

Medallion Resources Ltd. Increases Private Placement to \$760,000

15.09.2017 | [GlobeNewswire](#)

VANCOUVER, Sept. 15, 2017 - [Medallion Resources Ltd.](#) (TSX-V:MDL), (OTCPK:MLLOF) ("Medallion" or the "Company"), today announced that further to its news release issued July 12, 2017, the Company is increasing its private placement to raise gross proceeds of up to \$760,000 (the "Offering").

The recent and significant increase in rare-earth oxide (REO) prices, following a long period of low and relatively flat pricing, has been driven by the growing demand for rare-earth permanent magnets ("REPMs"), according to industry analysts. REPMs are required in the motors of most electric vehicles among a myriad of other energy-saving applications.

"Interest in the rare-earth sector has improved largely because of the increased demands for rare-earth magnets for use in electric and hybrid vehicles, wind energy, and robotics," said Don Lay, Medallion President & CEO. "Although this spike in interest for these critical materials is somewhat recent, it has been long anticipated. For Medallion, these new market conditions are ideal given our plans for near-term production of a magnet-rich, rare-earth concentrate from a by-product mineral."

Minerals industry consultancy Roskill, in its August newsletter, reported that the China Free-on-Board (FOB) prices of neodymium and praseodymium oxides, those key to REPMs, increased by approximately 50% during July and August. Adamas Intelligence has estimated the value of global annual rare-earth oxide demand for the production of rare-earth permanent magnets totaled \$1.44 billion in 2016. Adamas' longer-term forecast sees an increase in demand for the magnet-oriented rare-earth oxides to \$6.07 billion by 2025, a compound annual growth rate of 17.4%.

Private Placement Increase

As a result of the increase in demand, Medallion is increasing its Offering to \$760,000. The Company will now issue an aggregate of up to 4,750,000 units (each a "Unit") at \$0.16 per Unit. Each Unit will consist of one common share and of one transferable common share purchase warrant (a "Warrant"). Each Warrant will be exercisable to acquire one common share at an exercise price of \$0.32, for a period of 3 years from closing of the Offering ("Closing Date").

Medallion has agreed to pay finders' fees to arm's length finders, which will consist of (i) a cash fee of up to 8% of the gross proceeds of the Offering from subscribers introduced to the Company by the finders, payable in cash or Units at the election of the finder, and (ii) finders' options equal to up to 8% of the aggregate number of Units sold through qualified finders. Each finder's option will be exercisable to acquire one common share of the Company at an exercise price of \$0.16 per common share for a period of 24 months from the Closing Date of the Offering.

The proceeds of the Offering will be used to further the metallurgical test program that Medallion has undertaken with the Saskatchewan Research Council; customer and monazite feedstock supply development work; jurisdiction and site analysis for Medallion's proposed rare-earth extraction plant; and working capital. The completion of the Offering is subject to the acceptance of the TSX-V.

Medallion anticipates that following the completion of the Offering, assuming the Offering is fully subscribed, there will be an aggregate of 25,772,972 common shares issued and outstanding on a non-diluted basis, and an aggregate 38,044,639 common shares issued and outstanding on a fully diluted basis (including all options and warrants).

All securities issued to purchasers and finders under the Offering will be subject to a four-month hold period

from the Closing Date, pursuant to applicable securities laws and the policies of the Exchange. The securities offered have not been nor will they be registered under the United States Securities Act of 1933, as amended, or state securities laws, and may not be offered or sold in the United States or to an account for the benefit of US persons, absent such registration or an exemption from registration. This press release shall not constitute an offer to sell or the solicitation of an offer to buy the securities in the United States or in any jurisdiction in which such offer, sale, or solicitation would be unlawful.

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About Medallion Resources

Medallion Resources is developing an approach for low-cost, near-term, rare-earth element (REE) production by exploiting monazite. Monazite is a rare-earth phosphate mineral that is widely available as a by-product from mineral sand mining operations. REEs are critical inputs to electric and hybrid vehicles, electronics, imaging systems, wind turbines and strategic defense systems. Medallion is committed to following best practices and accepted international standards in all aspects of mineral transportation, processing and the safe management of waste materials. More about Medallion (TSX-V:MDL); (OTCPK:MLLOF); (Frankfurt:MRDN) can be found at medallionresources.com.

Medallion management takes full responsibility for content and has prepared this news release. 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. Some of the statements contained in this release are forward-looking statements, such as statements that describe Medallion's plans with respect to the completion of the Offering, the use of the proceeds of the Offering and the outstanding share capital as at the completion of the Offering. Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties, including the risks related to market conditions and regulatory approval and other risks outlined in the Company's management discussions and analysis of financial results. Actual results in each case could differ materially from those currently anticipated in these statements. Also, in order to proceed with Medallion's plans, additional funding will be necessary and, depending on market conditions, this funding may not be forthcoming on a schedule or on terms that facilitate Medallion's plans. These forward looking statements are made as of the date of this press release, and, other than as required by applicable securities laws, Medallion disclaims any intent or obligation to update publicly any forward looking statements, whether as a result of new information, future events or results or otherwise.

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