

Bunker Hill Mining Announces Private Placement Convertible Debt Financing & Grant of Options

written by Raj Shah | June 19, 2018



CSE: BNKR

June 19, 2018 ([Source](#)) – Bunker Hill Mining Corp. (the “Company” or “Bunker”) (CSE:BNKR) is pleased to announce that it has entered into a loan and warrant agreement with an arms length investor for an unsecured convertible loan in the aggregate sum

of US\$1,500,000, bearing interest at 10% per annum, maturing in one year. Contemporaneously, the Company agreed to issue 2,294,835 share purchase warrants, entitling the lender to acquire 2,294,835 common shares of the Company, at a price of C\$0.85 per share, for two years.

Convertible Debt Financing

Under the terms of the loan agreement, the lender may, at any time prior to maturity, convert any or all of the principal amount of the loan and accrued interest thereon, into common shares of Bunker at a price per share equal to \$0.85.

In the event that a notice of conversion would result in the lender holding 10% or more of the Company’s issued and outstanding shares, then, in the alternative, and under certain circumstances, the Company would be required to pay cash to the lender in an amount equal \$0.85 multiplied by the number of shares intended to be issued upon conversion. Further, in the

event that the lender holds more than 5% of the issued and outstanding shares of the Company subsequent to the exercise of any of its convertible securities held under this placement, it shall have the right to appoint one director to the board of Bunker. Lastly, among other things, the loan agreement further provides that for as long as any amount is outstanding under the convertible loan, the investor retains a right of first refusal on any Bunker financing or joint venture/strategic partnership/disposal of assets.

The proceeds of the loan shall be used to pay the Company's upcoming payment obligation to the United States Environmental Protection Agency, and for general working capital.

Grant of Options

The Company has granted senior management and executives incentive stock options to purchase up to an aggregate of 480,000 common shares, exercisable for 5 years at a strike price of C\$0.85.

Completion of the transactions set out in this news release are subject to the approval of the Canadian Securities Exchange.

About Bunker Hill Mining Corp.

Bunker Hill Mining Corp. has an option to acquire 100% of the Bunker Hill Mine. The Bunker Hill Mine was the largest producing mine in the Coeur D'Alene zinc, lead and silver mining district in northern Idaho. Historically, the mine produced over 35M tons of ore grading on average 8.76% lead, 3.67% zinc, and 155 g/t silver (Bunker Hill Mines Annual Report 1980). Information about the Company is available on its website, www.bunkerhillmining.com, or in the SEDAR and EDGAR databases.

Cautionary Statements

Certain statements in this news release are forward-looking and involve a number of risks and uncertainties. Such forward-looking statements are within the meaning of that term in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, as well as within the meaning of the phrase 'forward-looking information' in the Canadian Securities Administrators' National Instrument 51-102 – Continuous Disclosure Obligations. The forward looking statements made herein are based on information currently available to the Company and the Company provides no assurance that actual results will meet management's expectations or assumptions with respect to, among other things, the ability of the Company to successfully complete the acquisition of the Bunker Hill Mine Complex on the terms as announced or other satisfactory terms or at all, and fund the initial payments for which the Company does not have funds at this time, the Company's present and future financial condition, the Company's ability to secure financing, and the state of financial markets. Forward-looking statements include estimates and statements that describe the Company's future plans, objectives or goals, including words to the effect that the Company or management expects a stated condition or result to occur. Forward-looking statements may be identified by such terms as "believes", "anticipates", "expects", "estimates", "may", "could", "would", "will", or "plan", and may include statements regarding, among other things, the terms of the Bunker Hill Mine Complex acquisition and funding of the acquisition. Since forward-looking statements are based on assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results relating to, among other things, results of exploration, project development, and the Company's financial condition and prospects, could differ materially from those currently anticipated in such statements for many reasons such

as: the inability of the Company to successfully acquire the Bunker Hill Mine Complex on the terms as announced or other satisfactory terms or at all, and fund the payments for which the Company does not have funds at this time; the inability of the Company to budget and manage its liquidity in light of the failure to obtain additional financing; the inability of the Company to develop or sustain an active public market for its securities; development of changes in general economic conditions and conditions in the financial markets; changes in demand and prices for precious metals; litigation, legislative, environmental and other judicial, regulatory, political and competitive developments; operational difficulties encountered in connection with the activities of the Company; and other matters discussed in this news release. This list is not exhaustive of the factors that may affect any of the Company's forward-looking statements. These and other factors made in public disclosures and filings by the Company should be considered carefully and readers should not place undue reliance on the Company's forward-looking statements. The Company does not undertake to update any forward-looking statement that may be made from time to time by the Company or on its behalf, except in accordance with applicable securities laws.