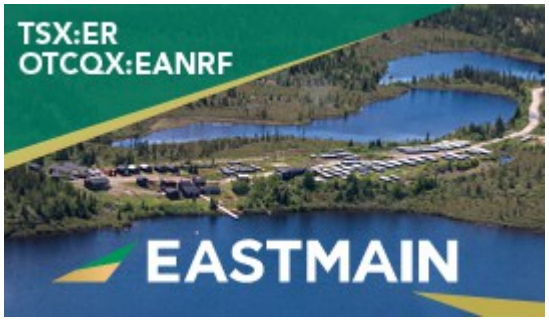
Eastmain Resources Announces C$3 Million Bought Deal Private Placement

written by Raj Shah | April 11, 2019



April 10, 2019 (Source) – **Eastmain Resources Inc. (TSX:ER, OTCQX:EANRF)** ("Eastmain" or the "Company") is pleased to announce that it has entered into an agreement with a syndicate of underwriters led by Laurentian Bank Securities Inc., pursuant to which the underwriters have agreed to purchase, on a "bought deal" private placement basis, C$3,000,000 of securities of the Company (the "Offering"). The Offering consists of a minimum of C$1,000,000 of units of the Company ("Hard Units") at a price of $0.135 per Hard Unit. The remaining balance will be comprised of any combination of Hard Units and flow-through shares of the Company in any combination of charity flow-through common shares of the Company (the "Charity FT Shares") at a price of $0.235 per Charity FT Share, Quebec flow-through common shares of the Company (the "Quebec FT Shares") at a price of $0.175 per Quebec FT Share, and Federal flow-through common shares of the Company (the "Federal FT Shares" at a price of $0.170 per Federal FT Share, together with the Charity FT Shares and the Quebec FT Shares, the "FT Shares").

Each Hard Unit will consist of one common share of the Company and one-half of one common share purchase warrant (each whole common share purchase warrant, a "Warrant"). Each Warrant will entitle the holder to acquire one common share of the Company for 2 years from the closing of the Offering (the "Closing") at

a price of $0.17.

The Company has also granted the underwriters an option to purchase up to an additional C$450,000 of Hard Units and/or FT Shares, in such proportion as the underwriters may determine, exercisable at any time until 48 hours prior to Closing, to cover over-allotments, if any.

The net proceeds from the sale of the Hard Units will be used to fund the exploration and development of the Company's Québec mineral concessions and for general corporate and working capital purposes. The gross proceeds received by the Company from the sale of the FT Shares will be used to incur Canadian Exploration Expenses ("CEE") that are "flow-through mining expenditures" (as such terms are defined in the Income Tax Act (Canada)) on the Company's properties in Québec, which will be renounced to the subscribers with an effective date no later than December 31, 2019, in the aggregate amount of not less than the total amount of the gross proceeds raised from the issue of FT Shares.

The Offering is scheduled to close on or about April 25, 2019 and is subject to certain conditions including, but not limited to, the receipt of all necessary regulatory and other approvals including the approval of the Toronto Stock Exchange and the securities regulatory authorities.

This press release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities 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 may not be offered or sold within the United States or to or for the account or benefit of a U.S. person (as defined in Regulation S under the U.S. Securities Act) unless registered

under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

About Eastmain Resources Inc. (TSX:ER, OTCQX:EANRF)

Eastmain is a Canadian exploration company advancing three high-grade gold assets in the emerging James Bay gold camp in Quebec. The company holds a 100-per-cent-interest in the Clearwater property, host of the Eau Claire project, for which it issued a preliminary economic assessment in May, 2018, and the Percival discovery made in November, 2018. Eastmain is also the operator of the Eleonore South joint venture, located immediately south of Goldcorp Inc.'s Eleonore mine, which hosts the Moni/Contact trend discovery (2017). In addition, the company has a 100-per-cent interest in the Eastmain mine project, where the company prepared an NI 43-101 mineral resource estimate in January, 2018, and a pipeline of exploration projects in this favourable mining jurisdiction with nearby infrastructure.

Forward-Looking Statements – Certain information set forth in this news release may contain forward-looking statements that involve substantial known and unknown risks and uncertainties. Forward-looking statements consist of statements that are not purely historical, including statements regarding beliefs, plans, expectations or timing of future plans, and include, but not limited to, statements with respect to the potential success of the Company's future exploration and development strategies and completion of the Offering. These forward-looking statements are subject to numerous risks and uncertainties, certain of which are beyond the control of Eastmain, including, but not limited to the impact of general economic conditions, industry conditions, dependence upon regulatory approvals, the availability of financing, timely completion of proposed studies and technical reports, and risks associated with the exploration, development and mining industry generally such as

economic factors as they affect exploration, future commodity prices, changes in interest rates, safety and security, political, social or economic developments, environmental risks, insurance risks, capital expenditures, operating or technical difficulties in connection with development activities, personnel relations, the speculative nature of gold exploration and development, including the risks of diminishing quantities of grades of Mineral Resources, contests over property title, and changes in project parameters as plans continue to be refined. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. The Company assumes no obligation to update such information, except as may be required by law.