Fission Announces the Closing of a US$10 million Credit Facility with Sprott

written by Raj Shah | April 8, 2020

April 7, 2020 (Source) – **FISSION URANIUM CORP.** ("**Fission**" or "**the Company**") is pleased to announce the closing of a US$10 million senior secured credit facility (the "**Facility**") with Sprott Resource Lending II (Collector) L.P. ("**Sprott**") subject to the terms and conditions set forth in the credit agreement (the "**Credit Agreement**"). Fission will use the proceeds from the Facility to fund development of the Patterson Lake South uranium project (the "**Project**") and for general working capital purposes. In connection with the Facility, Fission has agreed to issue 20,666,667 common share purchase warrants ("**Warrants**") to Sprott and its affiliates. A summary of the key terms of the Facility and Warrants are as follows:

The Facility

- Senior secured 4-year loan Facility available by way of one advance in the gross amount of US$10 million;
- 4-year term with no obligation to make any principal repayments on the Facility until April 7, 2024 (the "**Maturity Date**");
- Fission may extend the term of the Facility by one year, subject to certain terms and conditions contained in the Credit Agreement
- Interest rate of 10% per annum compounded and payable monthly, with the option to pay a portion of the interest

due under the Facility by way of common shares of Fission, subject to certain limitations set out in the Credit Agreement;
- Fission may voluntarily repay the Facility in whole or in part anytime before the Maturity Date, provided that Fission pay Sprott an amount equal to a minimum of 24 months interest; and
- The Facility is secured against all present and after acquired personal property of Fission with a first priority of encumbrance over the Project by way of customary security documents.

For further details on the Facility, please refer to the Credit Agreement which will be filed on the Company's SEDAR profile at www.sedar.com.

The Warrants

- Fission has agreed to issue 20,666,667 Warrants to Sprott at an exercise price equivalent to C$0.17;
- The Warrants will entitle the holder to purchase one common share for a period of 4 years from the date of issuance;
- The holder may exercise all or a portion of the Warrants within the 4-year period. Failing such exercise, any unexercised Warrants will expire; and
- The Warrants are fully transferable and assignable and contain customary anti-dilution and adjustment provisions.

About Fission Uranium

Fission Uranium Corp. is a Canadian based resource company specializing in the strategic exploration and development of the Patterson Lake South uranium property – host to the class-leading Triple R uranium deposit – and is headquartered in Kelowna, British Columbia. Fission's common shares are listed

on the TSX Exchange under the symbol “FCU” and trade on the OTCQX marketplace in the U.S. under the symbol “FCUUF.”

ON BEHALF OF THE BOARD

“Dev Randhawa”

Dev Randhawa, Chairman & CEO

Forward-Looking Statements:

Certain information contained in this press release constitutes “forward-looking information”, within the meaning of Canadian legislation. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might” or “will be taken”, “occur”, “be achieved” or “has the potential to”. Forward looking statements contained in this press release include, but are not limited to, the use of proceeds from the Credit Facility, Fission’s ability to satisfy the payment of interest under the Credit Agreement, Fission’s ability to pay the Facility on the Maturity Date, Fission’s ability to comply with its obligations under the Credit Agreement, Fission’s ability to issue common shares for the satisfaction of exercised Warrants and statements regarding the future operating or financial performance of Fission which involve known and unknown risks and uncertainties which may not prove to be accurate. Actual results and outcomes may differ materially from what is expressed or forecasted in these forward-looking statements. Such statements are qualified in their entirety by the inherent

risks and uncertainties surrounding future expectations. Among those factors which could cause actual results to differ materially are the following: risks related to Fission's limited business history, risks related to the nature of mineral exploration and development, discrepancies between actual and estimated mineral resources, risks related to uranium market price volatility, risks related to the market value of the common shares of Fission, risks related to market conditions, risks related to the novel coronavirus (COVID-19) pandemic, including disruptions to the Company's business and operational plans, risks related to the global economic uncertainty as a result of the novel coronavirus (COVID-19) pandemic and other risk factors listed from time to time in our reports filed with Canadian securities regulators on SEDAR at www.sedar.com. The forward-looking statements included in this press release are made as of the date of this press release and the Company and Fission Uranium disclaim 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.