Appia Announces $4 Million Bought Deal Private Placement Financing

written by Raj Shah | April 29, 2021

April 29, 2021 (Source) – **Appia Energy Corp. (CSE: API) (OTCQB: APAAF) (FSE: A0I.F) (FSE: A0I.MU) (FSE: A0I.BE) (the "Company" or "Appia")**, is pleased to announce that it has entered into an agreement with Research Capital Corporation as sole underwriter and sole bookrunner (the "**Underwriter**"), whereby the Underwriter will purchase, on a bought-deal basis, securities of the Company (the "**Securities**") for aggregate gross proceeds to the Company of $4,000,000 (the "**Offering**"). The Offering shall consist of a combination of: (i) units of the Company (each, a "**Unit**") at a price of $0.60 per Unit; and (ii) flow-through units of the Company (each, a "**FT Unit**") at a price of $0.70 per FT Unit.

Each Unit shall consist of one common share of the Company ("**Common Share**") and one Common Share purchase warrant (a "**Warrant**"). Each FT Unit shall consist of one Common Share that will qualify as a "flow-through share" within the meaning of subsection 66(15) of the Income Tax Act (Canada) (each, a "**FT Common Share**") and one Warrant. Each Warrant will entitle the holder thereof to acquire one Common Share (each, a "**Warrant Share**") at an exercise price equal to $0.75 per Warrant Share for a period of 24 months following the closing of the Offering.

The net proceeds from the sale of Units will be used for working capital requirements and other general corporate purposes. The gross proceeds from the sale of FT Units (other than the minimal amount allocable to the Warrants) will be used for exploration expenses on the Company's mining projects as permitted under the Income Tax Act (Canada) to qualify as CEE (as defined herein).

The Company has also granted the Underwriter an option (the "**Over-Allotment Option**") to increase the size of the Offering by up to an additional 15% of the total number of Units and FT Units to be issued under the Offering at any time on or before 48 hours prior to closing of the Offering.

The Offering is scheduled to close on or about May 19, 2021, or such other date (but not later than May 26, 2021) as the Underwriter may determine (the "**Closing Date**" or "**Closing**"), and is subject to certain conditions including, but not limited to, the receipt of all necessary approvals including the approval of the Canadian Securities Exchange. The Units and FT Units to be issued under the Offering will have a hold period of four months and one day from Closing.

The Underwriter will receive an aggregate cash fee equal to 7% of the gross proceeds from the Offering, including in respect of any exercise of the Over-Allotment Option. In addition, the Company will grant the Underwriter, on date of Closing, compensation warrants (the "**Compensation Warrants**") equal to 7% of the total number of Units and FT Units sold under the Offering, including in respect of any exercise of the Over-Allotment Option. Each Compensation Warrant will entitle the holder thereof to purchase one Unit at an exercise price equal to $0.60 for a period of 24 months following the Closing Date.

The securities described herein 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 state securities laws, and accordingly, may not be offered or sold within the United States except in compliance with the registration requirements of the U.S. Securities Act and applicable state securities requirements or pursuant to exemptions therefrom. This press release does not constitute an offer to sell or a solicitation to buy any securities in any jurisdiction.

About Appia

Appia is a Canadian public-listed company in the rare earth element and uranium sectors. The Company is currently focusing on delineating high-grade critical rare earth elements ("**REE**") and uranium on the Alces Lake property, as well as prospecting for high-grade uranium in the prolific Athabasca Basin on its Loranger, North Wollaston, and Eastside properties. The Company holds the surface rights to exploration for 65,601 hectares (162,104 acres) in Saskatchewan.

The Company also has a 100% interest (subject to a 1% Uranium Production Payment Royalty and a 1% Net Smelter Return Royalty on any precious or base metals payable, provided that the price of uranium is greater than US$130 per pound) in 12,545 hectares (31,000 acres), with rare earth element and uranium deposits over five mineralized zones in the Elliot Lake Camp, Ontario. The Camp historically produced over 300 million pounds of U_3O_8 and is the only Canadian camp that has had significant rare earth element (yttrium) production. The deposits are largely unconstrained along strike and down dip.

Appia has 97.6 million common shares outstanding, 108.6 million shares fully diluted.

For more information, visit Appia's website at www.appiaenergy.ca

Neither the Canadian Securities Exchange nor its Market Regulator (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.

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Forward Looking Statements

This news release contains "forward-looking information" which may include, but is not limited to, statements with respect to completion of the Offering and use of proceeds of the Offering. Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made and are based on various assumptions. We do not intend and do not assume any obligation to update these forward- looking statements and shareholders are cautioned not to put undue reliance on such statements.