

Golden Arrow Announces Entering Into Credit Agreement

written by Raj Shah | July 12, 2018

✖ July 12, 2018 ([Source](#)) – **Golden Arrow Resources Corporation** (TSX-V:[GRG](#)) (FSE:GAC) (OTCQB:GARWF) (“**Golden Arrow**” or the “**Company**”) is pleased to announce that it has entered into a credit agreement (the “**Credit Agreement**”) dated as of July 6, 2018 with SSR Mining Inc. (NASDAQ:[SSRM](#)) (TSX:[SSRM](#)) (“**SSR Mining**”) for a non-revolving term loan (the “**Loan**”) in an aggregate principal amount equal to US\$10,000,000. The Loan matures on the date which is the earlier of: (a) the date which is 24 months from the first delivery of ore from the Puna Operations Inc. (“**Puna Operations**”) joint venture’s Chinchillas Property to the Pirquitas Mill; and (b) December 31, 2020.

“We are very grateful to SSR Mining for granting a line of credit for up to US\$10M, which is strictly confined to meeting Golden Arrow’s funding requirements for the Puna Operations joint venture in Jujuy,” stated Joseph Grosso, President & CEO. “With the project continuing to progress on budget, we expect this funding to ensure the Chinchillas integration with the Pirquitas Mill while minimizing dilution to Golden Arrow’s shareholders.”

The proceeds borrowed under the Credit Agreement will be used by Golden Arrow to fund its contributions under the shareholders’ agreement entered into between Golden Arrow and SSR Mining on May 31, 2017 as sole shareholders of Puna Operations. The Loan is secured by the Company’s ownership and equity interests in Puna Operations.

The Loan will bear interest (computed on the basis of the actual number of days elapsed over a year of 365 days and compounded

monthly) at a rate per annum equal to the US Base Rate (as such term is defined in the Credit Agreement) plus 10%. Interest on the Loan shall accrue from and including the date of each borrowing under the Credit Agreement, compounded monthly, and shall be capitalized and payable on the maturity date.

The Company has agreed to pay to SSR Mining a commitment fee of US\$100,000 on the date upon which the initial borrowing under the Credit Agreement is made.

The Credit Agreement includes prepayment provisions as well as the usual and customary representations and warranties and covenants and negative covenants restricting the amount of indebtedness.

About Golden Arrow:

Golden Arrow is an exploration company earning production income. The Company has a successful track record of creating value by making precious and base metal discoveries and advancing them into exceptional deposits. Golden Arrow owns a 25% share of Puna Operations, a joint venture operated by SSR Mining, with more than 8 years of forecast production and upside potential at the Pirquitas -Chinchillas silver mining project. Golden Arrow is actively exploring on its more than 200,000 hectares of properties in Argentina. The Company is a member of the Grosso Group, a resource management group that has pioneered exploration in Argentina since 1993.

ON BEHALF OF THE BOARD

“Joseph Grosso”

Mr. Joseph Grosso, President & CEO

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This news release may contain forward-looking statements. Such forward-looking statements include but are not limited to the use of proceeds of the Loan. Forward-looking statements address future events and conditions and therefore involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated in such statements. Readers are encouraged to refer to the Company's public disclosure documents for a more detailed discussion of factors that may impact expected future results. The Company undertakes no obligation to publicly update or revise any forward-looking statements.