# GTA Announces Intention to Delist and Confirms Sale of Assets to CBLT Inc.

written by Raj Shah | January 21, 2019

Monday, January 21, 2019 (Source) – GTA Resources and Mining Inc. (**TSXV: GTA**) (**"GTA"**) on January 7, 2019 reported its shareholders had approved the sale of all its mining assets to CBLT Inc. pursuant to an agreement between them (the "CBLT Agreement"). The shareholders also approved all other resolutions proposed by management, including the delisting of GTA's shares from the TSX Venture Exchange, which meant GTA was in compliance with all conditions of the Loan (see earlier GTA press release of October 17, 2018 for details on the Loan).

The CBLT Agreement contained no break fee or standstill agreement. After announcing the CBLT Agreement, GTA received two other formal offers from two separate arm's length parties ("Bidder1" and "Bidder2") for its mining assets, in addition to the CBLT Agreement and other informal expressions of interest. After careful consideration of these other formal offers, GTA's board confirms it will proceed to close on the CBLT Agreement.

The offer from Bidder1 was unusual in that almost all of the consideration offered by Bidder1 for GTA's assets consisted of common shares of a foreign reporting issuer owned by Bidder1. After much deliberation and over several meetings the board unanimously rejected Bidder1's offer due to an excessive amount of risk being included in the offered consideration, including foreign exchange risk, foreign stock exchange risk, foreign jurisdiction risk, an unknown management team, an unknown board of directors, an unknown history of that other reporting issuer, and a lack of time to effect meaningful technical due diligence

on the assets owned by that reporting issuer.

The offer from Bidder2 was a non-binding offer from an arm's-length Canadian mineral exploration reporting issuer. GTA and Bidder2 have been working in good faith towards a definitive agreement but over a series of formal and informal board meetings, GTA's board has determined that GTA may not be able to reach reasonable terms on a definitive agreement with Bidder2 on a timely basis, or at all. A failure to reach reasonable terms on a timely basis would put GTA at risk of being in default of the Loan and to avoid such default GTA has elected not to proceed with Bidder2.

The shareholders voted to adjourn (not terminate) the AGM to a date not more than three months from the date of the AGM, with notice of re-convening the meeting to be provided by press release with at least two weeks notice. GTA hereby gives notice that the meeting will re-convene on Monday, February 4, 2019 at 10:00 am at 855 Brant Street, Burlington, Ontario. With GTA proceeding with the CBLT Agreement, there is no resolution to put before the shareholders, and the re-convened meeting will held solely to formally terminate the meeting, absent any other business. Should any other business arise, proxies will be voted in accordance with the instructions given by the proxyholder.

GTA intends to immediately proceed to implement the shareholders resolution to voluntarily delist trading in its shares from the TSX Venture Exchange, to close on the CBLT Agreement, to dividend out the CBLT shares to be received as consideration pursuant to the CBLT Agreement, to use best efforts to effect a merger or acquisition with an as-yet unidentified target in likely another industry, and to apply for a listing of its shares on another Canadian stock exchange. By implementing the shareholders resolution to voluntarily de-list, GTA will not be in default of the Loan.

On behalf of the board of directors
**GTA Resources and Mining Inc.**

*“Peter M. Clausi”*

Director and CEO
+1416 890-1232

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