

NexGold and Signal Gold Complete Upsized Concurrent Financing for \$18.5 million

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TORONTO, Nov. 06, 2024 - [NeXGold Mining Corp.](#) (TSXV: NEXG; OTCQX: NXGCF) ("NexGold") and Signal Gold Inc. (TSX: SGNL; OTCQB: SGNLF) ("Signal") are pleased to announce that, further to the companies' joint news releases dated October 10, 2024 and October 23, 2024, the companies have closed their previously announced oversubscribed and upsized concurrent financings for aggregate gross proceeds of \$18.5 million. The Concurrent Financing (as defined below) was carried out in connection with the proposed plan of arrangement, pursuant to which NexGold will acquire all of the shares of Signal to create a near-term gold developer, advancing NexGold's Goliath Gold Complex Project ("Goliath Project") in Northern Ontario and Signal's Goldboro Project ("Goldboro Project") in the historic Goldboro Gold District in Nova Scotia (the "Transaction").

Pursuant to the flow-through unit private placement of NexGold (the "FT Financing"), NexGold has issued an aggregate of 10,106,250 units ("FT Units") at a price of \$0.80 per unit for gross proceeds of \$8,085,000. Each FT Unit is comprised of one flow-through common share of NexGold (a "FT Share") and one-half of one common share purchase warrant (each whole warrant, a "FT Unit Warrant") issued on a non-flow-through basis. The FT Shares have been issued as "flow-through shares" within the meaning of the *Income Tax Act* (Canada) (the "Tax Act"). Each FT Unit Warrant entitles the holder thereof to purchase one non-flow-through common share of NexGold (a "NexGold Share") at a price of \$1.05 for a period of 24 months following the date of issuance.

Pursuant to the subscription receipt private placement of Signal (the "Hard Dollar Financing" and together with the FT Financing, the "Concurrent Financing"), Signal has issued an aggregate of 120,075,840 subscription receipts ("Subscription Receipts") at a price of \$0.08705 per Subscription Receipt for gross proceeds of \$10,452,601.87. Prior to the completion of the Arrangement, Signal Gold may exercise its option to issue up to an additional 6,003,792 Subscription Receipts for additional gross proceeds of up to \$522,630.10. The Subscription Receipts will automatically convert into units of Signal ("NFT Units") upon satisfaction or waiver of certain release conditions (including the satisfaction of all conditions precedent to the completion of the Transaction, other than those conditions that can only be satisfied at the effective time of the transaction, including, but not limited to, the issuance of NexGold Shares as consideration to shareholders of Signal) (the "Escrow Release Conditions"). Upon issuance, each NFT Unit will be comprised of one common share of Signal (a "NFT Share") and one-half of one common share purchase warrant of Signal (each whole warrant, a "NFT Unit Warrant"). Each NFT Unit Warrant will entitle the holder thereof to purchase one NFT Share at a price of \$0.11818 for a period of 24 months following the date of issuance.

Each NFT Share issued on conversion of the Subscription Receipts will then be exchanged for 0.1244 (the "Exchange Ratio") of one NexGold Share pursuant to the terms of the Transaction. Further, NFT Unit Warrants issued on conversion of the Subscription Receipts will be adjusted in accordance with their terms such that the NFT Unit Warrants will be exercisable to acquire NexGold Shares based on the Exchange Ratio.

The net proceeds of the Hard Dollar Financing are expected to be used by the combined company to fund the retirement of certain debt, the exploration and advancement of the Goliath and Goldboro Projects and for working capital and general corporate purposes. An amount equal to the gross proceeds from the issuance of the FT Shares will be used to fund advancement of NexGold's projects (which would include Signal's projects assuming closing of the Transaction). NexGold will, in a timely and prescribed manner and form, incur expenses which will: (i) constitute "Canadian exploration expenses", and (ii) constitute "flow-through mining expenditures", (as all such terms are defined in the Tax Act), in an amount equal to the gross amount raised pursuant to the sale of FT Shares. NexGold will, in a timely and prescribed manner and form, renounce the Canadian exploration expenses (on a *pro rata* basis) to each subscriber with an effective date of no later than December 31, 2024, in accordance with the Tax Act, as applicable, all in accordance with the terms of the subscription and renunciation agreements to be entered into by NexGold and the subscribers in the FT Financing.

In connection with the FT Financing, NexGold paid finder's compensation to certain eligible finders comprised of aggregate cash payments of \$120,720 and the issuance of 150,900 non-transferable finder's warrants ("Finder's Warrants") in respect of subscribers introduced to NexGold by such finders. The Finder's Warrants are exercisable to acquire one NexGold Share at a price of \$0.95 for a period of 24 months from the date of issuance.

In connection with the Hard Dollar Financing, it is anticipated that Signal will, at the time of conversion of the Subscription Receipts, pay finder's compensation to certain eligible finders to be comprised of: (i) a cash payment of up to 6.0% of the gross proceeds raised from sales of Subscription Receipts to subscribers introduced by such finders; and (ii) such number of non-transferable finder's warrants as is equal to an amount not to exceed 6.0% of the number of Subscription Receipts sold to subscribers introduced by such finders to Signal. The finder's warrants of Signal will be economically equivalent to the NFT Unit Warrants, and following closing of the Transaction, each such finder's warrant will be adjusted in accordance with its terms and exercisable to acquire NexGold Shares at a price of \$0.95 per NexGold Share for a period of 24 months.

All securities issued in the Concurrent Financing are subject to a statutory four-month and one day hold period from the date of issuance, in addition to such other restrictions as may apply under applicable securities laws of jurisdictions outside of Canada.

Certain related parties of NexGold and Signal (together, the "Interested Parties") purchased or acquired direction or control over a total of 537,500 FT Units and 5,166,645 Subscription Receipts collectively in each financing (with 500,000 FT Units being acquired by related parties of NexGold participating in the FT Financing and 1,033,890 Subscription Receipts being acquired by Signal related parties in the Hard Dollar Financing). The placement to those persons constitutes a "related party transaction" within the meaning of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* ("MI 61-101"). Notwithstanding the foregoing, the directors of NexGold and Signal have determined that the Interested Parties' participation in the FT Financing and Hard Dollar Financing, respectively, will be exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 in reliance on the exemptions set forth in sections 5.5(a) and 5.7(1)(a) of MI 61-101. Neither of the companies filed a material change report 21 days prior to the closing of the Concurrent Financing as the details of the participation of Interested Parties had not been confirmed at that time.

An investment fund sub-advised by Sprott Asset Management ("Sprott") acquired 2,500,000 FT Units under the FT Financing for total consideration of \$2,000,000. Prior to the FT Financing, Sprott, together with its affiliates and sub-advised funds, beneficially owned or controlled 7,368,716 common shares of NexGold and 2,328,750 common share purchase warrants of NexGold, representing approximately 9.66% of the outstanding NexGold common shares on a non-diluted basis and 12.34% of the NexGold common shares on a partially diluted basis. As a result of the FT Financing, Sprott, together with its affiliates and sub-advised funds, beneficially owns or controls 9,868,716 NexGold common shares and 3,578,750 common share purchase warrants representing 11.43% of the issued and outstanding common shares of NexGold on a non-diluted basis and 14.95% on a partially diluted basis. The FT Units were acquired for investment purposes. Sprott, its affiliates and sub-advised funds, may acquire additional securities of NexGold including on the open market or through private acquisitions or may sell securities of NexGold including on the open market or through private dispositions in the future depending on market conditions, reformulation of plans and/or other relevant factors that Sprott considers relevant from time to time.

The securities offered in the Concurrent Financing 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 securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, United States persons absent registration or any applicable exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. This news 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.

Please refer to the October 10, 2024 and October 23, 2024 news releases for additional details regarding the Transaction and proposed debt restructuring to be carried out in connection with the Transaction.

Investor Awareness and Marketing Agreement

NexGold has continued the agreement with i2i Marketing Group LLC ("i2i") that was entered into by NexGold's subsidiary, [Blackwolf Copper and Gold Ltd.](#), to provide ongoing marketing services including online content distribution and advertising (see news release dated October 3, 2023). i2i will work to facilitate investor awareness about NexGold and its assets. i2i has been paid an additional USD \$250,000 to develop required content and for advertising for up to six months or until such funds last. After exhaustion of the additional funds the budget may be adjusted monthly based on market conditions and NexGold's requirements. NexGold will not issue any securities to i2i in consideration for the marketing services. i2i does not have any prior relationship with NexGold and NexGold and i2i deal at arm's length. i2i is based out of Odessa, Florida.

For more information about NexGold and Signal, please refer to each company's profile on SEDAR+ at www.sedarplus.ca.

About NexGold Mining Corp.

NexGold Mining Corp. is a gold-focused company with assets in Canada and Alaska. NexGold's Goliath Project (which includes the Goliath, Goldlund and Miller deposits) is located in Northwestern Ontario. The deposits benefit substantially from excellent access to the Trans-Canada Highway, related power and rail infrastructure and close proximity to several communities including Dryden, Ontario. For information on the Goliath Project, refer to the technical report, prepared in accordance with NI 43-101, entitled 'Goliath Gold Complex - NI 43-101 Technical Report and Prefeasibility Study' and dated March 27, 2023, with an effective date of February 22, 2023, led by independent consultants Ausenco Engineering Canada Inc. The technical report is available on SEDAR+ at www.sedarplus.ca, on the OTCQX at www.otcmarkets.com and on NexGold's website at www.nexgold.com.

NexGold also owns several other projects throughout Canada, including the Weebigee-Sandy Lake Gold Project JV, and grassroots gold exploration property Gold Rock. In addition, NexGold holds a 100% interest in the high-grade Niblack copper-gold-zinc-silver VMS project, located adjacent to tidewater in southeast Alaska. NexGold is committed to inclusive, informed and meaningful dialogue with regional communities and Indigenous Nations throughout the life of all our Projects and on all aspects, including creating sustainable economic opportunities, providing safe workplaces, enhancing of social value, and promoting community well-being. Further details about NexGold are available on NexGold's website at www.nexgold.com.

About Signal Gold Inc.

Signal is advancing the Goldboro Gold Project in Nova Scotia, a significant growth project subject to a positive Feasibility Study which demonstrates an approximately 11-year open pit life of mine with average gold production of 100,000 ounces per annum and an average diluted grade of 2.26 grams per tonne gold. For further details, refer to the technical report entitled 'NI 43-101 Technical Report and Feasibility Study for the Goldboro Gold Project, Eastern Goldfields District, Nova Scotia' dated January 11, 2022, with an effective date of December 16, 2021. The technical report is available on SEDAR+ at www.sedarplus.ca, on the OTCQX at www.otcmarkets.com and on Signal's website at www.signalgold.com. On August 3, 2022, the Goldboro Project received its environmental assessment approval from the Nova Scotia Minister of Environment and Climate Change, a significant regulatory milestone, and Signal has now submitted all key permits including the Industrial Approval, Fisheries Act Authorization and Schedule 2 Amendment, and the Mining and Crown Land Leases. The Goldboro Project has significant potential for further Mineral Resource expansion, particularly towards the west along strike and at depth, and Signal has consolidated 28,525 hectares (~285 km²) of prospective exploration land in the Goldboro Gold District. For more information on Signal, please visit Signal's website at www.signalgold.com.

Technical Disclosure and Qualified Persons

Adam Larsen, B.Sc., P. Geo., Director of Exploration of NexGold, is a "qualified person" within the meaning of National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("NI 43-101") and has reviewed and approved the scientific and technical information in this news release regarding the Goliath Project on behalf of NexGold.

Kevin Bullock, P. Eng., President, CEO and Director of Signal, is a "qualified person" within the meaning of NI 43-101 and has reviewed and approved the scientific and technical information in this news release

regarding the Goldboro Project on behalf of Signal.

Contact:

NexGold Mining Corp.

Morgan Lekstrom
President
(250) 574-7350
Toll-free: +1-855-664-4654 (647) 697-2625
ir@nexgold.com

Orin Baranowsky
Chief Financial Officer
(647) 697-2625

Signal Gold Inc.

Kevin Bullock
President & CEO
(647) 388-1842
kbullock@signalgold.com

Robert Dufour
Chief Financial Officer
(647) 478-8104
rdufour@signalgold.com

Cautionary Note Regarding Forward-Looking Information

Certain information set forth in this news release contains "forward-looking statements" and "forward-looking information" within the meaning of applicable Canadian securities legislation and applicable United States securities laws (referred to herein as forward-looking statements). Except for statements of historical fact, certain information contained herein constitutes forward-looking statements which includes, but is not limited to, statements with respect to: completion of the proposed Transaction, including receipt of all necessary court, shareholder and regulatory approvals, and the timing thereof; the combined company's intended use of the net proceeds from the Concurrent Financing; the ability to satisfy the escrow release conditions; and the anticipated benefits and impacts of the Concurrent Financing.

Forward-looking statements are often identified by the use of words such as "may", "will", "could", "would", "anticipate", "believe", "expect", "intend", "potential", "estimate", "budget", "scheduled", "plans", "planned", "forecasts", "goals" and similar expressions. Forward-looking statements are based on a number of factors and assumptions made by management and considered reasonable at the time such information is provided. Assumptions and factors include: the successful completion of the Transaction (including receipt of all regulatory approvals, shareholder and third-party consents) and the debt restructuring (including if the parties are able to reach definitive agreements); the ability of the combined company to complete its planned exploration programs; the absence of adverse conditions at mineral properties; and the price of gold remaining at levels that render mineral properties economic. Forward-looking statements necessarily involve known and unknown risks and uncertainties, which may cause actual performance and financial results in future periods to differ materially from any projections of future performance or result expressed or implied by such forward-looking statements. These risks and uncertainties include, but are not limited to: risks related to the Transaction, including, but not limited to, the ability to obtain necessary approvals in respect of the Transaction and to consummate the Transaction and the debt restructuring; general business, economic and competitive uncertainties; delays in obtaining governmental approvals or financing; and management's ability to anticipate and manage the foregoing factors and risks. Although the companies have attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in the forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Readers are advised to study and consider risk factors disclosed in NexGold's and Signal's annual information forms for the year ended December 31, 2023, available on www.sedarplus.ca.

There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The companies undertake no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change except as required by applicable securities laws. The forward-looking statements contained herein are presented for the purposes of assisting investors in understanding the companies' plans, objectives and goals, including with respect to the Transaction, and may not be appropriate for other purposes. Forward-looking statements are not guarantees of future performance and the reader is cautioned not to place undue reliance on forward-looking statements. This news release also contains or references certain market, industry and peer group data, which is based upon information from independent industry

publications, market research, analyst reports, surveys, continuous disclosure filings and other publicly available sources. Although NexGold and Signal believe these sources to be generally reliable, such information is subject to interpretation and cannot be verified with complete certainty due to limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other inherent limitations and uncertainties. NexGold and Signal have not independently verified any of the data from third party sources referred to in this news release and accordingly, the accuracy and completeness of such data is not guaranteed.

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 news release. No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein.

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