Caprock Announces Closing of Private Placement and Completes Issuance of First Tranche of Shares Pursuant to Destiny Gold Project Option Agreement

written by Raj Shah | December 31, 2024

December 31, 2024 (Source) – Caprock Mining Corp. (CSE: CAPR) ("**Caprock**" or the "**Company**") is pleased to announce that it has closed the financing of hard dollar units (the "**HD Units**") to raise aggregate gross proceeds of $292,125 and flow through units ("**FT Units**") to raise aggregate gross proceeds of $115,000, as previously announced in the Company's press release dated December 20, 2024.

Concurrently with the completion of the financing the Company has also issued the first tranche of common shares owing to Big Ridge Gold Corp. (the "**Optionor**") under an option agreement (the "**Option Agreement")** that the Company entered into with respect to the Destiny gold property (the "**Destiny Project**") located near Val D'Or, Quebec (see press release dated December 4, 2024). The issuance is comprised of 8,000,000 common shares issued at a deemed issue price of $0.05 per share.

Caprock's President & CEO Mr. Vishal Gupta stated, "We are excited to finally close on what we believe to be a transformative transaction for Caprock. Situated in a world-class gold district, the Destiny gold project is due for an updated NI 43-101 mineral resource estimate that incorporates

current economics and the results of a sizeable drill program completed in 2020. We look forward to announcing the details of our multi-phased strategic plan for Destiny in the coming weeks, which will commence with an updated mineral resource estimate in Q1 2025. We will also outline our plans for the potential expansion of the updated mineral resource estimate through systematic drilling in several prospective zones identified by dozens of historical drill holes covering a considerable mineralized strike length beyond the resource zone."

Details of the Financing

Each HD Unit was issued at a price at $0.025 and is comprised of one common share and one common share purchase warrant (a "**Warrant**"). Each Warrant is exercisable to purchase one common share of the Company at any time on or before December 31, 2026 at a price of $0.06.

Each FT Unit will qualify as a "flow-through share" (within the meaning of subsection 66(15) of the *Income Tax Act* (Canada). Each FT Unit was issued at a price at $0.04 and is comprised of one flow-through common share and one Warrant. The securities issued in connection with the financing are subject to a four-month hold period expiring on the date that is four months and one day following the issuance of the HD Units and FT Units.

An aggregate of $29,210 was paid to certain finders and an aggregate of 230,000 finder warrants were issued to certain finders in connection with the financing. Each finder warrant entitles the finder to acquire one HD Unit at a price of $0.025 at any time on or before December 31, 2026.

Use of Proceeds

The gross proceeds from the sale of FT Units will be used by the Company to incur eligible "Canadian exploration expenses" that

qualify as “flow-through mining expenditures” (as both terms are defined in the *Income Tax Act* (Canada)) (the “**Qualifying Expenditures**“) related to the Destiny Project. The Qualifying Expenditures will be renounced in favour of the subscribers with an effective date of December 31, 2024. In addition, with respect to subscribers who are eligible individuals under the *Taxation Act* (Québec), the Qualifying Expenditures will also qualify for inclusion in the “exploration base relating to certain Québec exploration expenses” within the meaning of section 726.4.10 of the *Taxation Act* (Québec) and for inclusion in the “exploration base relating to certain Québec surface mining exploration expenses” within the meaning of section 726.4.17.2 of the *Taxation Act* (Québec).

The net proceeds from the sale of the HD Units are expected to be used for expenditures on the Destiny Project as well as general working capital.

The securities issued under the financing have not been, and will not be, registered under 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, U.S. persons absent registration or any applicable exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws.

Forward Looking Statements

All statements in this press release about anticipated future events or results constitute forward-looking statements including, but not limited to, statements with respect to: the Company’s plans and expectations for the Destiny Project. Forward-looking statements are often, but not always, identified by the use of words such as “seek”, “anticipate”, “believe”, “plan”, “estimate”, “expect” and “intend” and statements that an

event or result “may”, “will”, “should”, “could” or “might” occur or be achieved and other similar expressions. Although Caprock believes that the expectations reflected in such forward-looking statements and/or information are reasonable, undue reliance should not be placed on forward-looking statements since Caprock can give no assurance that such expectations will prove to be correct. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements, including the risks, uncertainties and other factors identified in Caprock’s periodic filings with Canadian securities regulators. Forward-looking statements are subject to business and economic risks and uncertainties and other factors that could cause actual results of operations to differ materially from those contained in the forward-looking statements. Important factors that could cause actual results to differ materially from Caprock’s expectations include risks associated with the business of Caprock; risks related to reliance on technical information provided by Caprock; risks related to exploration and potential development of the Company’s mineral properties; business and economic conditions in the mining industry generally; fluctuations in commodity prices and currency exchange rates; uncertainties relating to interpretation of drill results and the geology, continuity and grade of mineral deposits; the need for cooperation of government agencies and First Nation groups in the exploration and development of properties and the issuance of required permits; the need to obtain additional financing to develop properties and uncertainty as to the availability and terms of future financing; the possibility of delay in exploration or development programs and uncertainty of meeting anticipated program milestones; uncertainty as to timely availability of permits and other governmental approvals; and other risk factors

as detailed from time to time and additional risks identified in Caprock's filings with Canadian securities regulators on SEDAR+ in Canada (available at www.sedarplus.ca). Forward-looking statements are based on estimates and opinions of management at the date the statements are made. Caprock does not undertake any obligation to update forward-looking statements except as required by applicable securities laws. Investors should not place undue reliance on forward-looking statements.

For More Information

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