

Signal Gold Exercises Option and Upsizes Concurrent Financing, Confirms Conversion of Subscription Receipts and Updated Credit Facility Restructuring Terms

11.12.2024 | [ACCESS Newswire](#)

TORONTO, Dec. 11, 2024 - [NeXGold Mining Corp.](#) ("NexGold") (TSXV:NEXG) (OTCQX:NXGCF) and [Signal Gold Inc.](#) ("Signal Gold") (TSX:SGNL) (OTCQB:SGNLF) are pleased to announce that, further to the companies' joint news releases dated October 10, 2024, October 23, 2024 and November 6, 2024, Signal Gold has exercised its upsize option and on December 10, 2024 closed an additional tranche ("Tranche 2") of its previously announced oversubscribed concurrent financing of subscription receipts ("Hard Dollar Financing"). Tranche 2 consisted of an issuance of an aggregate of 3,044,228 subscription receipts ("Subscription Receipts") at a price of \$0.08705 per Subscription Receipt, for gross proceeds of \$265,000.05. Together with the first tranche of the Hard Dollar Financing, the full Hard Dollar Financing consisted of an aggregate of 123,120,068 Subscription Receipts for aggregate gross proceeds of \$10,717,601.92. The Hard Dollar Financing is being carried out in connection with the proposed plan of arrangement, pursuant to which NexGold will acquire all the shares of Signal Gold to create a near-term gold developer, advancing the Goliath Gold Complex Project ("Goliath Project") in Northern Ontario and the Goldboro Project ("Goldboro Project") in the historic Goldboro Gold District in Nova Scotia (the "Transaction").

In addition, Signal Gold and NexGold are pleased to announce that today, the necessary conditions were satisfied and the Subscription Receipts automatically converted into units of Signal Gold ("NFT Units"). Each NFT Unit is comprised of one common share of Signal Gold (a "NFT Share") and one-half of one common share purchase warrant of Signal Gold (each whole warrant, a "NFT Unit Warrant"). Each NFT Unit Warrant entitles 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. The NFT Shares and NFT Unit Warrants will be adjusted in accordance with the Transaction, as applicable, for securities of NexGold.

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.

In connection with the Hard Dollar Financing, Signal Gold paid finder's compensation to certain eligible finders comprised of cash payments and the issuance of an aggregate of 2,227,395 non-transferable finder's warrants ("Finder's Warrants") in respect of subscribers introduced to Signal Gold by such finders. The Finder's Warrants are exercisable to acquire one NFT Share at a price of \$0.11818 for a period of 24 months from the date of issuance.

The securities offered in the Hard Dollar 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.

Debt Restructuring

Further to the Companies' news release dated October 10, 2024, NexGold has agreed to the final terms with Nebari to complete a restructuring of NexGold and Signal Gold's respective debt facilities, which will significantly reduce the debt profile of the combined entity going forward, with the definitive documentation to be released from escrow immediately following the effectiveness of the Transaction. Pursuant to the transactions with Nebari, Signal Gold's outstanding credit facility of approximately US\$20.8 million with Nebari and NexGold's US\$6.2 million facility with Extract Capital will be repaid. A new US\$12.0 million facility with Nebari will be implemented that will have a 30-month term with an interest rate of 11.4%, payable monthly in arrears and secured against both the Goliath and Goldboro Projects. Existing warrants associated

with the Nebari facility with Signal Gold will be cancelled, and 3,160,602 new warrants will be issued to Nebari with an exercise price of \$1.00 per NEXG Share with a term of 30 months.

In addition, the transactions contemplate the granting of a 0.6% NSR on the Goldboro Project to Nebari for US\$6.0 million, which includes a 100% buy-back right for the first 30 months at the Company's option. If the royalty is not repurchased during the 30-month period, then the royalty rate shall increase to 2.0%. The repurchase amount of the royalty shall be US\$7.2 million (if exercised within the first 12 months), US\$8.4 million (if exercised within the second 12 months), or US\$9.6 million (if exercised within the last 6 months), plus certain additional adjustments for taxes up to a maximum amount of US\$600,000. Subject to the mutual agreement of NexGold and Nebari and the prior acceptance of the TSX Venture Exchange, the repurchase may be satisfied by the issuance of common shares of NexGold (the additional adjustment for taxes may also be satisfied by the issuance of common shares of NexGold at NexGold's election, provided it obtains the prior acceptance of the TSX Venture Exchange).

The proposed new loan and royalty, together with a proposed US\$4.0 million equity placement with Nebari (the "Equity Placement") and certain proceeds from the Hard Dollar Financing, will be used to retire the existing debt. The Equity Placement will be comprised of the issuance of an aggregate of 8,000,000 common shares of the Company at an issue price of C\$0.70 per share.

Please refer to the October 10, 2024, October 23, 2024, and November 6, 2024 news releases for additional details regarding the Transaction and proposed debt restructuring to be carried out in connection with the Transaction.

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.otcm Markets.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 Gold is advancing the Goldboro 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.otcm Markets.com and on Signal Gold'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 Gold 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 Gold has consolidated 28,525 hectares (~285 km²) of prospective exploration land in the Goldboro Gold District. For more information on Signal Gold, please visit Signal Gold'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 Gold, 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 Gold.

Contact:

NexGold Mining Corp.
Morgan Lekstrom, President, (250) 574-7350
Orin Baranowsky, Chief Financial Officer, (647) 697-2625
Toll-free: +1-855-664-4654
ir@nexgold.com

Signal Gold Inc.
Kevin Bullock, President & CEO, (647) 388-1842, kbullock@signalgold.com
Robert Dufour, Chief Financial Officer, (647) 478-8104, rdufour@signalgold.co

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; and the combined company's intended use of the net proceeds from the Hard Dollar 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 documents being released from escrow; 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 Gold'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 Gold 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 Gold 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.

Not for distribution to U.S. newswire services or dissemination in the United States

SOURCE: Signal Gold Inc.

Dieser Artikel stammt von [GoldSeiten.de](https://www.goldseiten.de)

Die URL für diesen Artikel lautet:

<https://www.goldseiten.de/artikel/641190--Signal-Gold-Exercises-Option-and-Upsizes-Concurrent-Financing-Confirms-Conversion-of-Subscription-Receipts-and>

Für den Inhalt des Beitrages ist allein der Autor verantwortlich bzw. die aufgeführte Quelle. Bild- oder Filmrechte liegen beim Autor/Quelle bzw. bei der vom ihm benannten Quelle. Bei Übersetzungen können Fehler nicht ausgeschlossen werden. Der vertretene Standpunkt eines Autors spiegelt generell nicht die Meinung des Webseiten-Betreibers wieder. Mittels der Veröffentlichung will dieser lediglich ein pluralistisches Meinungsbild darstellen. Direkte oder indirekte Aussagen in einem Beitrag stellen keinerlei Aufforderung zum Kauf-/Verkauf von Wertpapieren dar. Wir wehren uns gegen jede Form von Hass, Diskriminierung und Verletzung der Menschenwürde. Beachten Sie bitte auch unsere [AGB/Disclaimer!](#)

Die Reproduktion, Modifikation oder Verwendung der Inhalte ganz oder teilweise ohne schriftliche Genehmigung ist untersagt!
Alle Angaben ohne Gewähr! Copyright © by GoldSeiten.de 1999-2025. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).