

Delta Resources Closes C\$10 Million Bought Deal Private Placement of Flow-Through Units and Units

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Kingston, May 17, 2023 - [Delta Resources Ltd.](#) (TSXV: DLTA) ("Delta Resources" or the "Company") is pleased to announce the closing of its previously announced "bought deal" private placement of (i) 7,143,000 "flow-through" units of the Company (the "FT Units") at a price of \$0.63 per FT Unit for gross proceeds of \$4,500,090; and (ii) 12,222,400 units of the Company (the "HD Units" and, together with the FT Units, the "Units") at a price of \$0.45 per HD Unit for gross proceeds of \$5,500,080, for aggregate gross proceeds to the Company of \$10,000,170, which includes the exercise in full of the Underwriters Option (collectively, the "Offering"), pursuant to an underwriting agreement (the "Underwriting Agreement") with Cormark Securities Inc., as lead underwriter, on behalf of a syndicate of underwriters including Desjardins Securities Inc. and Haywood Securities Inc. (collectively, the "Underwriters").

Each HD Unit consists of one common share in the capital of the Company (each an "HD Share") and one-half of one common share purchase warrant (each whole warrant, a "Warrant"). Each FT Unit consists of one common share in the capital of the Company (each, an "FT Share") and one-half of one Warrant, each of which will qualify as a "flow-through share" within the meaning of the Income Tax Act (Canada). Each Warrant entitles the holder to purchase one common share in the capital of the Company (each, a "Warrant Share") at a price of \$0.63 for a period of two years following the closing of the Offering. For greater certainty, the proceeds from the exercise of the Warrants will not be flow-through eligible. The HD Shares, FT Shares, Warrants and Warrant Shares will be subject to a four-month hold period ending on September 18, 2023.

The net proceeds from the issue of the HD Units will be used for working capital and general corporate purposes. The Company will use an amount equal to the gross proceeds received by the Company from the sale of the FT Units, pursuant to the provisions in the Income Tax Act (Canada), to incur eligible "Canadian exploration expenses" that qualify as "flow-through mining expenditures" as both terms are defined in the Income Tax Act (Canada) and "eligible Ontario exploration expenditures" as defined in subsection 103(4) of the Taxation Act, 2007 (Ontario) (the "Qualifying Expenditures") related to the Company's projects in Ontario, on or before December 31, 2024, and to renounce all the Qualifying Expenditures in favour of the subscribers of the FT Units effective December 31, 2023.

In consideration for the services rendered by the Underwriters in connection with the Offering, the Underwriters received cash commissions of \$570,010.20 and 1,095,256 compensation warrants, with each compensation warrant entitling the holder thereof to purchase one common share in the capital of the Company at \$0.45 per common share for a period of two years following the closing of the Offering.

Management of the Company subscribed for \$286,000 of the Offering. The issuances of HD Units and FT Units to such insiders are considered related party transactions under Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions ("MI 61-101"). The Company relied on exemptions from the formal valuation and minority approval requirements in sections 5.5(a) and 5.7(1)(b) of MI 61-101, respectively, in respect of such insider participation. The Offering remains subject to the final approval of the TSX Venture Exchange.

Andre Tessier commented, "This financing is truly a gamechanger for Delta. The funds will allow Delta to systematically and more aggressively explore the Delta-1 Property. We look forward to proving-up the true potential of the Delta-1 Gold Project. Working with Cormark to secure these funds was a pleasure. Cormark is truly a premier Investment Bank for mining in Canada."

The securities offered have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, or any state securities law, and may not be offered, sold or delivered, directly or

indirectly, within the United States, or to or for the account or benefit of U.S. persons, absent registration or an exemption from such registration requirements. This news release does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of securities in any state in the United States in which such offer, solicitation or sale would be unlawful.

About Delta Resources Limited

[Delta Resources Ltd.](#) is a Canadian mineral exploration company focused on growing shareholder value through the exploration of two very high-potential gold and base-metal projects in Canada. DELTA-1 covers 58.3 square kilometres located 50 kilometres west of Thunder Bay, Ontario where a gold mineralized zone 1500 metres long was outlined through drilling in a multi-kilometre-scale intense alteration halo. DELTA-2 VMS and DELTA-2 GOLD covers 194 square kilometres in the prolific Chibougamau District of Quebec.

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Neither 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 and Forward-Looking Statements

This news release contains "forward-looking information" within the meaning of the applicable Canadian securities legislation that is based on expectations, estimates, projections and interpretations as at the date of this news release. Any statement that implies predictions, expectations, interpretations, opinions, plans, projections, objectives, assumptions, future events or performance (often using words such as "expects" or "does not expect", "is expected", "interpreted", "in management's opinion", "anticipates", or "plans", "budget", "schedule", "forecasts" including negative and grammatical variations thereof, statements that certain actions, events or results "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved) is not a statement of historical fact and may constitute forward-looking information and is intended to identify forward-looking information. This news release may contain forward-looking information relating to, among other things, the use of proceeds of the Offering; the timing and ability of the Company to receive necessary regulatory and other approvals, including the final acceptance of the Offering by the TSX Venture Exchange; the ability of the Company to incur in full or at all "Canadian exploration expenses" that qualify as "flow-through mining expenditures" and the renunciation thereof to the purchasers of the FT Units and timing thereof; and the tax treatment of the FT Units. These factors include, but are not limited to, risks associated with the ability of exploration activities (including drilling results) to accurately predict mineralization; the Company's ability to obtain required approvals; the results of exploration activities; risks associated with mining operations; global economic conditions; metal prices; dilution; environmental risks; and community and non-governmental actions and general economic conditions. Although the forward-looking information contained in this news release is based on assumptions that management believes are reasonable at the time of release, Delta Resources cannot provide any assurance that actual results will be consistent with the forward-looking information, as there may be other factors that cause results not to be as anticipated, estimated or intended, and neither Delta Resources nor any other person assumes responsibility for the accuracy or completeness of forward-looking information. All statements made, other than statements of historical fact, that address the Company's intentions and the events and developments that the Company anticipates, are considered forward-looking statements. Although the Company believes that the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance, and actual results or developments may differ from those in the forward-looking statements.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only

as of the date of this news release. The Company disclaims any intention or obligation, except to the extent required by law, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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