Euro Sun Mining Announces C$3.1 Million Brokered Private Placement

written by Raj Shah | June 24, 2019

June 24, 2019 (Source) – Euro Sun Mining Inc. ("Euro Sun" or the "Company") (TSX: ESM) is pleased to announce that it has entered into an agreement with PI Financial Corp. (the "Agent") in connection with a private placement of up to 8,610,000 units of the Company (the "Units") at a price of C$0.36 per Unit for gross proceeds to the Company of up to approximately C$3.1 million (the "Offering"). Each Unit will consist of one common share of Euro Sun and one common share purchase warrant of Euro Sun ("Warrant"). Each Warrant will be exercisable to acquire one common share of Euro Sun at a price of C$0.47 per share for 24 months from the closing of the Offering.

The Company intends to use the proceeds from the Offering for the advancement of its Rovina Valley Project and for general corporate purposes.

The Company will pay a cash commission to the Agent of 7% of the gross proceeds of the Offering. The Company has also agreed to issue to the Agent non-transferable compensation options ("Compensation Options") equal in number to 7% of the aggregate number of Units sold under the Offering. Each Compensation Option will be exercisable to acquire one common share at an exercise price of C$0.36 per share for 24 months following the closing of the Offering.

The Offering is scheduled to close on or about July 3, 2019 and is subject to regulatory approval. Resale of the securities distributed in connection with the Offering will be subject to a hold period of four months and one day following the closing date of the Offering.

XIB Asset Management Inc. acted as Financial Advisor to PI Financial in connection with the Offering.

No US Registration

The securities referred to in this news release 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 applicable securities laws of any state of the United States, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as such term is defined in Regulation S under the U.S. Securities Act) or persons in the United States unless registered under the U.S. Securities Act and any other applicable securities laws of the United States or an exemption from such registration requirements is available. This news release does not constitute an offer to sell or a solicitation of an offer to buy any of these securities within any jurisdiction, including the United States.

About Euro Sun Mining Inc.

Euro Sun is a Toronto Stock Exchange listed mining company focused on the exploration and development of its 100%-owned Rovina Valley Gold and Copper Project located in west-central Romania. The property hosts 10.11 million gold equivalent ounces (7.05 million ounces of gold grading 0.55 g/t and 1,390 million pounds of copper grading 0.16%*).

Caution regarding forward-looking information:

This press release contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information includes, without limitation, statements regarding the Offering, the anticipated use of proceeds and the expected closing date of the Offering. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including risks inherent in the mining industry and risks described in the public disclosure of the Company which is available under the profile of the Company on SEDAR at www.sedar.com and on the Company's website at www.eurosunmining.com. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

The TSX does not accept responsibility for the adequacy or accuracy of this news release.