

Trigon Metals Enters into Institutional Funding Arrangements with The Lind Partners for C\$5.5 Million and Sprott Mining for US\$2.5 Million

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[Trigon Metals Inc.](#) (TSX.V:TM) ("Trigon" or the "Company") is pleased to announce that it has entered into a convertible security funding agreement dated April 27, 2022 (the "Agreement") with Lind Global Fund II, LP, an entity managed by The Lind Partners, LLC, a New York-based institutional fund manager (together, "Lind"). Under the terms of the Agreement, Trigon has agreed to issue to Lind a convertible security in the principal amount of C\$5,500,000, with such proceeds being used for general working capital and to repay all outstanding amounts owing to IXM S.A. pursuant to the credit facility between IXM and the Company.

The Lind funding will replace the US\$5 million working capital facility from metals trader and off taker IXM (see announcement October 28, 2021). Only US\$2.75M of the IXM facility, was drawn down, the remainder withheld, leading to capital constraints at a critical time in the life of the mine. The flexibility of the Lind funding and the Sprott Loan (as defined below) is expected to give the operation all of the liquidity necessary to achieve commercial production. While concentrate sales have begun in earnest, capital constraints have put a lot of pressure on the mine, the team and our contractors.

Commenting, Jed Richardson President & CEO, "The emplacement of the Sprott and Lind debt financings and the replacement of the IXM facility, marks an inflection point in the operation of the Kombat Mine, putting to rest the capital constraints that have prevented operating at our full potential and delayed our declaration of commercial production. Thank you to our team and financial partners for their tireless efforts, and a special thank you to our suppliers and contractors for their patience."

Lind Partners Facility

Pursuant to the Agreement, Lind has agreed to make an investment of C\$5,500,000, less a commitment fee of C\$165,000, in exchange for a convertible security (the "Convertible Security") with a face value of C\$6,600,000 (the "Face Value"), representing a principal amount of C\$5,500,000 (the "Principal Amount") and a pre-paid interest amount of C\$1,100,000 (the "Pre-Paid Interest"). Commencing four months from closing, Trigon will begin repaying the Convertible Security in C\$275,000 monthly installments. Lind will have the right to convert any portion of the Principal Amount (less the commitment fee) into common shares of Trigon ("Common Shares") at a price per share of C\$0.335 (the "Conversion Price"). Pre-Paid Interest will accrue over a period of 24 months from closing and be calculated at the end of each calendar month. Once accrued, Lind will have the option, once every 90 days, to convert accrued Pre-Paid Interest into Common Shares ("Common Shares") at a price equal to 90% of the market closing price of the Common Shares on the TSX Venture Exchange (the "Exchange") on the day immediately prior to conversion (the "Interest Conversion Price").

With mutual consent of Lind, Trigon has the option to buy back the remaining outstanding Convertible Security in cash at any time with no penalty. If Trigon exercises the buy-back option, Lind will have the option to convert (i) up to 33.3% of the outstanding Principal Amount at the Conversion Price into Common Shares, and (ii) up to 100% of the total Pre-Paid Interest at the Interest Conversion Price into Common Shares. Additionally, in the event of a change of control of the Company, Lind may convert 100% of the Pre-Paid Interest into Common Shares. Any issuance of securities to settle any Pre-Paid Interest, whether on a quarterly basis or pursuant to a buyback or change of control event, will require the prior approval of the Exchange prior to any such issuance.

The Convertible Security will rank senior, secured by all of Trigon's assets (except the shares in Trigon's Moroccan subsidiary), including a general security agreement, a guarantee from Trigon's Barbados subsidiary and a share pledge of its Barbados subsidiary shares, and will contain no shorting language.

The issuance of the Convertible Security will be completed under the Exchange private placement rules. Exchange approval will be required prior to Trigon issuing any Common Shares to Lind that would cause it to become an "insider" under applicable securities laws or to hold greater than 9.99% of Trigon's outstanding Common Shares and disinterested shareholder approval will be required prior to Trigon issuing any Common Shares to Lind that would cause it to become a "control person" under applicable securities laws or to hold greater than 19.99% of Trigon's outstanding Common Shares.

In connection with the issuance of the Convertible Security, Trigon will issue Lind 15,925,373 Common Share purchase warrants exercisable for a term of 24 months at an exercise price of C\$0.35 per Common Share.

Closing of the funding is expected to occur on or about April 29, 2022, subject to approval of the Exchange and other customary closing conditions.

Sprott Mining (Wholly Owned by Eric Sprott) Facility

Trigon has also entered into a financing commitment letter with Sprott Mining Inc. ("Sprott") pursuant to which Sprott has agreed to provide Trigon with a US\$2.5 million loan (the "Sprott Loan"). The Sprott Loan shall have a term of 180 days (the "Term") and will accrue 1.0% interest per calendar month, payable in arrears. The Sprott Loan will be secured with a first ranking charge against Trigon's Moroccan assets and will be subordinate to the Convertible Security on the remainder of Trigon's assets.

Upon the end of the Term, or sooner if agreed by Sprott and Trigon, Sprott will have the right to direct or otherwise re-invest the principal amount of the Sprott Loan into a stream of silver deliveries equal to 8.25% of the silver produced from the Kombat Mine.

The proceeds of the Sprott Loan are to be used to fund the Company's operations in Namibia. Closing of the Sprott Loan is subject to the parties entering into a credit agreement, approval of the Exchange and other customary closing conditions. The Sprott Loan is considered to be a non-arm's length transaction given that Eric Sprott, through 2176423 Ontario Ltd., beneficially owns more than 10% of the common shares of Trigon.

About Trigon

Trigon is a publicly traded Canadian exploration and development company with its core business focused on copper and silver holdings in mine-friendly African jurisdictions. Currently the company has operations in Namibia and Morocco. In Namibia, the Company holds an 80% interest in five mining licences in the Otavi Mountainlands, an area of Namibia widely recognized for its high-grade copper deposits, where the Company is focused on exploration and re-development of the previously producing Kombat Mine. In Morocco, the Company is the holder of the Silver Hill project, a highly prospective copper and silver exploration project.

About The Lind Partners, LLC

The Lind Partners manages institutional funds that are leaders in providing growth capital to small- and mid-cap companies publicly traded in the US, Canada, Australia and the UK. Lind's funds make direct investments ranging from US\$1 to US\$30 million, invest in syndicated equity offerings and selectively buy on market. Having completed more than 100 direct investments totaling over US\$1 Billion in transaction value, Lind's funds have been flexible and supportive capital partners to investee companies since 2011.

For more information, please visit <http://www.thelindpartners.com>.

On behalf of the Board of Directors of [Trigon Metals Inc.](#):

Jed Richardson, Director and Chief Executive Officer

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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.

This news release may contain forward-looking statements. These statements include statements regarding the Convertible Security, the Sprott Loan, repayment of the IXM facility, the terms, timing, potential completion and the use of proceeds of the Convertible Security and the Sprott Loan as well as statements regarding Trigon's future business plans and objectives. These statements are based on current expectations and assumptions that are subject to risks and uncertainties. Actual results could differ materially because of factors discussed in the management discussion and analysis section of our interim and most recent annual financial statements or other reports and filings with the TSX Venture Exchange and applicable Canadian securities regulations. We do not assume any obligation to update any forward-looking statements, except as required by applicable laws.

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Contact

Jed Richardson
+1 647 276 6002
jed.richardson@trigonmetals.com
Website: www.trigonmetals.com

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