Fathom Nickel Announces $4.5 Million Private Placement

written by Raj Shah | December 4, 2023

December 4, 2023 (Source) – Fathom Nickel Inc. (CSE: FNI) (FSE: 6Q5) (OTCQB: FNICF) (the "**Company**" or "**Fathom**") is pleased to announce a non-brokered private placement financing for aggregate gross proceeds of up to C$4,500,000 (the "**Offering**"). The Offering will consist of a combination of: (i) charity flow-through units (the "**Charity FT Units**") at C$0.17 per Charity FT Unit; (ii) flow-through units (the "**FT Units**") at C$0.13 per FT Unit; and (iii) hard dollar units (the "**HD Units**") at C$0.11 per HD Unit of the Company.

Each Charity FT Unit shall consist of one charity flow-through Common Share (a "**Charity FT Share**") and one transferable Common Share purchase warrant (a "**Warrant**") that shall be exercisable into one Common Share (a "**Warrant Share**") for a period of 24 months from issuance at an exercise price of C$0.20.

Each FT Unit shall consist of one flow-through Common Share (a "**FT Share**") and one Warrant and each HD Unit shall consist of one Common Share and one Warrant.

The Offering will be offered by way of a non-brokered private placement financing offering to "accredited investors" or pursuant to the other available prospectus exemptions under National Instrument 45-106 *Prospectus Exemptions* in all Provinces of Canada, except Quebec, and any other jurisdictions, subject to the receipt of necessary regulatory approvals.

The aggregate gross proceeds raised from the Charity FT Units and the FT Units will be used before December 31, 2024 for general exploration expenditures which will constitute Canadian

exploration expenses (within the meaning of subsection 66(15) of the *Income Tax Act* (Canada) (the "**Tax Act**")), that will qualify as "flow through critical mineral mining expenditures" within the meaning of the Tax Act (the "**Qualifying Expenditures**"). The net proceeds of the Offering from the HD Units will be used for exploration and development of the Company's mineral projects and for working capital and general corporate purposes.

"*The proceeds from this financing will allow Fathom to recommence field exploration programs at both the Gochager Lake Project and the Albert Lake Project in Q1-2024. The focus of the Gochager Lake Project exploration program will be following-up on the positive results from our recent drill program – most notably the growing inventory of conductive targets at depth as well as the off-hole conductor associated with the zone of massive sulphides encountered in drillhole GL23008,"* stated Doug Porter, President & CFO. *"We are also very eager to drill-test the 450m x 150m conductor identified during our summer-2023 geophysical program at the Albert Lake Property. This conductor occurs coincident with both a pronounced gravity anomaly as well as highly anomalous metals-in-soil samples in the area of the Tremblay -Olson/Nic5 area at the project. Q1-2024 will be an exciting time for FNI shareholders as we continue to advance our two highly prospective projects,"* he added.

It is expected that the Company will pay finders a cash commission, on a yet to be determined percentage, based on the gross proceeds of the Offering. In addition, the Company may issue warrants to finders (the "**Finder Warrants**"), subject to the number of HD Units, Charity FT Units, and FT Units sold pursuant to the Offering.

The sale of Charity FT Units, the HD Units and FT Units is expected to close on or about December 18, 2023, or such other date as the Company may determine.

The Offering is subject to customary closing conditions, including the approval of the securities' regulatory authorities and the Canadian Securities Exchange (the "**CSE**").

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

About Fathom Nickel Inc.

Fathom is an exploration company that is targeting magmatic nickel sulphide discoveries to support the rapidly growing global electric vehicle market.

The Company now has a portfolio of two high-quality exploration projects located in the prolific Trans Hudson Corridor in Saskatchewan: 1) the Albert Lake Project, a 90,000+ hectare project that was host to the historic and past producing Rottenstone deposit (produced high-grade Ni-Cu+PGE, 1965-1969), and 2) the Gochager Lake Project, 22,000+ hectare project host to a historic, NI43-101 non-compliant open pit resource; the Gochager Lake deposit,(of 4.3M tons at 0.295% Ni and 0.081% Cu[1], defined 1967-1970), an analogous drill tested nickel occurrence of drill intersections >1.% Ni (Mal Lake last drilled in 1967[2]), and the Borys Lake Zn-Cu-Pb+Ag occurrence.

1 – The Saskatchewan Mineral Deposit Index (SMID#0880) reports drill indicated reserves at the historic Gochager Lake Deposit of 4,262,400 tons grading 0.295% Ni and 0.081% Cu mineable by

open pit. Fathom cannot confirm the resource estimate nor the parameters and methods used to prepare the reserve estimate. The estimate is not considered NI43-101 compliant and further work is required to verify this historical drill indicated reserve.

2 – Saskatchewan Mineral Deposit Index #0836

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No securities regulatory authority has reviewed the adequacy or accuracy of this release.

Forward-Looking Statements:

This news release contains "forward-looking statements" that are based on expectations, estimates, projections and interpretations as at the date of this news release. Forward-looking statements are frequently characterized by words such as "plan", "expect", "project", "seek", "intend", "believe", "anticipate", "estimate", "suggest", "indicate" and other similar words or statements that certain events or conditions "may" or "will" occur, and include, without limitation, statements regarding completion of the Offering, price of the FT Units, Charity FT Units and HD Units, dates for closing of the Offering, amount of proceeds under the Offering, approval of the Offering by regulatory authorities, payment of commissions and finder warrants to finders and the Company incurring Qualifying

Expenditures. Forward-looking statements relate to information that is based on assumptions of management, forecasts of future results, and estimates of amounts not yet determinable. Any statements that express predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance are not statements of historical fact and may be "forward-looking statements." Forward-looking statements are subject to a variety of risks and uncertainties which could cause actual events or results to differ from those reflected in the forward-looking statements, including, without limitation: risks related to failure to obtain adequate financing on a timely basis and on acceptable terms; risks related to the outcome of legal proceedings; political and regulatory risks associated with mining and exploration; risks related to the maintenance of stock exchange listings; risks related to environmental regulation and liability; the potential for delays in exploration or development activities or the completion of feasibility studies; the uncertainty of profitability; risks and uncertainties relating to the interpretation of drill results, the geology, grade and continuity of mineral deposits; risks related to the inherent uncertainty of production and cost estimates and the potential for unexpected costs and expenses; results of prefeasibility and feasibility studies, and the possibility that future exploration, development or mining results will not be consistent with the Company's expectations; risks related to commodity price fluctuations; and other risks and uncertainties related to the Company's prospects, properties and business detailed elsewhere in the Company's disclosure record. Such forward looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These forward- looking statements are made as of the

date hereof and the Company does not assume any obligation to update or revise them to reflect new events or circumstances except in accordance with applicable securities laws. Actual events or results could differ materially from the Company's expectations or projections.

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