Metallum Resources completes $5.2 million private placement to advance the development of the Superior Lake Zinc Project and Board changes

written by Raj Shah | April 22, 2022

April 21, 2022 (Source) – Metallum Resources Inc. (TSXV:MZN) is pleased to report that it has closed its previously announced non-brokered private placement with the issuance of 87,371,674 units at $0.06 each, for gross proceeds of $5,242,300. Each unit consists of one common share of the Company and one warrant which entitles the holder to purchase one additional common share at $0.14 for two years from closing.

In connection with the financing, the Company paid finder's fees totaling $245,400 cash and issued a total of 4,090,000 warrants which have the same terms as described above. All common shares and warrants issued on closing are subject to a resale restriction until August 22, 2022.

As a result of participation in the placement by insiders of the Company, the placement is considered to be a "related party transaction" within the meaning of TSX Venture Exchange Policy 5.9 and Multilateral Instrument 61-101 ("MI 61-101"). The Company has relied on the exemptions from the formal valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(b) and 5.7(a) of MI 61-101.

Funds raised from the financing are intended to be used for general working capital, and to accelerate the development of

the Company’s Superior Lake Zinc and Copper Project.

Board Changes

Adam Kiley has been appointed a Director of the Company, in the place of David Cass who has stepped down from the Board.

Adam Kiley has over 18 years’ experience in the mining sector with a depth of experience in providing corporate and financial advisory services. Adam holds a Bachelor of Commerce from Curtin University in Western Australia. He is also currently a corporate development executive with Lotus Resources Limited (ASX:LOT) and Frontier Energy (ASX:FTE).

Kerem Usenmez, President and CEO, commented: “I am very pleased in closing this over-subscribed financing, as we continue to develop our high-grade Zinc and Copper project. This new capital will keep the development of our project on schedule. We are excited to be in a position to continue advancing the Superior Lake Project and committed to providing materials for the green future and a sustainable economy, in line with Ontario’s recently announced Critical Minerals Strategy. This project has two of the critical minerals recognized by Canada and the United States, at a very high grade. We look forward to an incredibly promising future in Ontario as we continue to rapidly move into development. The project location and the existing infrastructure, along with access to clean energy, proximity to state of the art logistics, and a motivated and skilled workforce make this an exciting project, with the right timing, as we see commodities becoming more and more in demand. I also thank David for his invaluable contributions to the Company thus far, and welcome Adam to the Board as we move our company and the Project into this advanced stage.”

Simon Ridgway, Chairman of the Board, commented: “We would like to thank both existing and new shareholders for the strong

support they provided in the recent capital raising. We are now in an exceptional strong position to advance our Superior Lake Zinc Project, one of the highest grade zinc projects globally, at a time when the zinc price is near all time record highs.

I would also like to acknowledge my appreciation for the many years of service David has provided to Metallum, including his contributions to the Board. We wish him well . We welcome Adam Kiley to the Metallum Board and look forward to benefitting from his extensive corporate development experience.”

About Metallum

Metallum Resources (TSXV:MZN) is developing its Superior Lake Zinc and Copper Project located in Ontario, Canada which has been advanced to the feasibility stage. For more information on the project please visit metallumzinc.com .

Metallum is a member of the Gold Group of companies, led by Simon Ridgway. For further details about the Company and the Superior Project, please visit the Company’s website at metallumzinc.com .

ON BEHALF OF THE BOARD

Kerem Usenmez,

President & Chief Executive Officer

Metallum Resources Inc.

Symbol: TSXV-MZN

For further information, contact:

Kerem Usenmez, President & CEO

Tel: 604-688-5288; Fax: 604-682-1514

Email: info@metallumzinc.com

Website: metallumzinc.com

Neither the TSX Venture Exchange nor the Investment Industry Regulatory Organization of Canada accepts responsibility for the adequacy or accuracy of this release.

Cautionary Note Regarding Forward-Looking Statements

Certain statements contained in this news release constitute forward-looking statements within the meaning of Canadian securities legislation. All statements included herein, other than statements of historical fact, are forward-looking statements and include, without limitation, statements about the use of the financing proceeds. Often, but not always, these forward looking statements can be identified by the use of words such as “estimate”, “estimates”, “estimated”, “potential”, “open”, “future”, “assumed”, “projected”, “used”, “detailed”, “has been”, “gain”, “upgraded”, “offset”, “limited”, “contained”, “reflecting”, “containing”, “remaining”, “to be”, “periodically”, or statements that events, “could” or “should” occur or be achieved and similar expressions, including negative variations.

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 results, performance or achievements expressed or implied by forward-looking statements. Such uncertainties and factors include, among others, whether the financing proceeds will be spent as planned; whether exploration and development of the Company’s properties will proceed as planned; changes in general economic conditions and financial markets; the Company or any joint venture partner not having the financial ability to meet its exploration and

development goals; risks associated with the results of exploration and development activities, estimation of mineral resources and the geology, grade and continuity of mineral deposits; unanticipated costs and expenses; risks associated with COVID-19 including adverse impacts on the world economy, exploration efforts and the availability of personnel; and such other risks detailed from time to time in the Company's quarterly and annual filings with securities regulators and available under the Company's profile on SEDAR at www.sedar.com. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended.

Forward-looking statements contained herein are based on the assumptions, beliefs, expectations and opinions of management, including but not limited to: that the financing proceeds will be spent as planned; that the Company's stated goals and planned exploration and development activities will be achieved; that there will be no material adverse change affecting the Company or its properties; and such other assumptions as set out herein. Forward-looking statements are made as of the date hereof and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise, except as required by law. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, investors should not place undue reliance on forward-looking statements.

Copyright (c) 2022 TheNewswire – All rights reserved.