

F3 Advances F4 Spin Out

written by Raj Shah | June 10, 2024

June 10, 2024 ([Source](#)) – **F3 Uranium Corp.** (TSXV: **FUU**) (OTCQB: **FUUFF**) (“**F3**” or the “**Company**”) and **F4 Uranium Corp.** (“**F4**”) are pleased to announce the signing of a definitive arrangement agreement (the “**Arrangement Agreement**”) to effect the previously announced transaction (the “**Transaction**”) pursuant to which F3 will transfer 17 of the Company’s prospective uranium exploration projects in the Athabasca Basin including the Murphy Lake, Cree Bay, Hearty Bay, Clearwater West, Wales Lake East, Wales Lake West, Todd Lake, Smart Lake, Lazy Edward Bay, Grey Island, Seahorse Lake, Bird Lake, Beaver River, Bell Lake, Flowerdew Lake, Henderson Lake and James Creek properties (collectively, the “**Properties**”) to F4 in exchange for common shares of F4 (the “**F4 Shares**”), all of which the Company will distribute to its shareholders (the “**F3 Shareholders**”) on the basis of one F4 Share for every 10 common shares of F3 held. The Patterson Lake North Property along with the Broach and Minto Properties (collectively, the “**PLN Project**”), totaling 42,961 hectares, will remain with F3. The Transaction will be effected by way of plan of arrangement under the *Canada Business Corporations Act*.

The board of directors of F3, following consultation with its financial and legal advisors, has approved the Transaction. The directors of F3 will recommend that F3 securityholders vote in favour of the Transaction in the information circular to be mailed to F3 securityholders in respect of the meeting of F3 securityholders, expected to be held in **Q3** to approve the Transaction.

Transaction Benefits

F3 believes the Transaction will provide a number of substantial

benefits to the shareholders of both companies, including the following:

- **Unlock Value for F3 Shareholders** – F4 will surface value in F3's extensive portfolio of Athabasca Basin uranium exploration assets which are currently overshadowed by the JR Zone discovery at the PLN Project and have correspondingly received minimal capital allocation.
- **Preserving PLN Focus** – Financing of the Properties independently post-Transaction will ensure that F3 shareholders do not suffer dilution for non-PLN Project exploration activities.
- **Exceptional Athabasca Basin Portfolio** – F4 will hold one of the largest, most prospective uranium exploration portfolios in the Eastern and Western Athabasca Basin totaling 17 projects and 168,422 hectares, many of which are near large uranium deposits.
- **Experienced Management** – F4 is led by the same award-winning management team responsible for 3 major uranium discoveries in the Athabasca Basin, with Raymond Ashley appointed as CEO.

Transaction Details

The Transaction will be affected by way of a court-approved plan of arrangement (the "**Arrangement**") under the *Canada Business Corporations Act*. Completion of the Arrangement will be subject to various approvals, including, but not limited to, court approval, TSXV approval and approval by not less than two-thirds of the votes cast at a special meeting (the "**Meeting**") of F3 shareholders, which is expected to be held in **Q3**. Full details of the Transaction will be included in an information circular to be filed with securities regulatory authorities and mailed to F3 securityholders in connection with the Meeting. F3

securityholders are urged to read the information circular once it becomes available as it will contain additional important information about the Transaction.

Pursuant to the terms of the Arrangement Agreement, F3 will transfer the Properties to F4 in exchange for F4 Shares. F3 Shareholders will receive F4 Shares based on one F4 Share for every 10 common shares of F3 held at the record date of the Arrangement. There will be no change in shareholder holdings of F3 because of the Arrangement.

Under the Arrangement, each outstanding option to acquire one F3 Share (the "**F3 Options**") will be exchanged for: (i) one new replacement option to acquire one new common share without par value of the Company (the "**New F3 Share**") having an exercise price equal to the product of the original exercise price of the F3 Option multiplied by the fair market value of a New F3 Share at 12:01 a.m. (Vancouver Time) on the date of the closing of the Arrangement (the "**Effective Time**") divided by the total of the fair market value of a New F3 Share and the fair market value of one-tenth of a F4 Share at the Effective Time; and (ii) one option to acquire one-tenth of an F4 Share (the "**F4 Options**") with each whole F4 Option having an exercise price equal to the product of the original exercise price of the F3 Option multiplied by the fair market value of one-tenth of an F4 Share at the Effective Time divided by the total of the fair market value of one New F3 Share and one-tenth of a F4 Share at the Effective Time.

Under the Arrangement, the Company's share purchase warrants to acquire F3 Shares (the "**F3 Warrants**") shall be amended to entitle each holder of an F3 Warrant to receive upon exercise: (i) one New F3 Share; and (ii) one-tenth of an F4 Share, for each F3 Share that was issuable upon exercise of a F3 Warrant immediately prior to the Effective Time.

Under the Arrangement, the Company's restricted share units to acquire F3 Shares (the "F3 RSUs") shall be transferred and exchanged so each F3 RSU is exchanged for: (i) one new restricted share unit to acquire one New F3 Share; and (ii) one restricted share unit to acquire one-tenth of an F4 Share as governed by the F4 restricted share unit plan in substantially the form set forth in the Company's information circular to be sent to F3 Shareholders in connection with the Meeting.

The Transaction is expected to be completed in **Q3** 2024 or such later date as the parties may agree. Shareholders are cautioned that there can be no assurance that the Transaction will be completed on the terms described herein or at all.

F4 has engaged Haywood Securities Inc. as its financial advisor and F3 has engaged Blake, Cassels & Graydon LLP as its legal advisor in respect of the Transaction.

About F3 Uranium Corp.

F3 is a uranium project generator and exploration company, focusing on projects in the Athabasca Basin, home to some of the world's largest high grade uranium discoveries. F3 currently has 20 projects in the Athabasca Basin. Several of F3's projects are located near large uranium discoveries including Triple R, Arrow and Hurricane.

F3 Uranium Corp.

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ON BEHALF OF THE BOARD OF F3

"Dev Randhawa"

Dev Randhawa, CEO

The TSX Venture Exchange has not reviewed, approved or disapproved the contents of this press release, and does not accept responsibility for the adequacy or accuracy of this release.

Cautionary Statement: *This press release contains "forward-looking information" within the meaning of applicable Canadian and United States securities laws, which is based upon the Company's current internal expectations, estimates, projections, assumptions and beliefs. The forward-looking information included in this press release are made only as of the date of this press release. Such forward-looking statements and forward-looking information include, but are not limited to, the spin out of the Properties; the Arrangement, including timing thereof; the transfer of the Properties and the distribution of shares pursuant to the Arrangement; the issuance of options, warrants and RSUs under the Arrangement; the Arrangement being subject to court, TSXV and shareholder approvals; the preparation and delivery of a management information circular setting forth details of the Arrangement; the completion of the Transaction; the potential benefits to shareholders and other matters relating to the Arrangement. Forward-looking statements or forward-looking information relate to future events and future performance and include statements regarding the expectations and beliefs of management based on information currently available to the Company. Such forward-looking statements and forward-looking information often, but not always, can be identified by the use of words such as "plans", "expects", "potential", "is expected", "anticipated", "is*

targeted", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or the negatives thereof or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Forward-looking statements or forward-looking information are subject to a variety of risks and uncertainties which could cause actual events or results to differ materially from those reflected in the forward-looking statements or forward-looking information, including, without limitation, risks and uncertainties relating to: general business and economic conditions; court, TSXV and shareholder approval for the Arrangement; changes in commodity prices; the supply and demand for, deliveries of, and the level and volatility of the price of uranium and other metals; changes in project parameters as exploration plans continue to be refined; costs of exploration including labour and equipment costs; risks and uncertainties related to the ability to obtain or maintain necessary licenses, permits or surface rights; changes in credit market conditions and conditions in financial markets generally; the ability to procure equipment and operating supplies in sufficient quantities and on a timely basis; the availability of qualified employees and contractors; the impact of value of the Canadian dollar and U.S. dollar, foreign exchange rates on costs and financial results; market competition; exploration results not being consistent with the Company's expectations; changes in taxation rates or policies; technical difficulties in connection with mining activities; changes in environmental regulation; environmental compliance issues; other risks of the mining industry; and risks related to the effects of COVID-19. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward- looking

statements or forward-looking information. Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that could cause results not to be as anticipated, estimated or intended. For more information on the Company and the risks and challenges of its business, investors should review the Company's annual filings that are available at www.sedarplus.ca. The forward-looking statements included in this press release are made as of the date of this press release and the Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities legislation.