IM Exploration Announces Closing of the Acquisition of Momentum Minerals

written by Raj Shah | July 6, 2021

July 6, 2021 (Source) – IM Exploration Inc. (CNSX:IM.CN) ("IM" or the "Company") is pleased to announce that, further to its news release dated June 16, 2021, it has completed the acquisition of Momentum Minerals Ltd. ("Momentum") pursuant to the terms of the amalgamation agreement dated June 16, 2021 (the "Amalgamation Agreement") among the Company, IM's wholly-owned subsidiary, 1307605 B.C. Ltd. ("IM Subco") and Momentum (the "Transaction").

The Transaction was completed by way of a three-cornered amalgamation under the Business Corporation Act (British Columbia) among IM, Momentum and IM Subco. Pursuant to the Transaction, Momentum amalgamated with IM Subco and the holders of shares of Momentum (the "Momentum Shares") received 0.6 of a common share of IM (each whole common share of IM, an "IM Share") for every one Momentum Share. The Company issued 19,817,400 IM Shares to the current shareholders of Momentum as consideration for all of the outstanding Momentum Shares pursuant to the amalgamation. The amalgamated company became a wholly-owned subsidiary of IM. IM also issued 240,000 replacement options to a current Momentum option holder, allowing such holder to purchase IM Shares at a price of $0.167 until April 14, 2026. No finder's fee was paid in connection with the Transaction.

In connection with the completion the Transaction, the Company is pleased to announce the appointment of Colin Moore as President of the Company. Raymond Harari has resigned from his

position as President of the Company, effective as of the closing of the Transaction. Mr. Harari will continue to act as the Chief Executive Officer of the Company.

Colin Moore is a corporate finance professional with 14 years of experience in mining and natural resources; he was a co-founder and director of Momentum Minerals. Prior to that he worked on the investment team at Pacific Road Capital in Vancouver, and as a Vice President at Waterton Global Resource Management in Toronto. He also worked as an investment banker at Bank of Montreal in their Metals and Mining group in Toronto. Mr. Moore holds a Bachelor of Science in Mining Engineering and an MBA, both from Queen's University in Kingston, Ontario.

The Company also announces that it has engaged Peak Investor Marketing Corp. ("Peak Investor Marketing") for marketing, public relations and advisory services. Upon its engagement, Peak Investor Marketing received $144,000 plus applicable taxes for a term of 12 months. In addition, the Company has also granted Peak Investor Marketing 400,000 stock options (the "Options"). The Options, which vest immediately, are exercisable at an exercise price of $0.24 per IM Share for a period of five (5) years from the date of grant.

In addition, the Company has granted an aggregate of 1,000,000 Options to certain directors, officers, employees and consultants to purchase 1,000,000 IM Shares pursuant to the Company's stock option plan. The Options, which vest immediately, are exercisable at an exercise price of $0.24 per IM Share for a period of five (5) years from the date of grant.

About IM Exploration

IM Exploration is a mineral exploration company focused on developing the Toiyabe – Turquoise Canyon combined land package in the Cortez Hills area of Lander County, Nevada. The Company

is also advancing the Mulloy Project in Northern Ontario. From time to time, the Company may also evaluate the acquisition of other mineral exploration assets and opportunities.

For further information contact:

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The securities issued pursuant to the Transaction have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”) or any U.S. state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, United States persons absent registration or any applicable exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. This news release shall not constitute an offer to sell or the solicitation of an offer to buy securities in the United States, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

The Canadian Securities Exchange has neither approved nor disapproved the contents of this news release. The Canadian Securities Exchange does not accept responsibility for the adequacy or accuracy of this news release.

Forward-looking statements or information are subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual events or results to differ from those reflected in the forward-looking statements or information, including, without limitation, the need for additional capital by the Company through financings, and the

risk that such funds may not be raised; the speculative nature of exploration and the stages of the Company's properties; the effect of changes in commodity prices; regulatory risks that development of the Company's material properties will not be acceptable for social, environmental or other reasons, availability of equipment (including drills) and personnel to carry out work programs, that each stage of work will be completed within expected time frames, that current geological models and interpretations prove correct, the results of ongoing work programs may lead to a change of exploration priorities, and the efforts and abilities of the senior management team. This list is not exhaustive of the factors that may affect any of the Company's forward-looking statements or information. These and other factors may cause the Company to change its exploration and work programs, not proceed with work programs, or change the timing or order of planned work programs. Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated, described or intended. Accordingly, readers should not place undue reliance on forward-looking statements or information. The Company's forward-looking statements and information are based on the assumptions, beliefs, expectations and opinions of management as of the date of this press release, and other than as required by applicable securities laws, the Company does not assume any obligation to update forward-looking statements and information if circumstances or management's assumptions, beliefs, expectations or opinions should change, or changes in any other events affecting such statements or information.

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