proceeds from the sale of FT Shares and FT Warrants will be used to incur "Canadian exploration expenses" as defined in subsection 66.1(6) of the Income Tax Act and "flow through mining expenditures" as defined in subsection 127(9) of the Income Tax Act. Such proceeds will be renounced to the subscribers with an effective date not later than December 31, 2022, in the aggregate amount of not less than the total amount of gross proceeds raised from the issue of FT Shares and FT Warrants.

Certain insiders, directors and officers of the Company, including Mr. Sprott, subscribed for an aggregate of 1,152,437 Units under the Offering on the same terms as arm's length investors. The participation of the insiders, directors and officers in the Offering constitutes a "related party transaction" for the purposes of Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("MI 61-101"). The Company is exempt from the requirements to obtain a formal evaluation or minority shareholder approval in connection with the insider participation in reliance on sections 5.5 (a) and 5.7 (1) (a) of MI 61-101, as neither the fair market value of the securities issued, nor the fair market value of the consideration for the securities issued exceeds 25% of the Company's market capitalization as calculated in accordance with MI 61-101. The Company did not file a material change report containing all of the disclosure required by MI 61-101 more than 21 days before the expected closing date of the Offering as the aforementioned insider participation had not been confirmed at that time and the Company wished to close the Offering as expeditiously as possible.

In connection with the Offering, the Agents received a commission of C\$201,000 paid through the issuance of 402,000 Units. The Agents were also issued 366,729 non-transferable compensation warrants (the "Broker Warrants"), with each entitling the Agents to purchase one Unit at a price of C\$0.50 at any time on or before March 25, 2024.

All of the securities issued under the Offering will be subject to a hold period of four months and one day from the closing of the Offering in accordance with applicable securities laws.

This news release does not constitute an offer of securities for sale in the United States. The securities offered have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and such securities may not be offered or sold within the United States absent U.S. registration or an applicable exemption from U.S. registration requirements.

## About Galleon Gold

Galleon Gold is an exploration and development company focused on advancing the West Cache Gold Project in Timmins, Ontario. The project is situated along the Porcupine-Destor gold belt, approximately 7 km northeast of Pan American Silver's Timmins West Mine and 14 km southwest of Newmont's Hollinger Mine. Since acquiring the project the Company has demonstrated significant resource growth while providing a strong valuation in its maiden Preliminary Economic Assessment. Permitting and baseline studies in support of a bulk sample are currently underway. Eric Sprott holds approximately 21% of the Company's outstanding common shares.

For further information:

Galleon Gold  
R. David Russell  
Chairman and CEO  
T. (416) 644-0066  
info@galleongold.com  
www.galleongold.com

## Forward-Looking Statements

This press release contains certain forward-looking statements that reflect the current views and/or expectations of Galleon Gold with respect to its long-term strategy, proposed work, plans and other reports including the PEA for its projects. Forward-looking statements are based on the then-current expectations, beliefs, assumptions, estimates and forecasts about the business and the markets in which Galleon Gold operates. Some of the statements contained herein may be forward-looking statements which involve known and unknown risks and uncertainties. Without limitation, statements regarding potential mineralization and resources, exploration results, expectations, plans, and objectives of Galleon Gold are forward-looking statements that involve various risks. The following are important factors that could cause Galleon Gold's actual results to differ materially from those expressed or implied by such forward-looking statements: changes in the world-wide price of mineral commodities, general market conditions, risks inherent in mineral exploration, risks associated with development, construction and mining operations, risks related to infectious diseases, including COVID-19 and the uncertainty of future exploration activities and cash flows, and the uncertainty of access to additional capital. There can be no assurance that forward-looking statements will prove to be accurate as actual results and future events may differ materially from those anticipated in such statements. Galleon Gold undertakes no obligation to update such forward-looking statements if circumstances or management's estimates or opinions should change. The reader is cautioned not to place undue reliance on such forward-looking statements.

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Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/410786--Galleon-Gold-Announces-Closing-of-C3.5-Million-Brokered-Private-Placement-Including-a-Lead-Order-from-Eric-Sprott>

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