All I Want for Christmas is a Crowdfunding Deal?

written by Tracy Hughes | December 23, 2022

As we head into the festive season our minds turn towards gifts for our family and friends as we celebrate the end of another year and hopefully take a well-earned break. For those who are investor orientated and might like to buy some investments for your children, you may consider investing via a crowdfunding platform as part of your holiday investment buffet*.

Crowdfunding in the capital markets has been around for many years and is often considered a higher risk/higher return way of investing. This is because companies that are usually seeking to raise funds via the typical crowdfunding platforms are usually very early-stage start-ups that do not yet have access to traditional stock markets.

In the past, this was not something I ever entertained simply as I prefer the stock market; however, it's clear this investment outlet is here to stay. So, when some colleagues of mine sent me the Copperhead Resources Inc. deal update that we were involved in, I thought – let's check out where the crowdfunding platform formula is today.

There are numerous crowdfunding platforms available these days and in my experience in anything having to do with my own funds, I like to stick with platforms that are well-established (a), possess a good track record (b) and have a management team (c) that shows evidence of a and b.

Again, a new format for my investment style, allow me to share with you what Wikipedia lists as the top 3 American platform platforms are, and they list: Kickstarter, Indiegogo, and Crowd

Supply. Of interest, and more specifically: "As of January 2021, Kickstarter has raised more than $5.6 billion spread over 197,425 projects."

Now the Copperhead Resources deal is listed on Vested.ca and the link they sent me was as follows https://vested.ca/projects/view/152. Vested.ca, which is not one of the Top 3 from Wikipedia states: "*Vested*.ca is Canada's top equity *crowdfunding* portal."

(*) Now this is where I remind everyone that I am not a licensed investment advisor, and this column is intended to neither provide advice on investing nor imply that crowdfunding is a good idea. And more specifically, my interest in this crowdfunding deal comes from the fact that Copperhead has an option agreement with TSXV-listed Romios Gold Resources Inc. (TSXV: RG | OTCQB: RMIOF) to purchase 75% of the Red Line Property, and I introduced the parties that made this deal. As such, this crowdfunding model was relayed to me from the primaries, and intrigued, I committed $500 on the Vested.ca site. I found the experience surprisingly fun, and easy.

Further to this, I enjoyed the update on Vested.ca on the Copperhead **Red Line Property claims that states**: "*The Red Line claims cover over 1,851 hectares and are located in the central part of the 'Golden Triangle' mineralized district of Northwest British Columbia. In addition, the Issuer will continue to identify and potentially acquire additional property interests and conduct exploration and evaluation to assess their potential.*"

Copperhead has completed an initial $100,000 exploration program at the Red Line Property and commissioned a NI 43-101 compliant technical report that could be publicly filed in the coming weeks.

Canada's Golden Triangle is a region famous for large gold discoveries and mines. The claims are situated along the "Eskay Rift" belt of rocks that host the Eskay Creek Au-Ag deposit 30 km to the south.

The founder and CEO of Copperhead is Damian Lopez. He is a venture capital markets professional with over a decade of experience creating, structuring, financing, and taking companies public. Mr. Lopez was one of the founders of Lithium Ionic Corp. (TSXV: LTH | OTCQB: LTHCF) which raised over CAD$45 million and completed its TSXV listing in May 2022.

Copperhead intends to use the raised funds to "undertake a two-phase exploration program on the Red Line Property."

Source: Romios Gold news April 6, 2022

Closing remarks

Very early-stage investing* is more risky but it carries potentially higher rewards if the company succeeds. This means investors need a high-risk tolerance, longer time frame, and should invest with smaller dollars that they don't need for the next 7 years+.

The minimum investment is only C$100 with the offering of up to 2,000,000 Special Warrants at C$0.10.

Sounds well suited as a Christmas gift for a 14-year-old, who might potentially end up with an even bigger present when they turn 21-year-old, assuming Copperhead Resources succeeds and the warrants are liquid to sell at a later date.

Note (*): Please read the full offering document and where necessary seek independent financial advice. This discusses conversion rights, risk factors, and much more; and the writer

Tracy Weslosky is not a licensed investment advisor and has shares in the Copperhead Resources Inc. deal.*