Canstar Resources Inc. Closes Oversubscribed Financing, Announces Management Changes and Board Appointment

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Toronto, Jan. 23, 2024 - Canstar Resources Inc. (TSXV:ROX) (OTC:CSRNF) ("Canstar" or the "Company"), today closed the non-brokered private placement financing (the "Offering") previously announced on December 27, 2023, for gross proceeds of \$856,215. The Offering was oversubscribed by \$121,215 and an aggregate of 26,665,500 units were sold. The lead order for the Offering came from Mr. J. Paul Austin III, who has been appointed to the Canstar board of directors. In addition, the Company announced the appointments of Mr. Juan Carlos Giron Jr. as President and Chief Executive Officer, Mr. William P. Upshur as Chief Financial Officer and Corporate Secretary, and Ms. Nyla Beth Gawel as Observer and Special Advisor to the board of directors.

Commenting on the corporate updates, incoming President and CEO, Juan Carlos Giron Jr, said, "I am honoured for the opportunity to lead Canstar Resources during this pivotal time for the mineral resource sector. The Company has a world-class technical team and a compelling land package with nearly 75,000 hectares of critical and precious metals claims in a Tier 1 mining jurisdiction. I would like to extend my gratitude to our investors for their confidence, as well as to outgoing President and CEO, Rob Bruggeman, whose leadership has positioned the Company for long-term growth."

Newly appointed CFO, William Upshur, added, "We're pleased to have rapidly closed on this over-subscribed financing, and to have the support of J. Paul and a select group of professional investors. With gross proceeds of more than \$850,000, and additional potential future proceeds of over \$1,300,000 in the event the warrants issued under the Offering are exercised, we have a strong foundation from which to advance the Company."

Appointee Biographical Information

Juan Carlos Giron Jr. brings 15 years of experience in executive management, capital markets, finance and commercial and strategic development. He most recently served as Executive Vice President, Strategy and Capital Markets, at a Canadian-listed mining technology company and as President and CFO of a US-listed mining company operating in Nevada. Prior to focusing on the natural resources sector, Juan Carlos spent 10 years in UBS's International Division (NYSE: UBS).

William Upshur brings over 17 years of experience in business operations, finance, strategy, and data analytics, working in sectors including US national security, natural resources, and technology. He previously led corporate affairs and investor relations strategy at a natural resources startup and built a boutique consulting practice in the mining sector. William holds a Master's degree in Economics from The School of Advanced International Studies at The Johns Hopkins University (SAIS), and post-graduate certificates in Corporate Finance and Accounting from Harvard.

J. Paul Austin III is a professional investor and corporate advisor with over 25 years of experience in finance, capital markets, venture capital and corporate governance. Paul served as Managing Director of BlueArc Capital Management's hedge fund strategies for approximately 10 years, and spent seven years as Chief Investment Officer of Beach Capital Management, the private investment office of Mr. S. Daniel Abraham. Paul began his career at Goldman, Sachs & Co. after graduating from the Georgia Institute of Technology with Highest Honors. He is currently CEO of Austin & Company. He also serves on the board of Rabun Gap Nacoochee Schools and has served as a member of the Board of Trustees for the Georgia Tech Alumni Association.

Nyla Beth Gawel brings over 20 years of strategic planning, corporate executive and US public sector experience. She has servedin senior roles at Fortune 500 companies, including as Vice President at Booz

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Allen Hamilton (NYSE: BAH), as Senior Vice President, Corporate Strategy at SAIC (NYSE: SAIC) and as Director of Public Sector Strategy at Verizon (NYSE: VZ). Nyla Beth also has extensive experience advising early-stage companies, including technology startups. She holds a Bachelor of Science degree in Foreign Service from Georgetown University and management certificates from Yale and Duke.

Offering Details

As part of the Offering, the Company issued 10,415,500 units of the Company (each a "Hard Dollar Unit") at a price of \$0.03 per Hard Dollar Unit, 10,000,000 flow-through units (each a "FT Unit") at a price of \$0.0325 per FT Unit and 6,250,000 Critical Mineral Exploration Tax Credit ("CMETC") flow-through units (each a "CMETC FT Unit") at a price of \$0.035 per CMETC FT Unit.

Each Hard Dollar Unit is comprised of one common share of the Company (a "Common Share") and one Common Share purchase warrant (a "Warrant"). Each Warrant entitles the holder to purchase one Common Share (a "Warrant Share") at an exercise price of \$0.05 per Warrant Share for a period of 24 months following the closing of the Offering. The net proceeds from the sale of the HD Units will be for exploration of the Company's mineral properties and general corporate and working capital purposes.

Each FT Unit is comprised of one Common Share that qualifies as a "flow-through share" (within the meaning of subsection 66(15) of the Income Tax Act (Canada)) (an "FT Share") and one Warrant. The gross proceeds from the sale of the FT Units will be used to fund further exploration programs on, but not limited to, the Golden Baie property claims, incurring expenditures that will qualify as "Canadian Exploration Expenses" and "flow through mining expenditures" as defined in the Income Tax Act (Canada) on or before December 31, 2025, and which will be renounced to the purchasers of the FT Units with an effective date no later than December 31, 2024.

Each CMETC FT Unit is comprised of one FT Share and one Warrant. The gross proceeds from the sale of the CMETC FT Units will be used to fund further exploration programs on, but not limited to, the Buchan's-Mary March property claims, incurring expenditures that will qualify as "Canadian Exploration Expenses" and "flow-through critical mineral mining expenditures" as those terms are defined in the Income Tax Act (Canada) on or before December 31, 2025, and which will be renounced to the purchasers of the CMETC FT Units with an effective date no later than December 31, 2024.

The Offering was amended to include payment of \$1,800 in cash finders' fees to certain eligible third parties. The Offering remains subject to the final approval of the Exchange. All securities issued and issuable pursuant to the Offering are subject to a hold period of four months and one day from the date of issuance.

The securities have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any U.S. state security laws, and may not be offered or sold in the United States without registration under the U.S. Securities Act and all applicable state securities laws or compliance with requirements of an applicable exemption therefrom. This press release shall not constitute an offer to sell or the solicitation of an offer to buy securities in the United States, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

Additional Updates

Concurrent with closing the Offering, as previously announced, Robert Bruggeman has stepped down as President and CEO, Jack Hurley has retired as CFO and Sam Leung has departed from the Company's board of directors. The Company expresses its deep gratitude to Jack and Sam for their years of service. Rob will continue in his position as a director of the Company. In addition, Aegis Critical Materials Inc., of which Juan Carlos Giron Jr. is a Principal, has received the right to nominate an additional director of the Company if specific conditions have been met.

About Canstar Resources Inc.

Canstar is focused on the discovery and development of economic mineral deposits in Newfoundland and Labrador, Canada. Canstar has a 100% interest in the Golden Baie Project, a large claim package (62,175

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hectares) with recently discovered, multiple outcropping gold occurrences on a major structural trend in southcentral Newfoundland. The Company also holds the Buchans-Mary March project and other mineral exploration properties in central Newfoundland. Canstar Resources is based in Toronto, Canada, and is listed on the TSX Venture Exchange under the symbol ROX and trades on the OTCPK under the symbol CSRNF.

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Cautionary Statement

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.

This News Release includes certain "forward-looking statements" which are not comprised of historical facts. Forward looking statements include estimates and statements that describe the Company's future plans, objectives or goals, including words to the effect that the Company or management expects a stated condition or result to occur. Forward looking statements may be identified by such terms as "believes", "anticipates", "expects", "estimates", "may", "could", "would", "will", or "plan". Since forward-looking statements are based on assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties. Although these statements are based on information currently available to the Company, the Company provides no assurance that actual results will meet management's expectations. Risks, uncertainties and other factors involved with forward-looking information could cause actual events, results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking information. Forward looking information in this news release includes, but is not limited to, the use of proceeds from the Offering, the potential to receive additional proceeds pursuant to the exercise of the Warrants, the intrinsic value of the Company, expected expenditure of the proceeds of the Offering, the Company's objectives, goals or future plans, statements, exploration results, potential mineralization, the estimation of mineral resources, exploration and mine development plans, timing of the commencement of operations and estimates of market conditions. Factors that could cause actual results to differ materially from such forward-looking information include, but are not limited to the inability to receive final TSXV approval for the Offering, failure to identify mineral resources, failure to convert estimated mineral resources to reserves, the inability to complete a feasibility study which recommends a production decision, the preliminary nature of metallurgical test results, delays in obtaining or failures to obtain required governmental, environmental or other project approvals, political risks, inability to fulfill the duty to accommodate First Nations and other indigenous peoples, uncertainties relating to the availability and costs of financing needed in the future, changes in equity markets, inflation, changes in exchange rates, fluctuations in commodity prices, delays in the development of projects, capital and operating costs varying significantly from estimates and the other risks involved in the mineral exploration and development industry, an inability to predict and counteract the effects of COVID-19 on the business of the Company, including but not limited to the effects of COVID-19 on the price of commodities, capital market conditions, restriction on labour and international travel and supply chains, and those risks set out in the Company's public documents filed on SEDAR. Although the Company believes that the assumptions and factors used in preparing the forward-looking information in this news release are reasonable, undue reliance should not be placed on such information, which only applies as of the date of this news release, and no assurance can be given that such events will occur in the disclosed time frames or at all. The Company disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, other than as required by law.

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