Murchison Minerals Announces Closing of $5.35 Million Non-Brokered Private Placement with Continued Support of Strategic Investor Michael Gentile and Largest Shareholder Donald K. Johnson

written by Raj Shah | July 4, 2022

July 4, 2022 (Source) – **Murchison Minerals Ltd. ("Murchison" or the "Company") (TSXV:MUR)(OTCQB:MURMF)** is pleased to announce that further to its press release dated June 2nd, 2022, the Company has closed the CAD $5.35 million non-brokered private placement (the "Private Placement") as detailed below.

The Company issued 10,166,666 Hard Dollar units ("HD Units") at a price of $0.09 per HD Unit, 20,195,002 Quebec flow-through units ("QFT Units") at a price of $0.105 per QFT Unit and 16,557,954 Quebec Charity flow-through units ("QCFT Units") at a price of $0.14 per QCFT Unit, to raise aggregate gross proceeds of CAD $5,353,589.

Each Unit was comprised of one common share of the Company (a "Common Share") and one-half of a common share purchase warrant (each whole warrant, a "Warrant") and each FT and QCFT Units were comprised of one flow-through common share of the Company (a "FT Common Share") and one-half of a Warrant. Each whole Warrant shall be exercisable to acquire one additional Common Share at a price of $0.18 for a period of 18 months expiring

December 30, 2023. In the event that, the 20-day volume weighted average price of the Common Shares on the TSX Venture Exchange ("Exchange") is greater than $0.225 ($0.24 for the HD Unit), the Company may give notice to the holders of the Warrants that the Expiry Time of the Warrants has been accelerated and the Warrants will expire on the 30th business day following the date of such notice to subscribe for and purchase the number Common Shares of the Company set forth above on the basis of one Common Share at a price of $0.18 for each Warrant exercised. All securities issued under the Private Placement are subject to a four-month hold period until October 31, 2022, in accordance with applicable securities laws. Proceeds from the private placement will be directed towards exploration at the Company's 100%-owned HPM nickel-copper-cobalt property in Eastern Quebec, working capital and administrative expenses.

Mr. Troy Boisjoli, Murchison Minerals President, CEO, and Director comments:

"Murchison is very pleased to have the continued support of strategic investor, Mr. Michael Gentile, and Murchison's largest shareholder and Director Mr. Donald K Johnson. This is truly an exciting time for the Company as we are preparing to move forward with our summer drill program at our HPM nickel-copper-cobalt project in Quebec – where our focus will be on developing the Barre de Fer Zone towards a maiden resource and developing a robust portfolio of high-priority, de-risked targets for future drilling."

Notable Investment and Involvement:

Strategic Investor Michael Gentile, CFA

Mr. Gentile is considered one of the leading strategic investors in the junior mining sector, owning significant positions in

over 15 small-cap mining companies. Mr. Gentile is currently a strategic advisor to Arizona Metals (AMC-V) and Geomega Resources (GMA-V) as well as being a director of Northern Superior Resources (SUP-V), Roscan Gold (ROS-V), Radisson Mining Resources (RDS-V) and Solstice Gold (SGC-V). Mr. Gentile recently co-founded Bastion Asset Management, an investment management firm based out of Montreal, Quebec and was previously a Senior Portfolio Manager with Formula Growth Limited.

Following closing of the Private Placement, Mr. Gentile owns 6.85% (14,947,268 common shares) of the Company's issued and outstanding common shares, and on a partially-diluted basis (including 7,473,634 warrants), Mr. Gentile will own 9.93% of the Company's issued and outstanding common shares.

SIDEX

The Company is also pleased that SIDEX, that became shareholder in March 2021, has increased its holding in the Company by acquiring an additional 2,222,222 Units in the Private Placement. SIDEX is an initiative of the Québec government and the Fonds de Solidarité FTQ whose mission is to invest in companies engaged in mineral exploration in Québec to diversify the province's mineral base, promote innovation and new entrepreneurs.

GloRes Securities Inc

Murchison was also pleased to have the assistance of Ritu Gupte, CEO & President of GloRes Securities Inc. as lead finder for the Quebec Flow-Through portion of the Private Placement. Ms. Gupte has a tremendous network and was able to attract the involvement of high-value funds.

Insiders Participation:

Donald K. Johnson, OC, Murchison Minerals Director, and Largest Shareholder

Mr. Johnson acquired an additional 7,944,444 Units for aggregate investment of $715,000 to maintain his current ownership in the Company at approximately 30%. A director of Murchison also acquired 142,857 FT Units in the Private Placement.

The Private Placement constituted a “related party transaction” as defined in Multilateral Instrument 61-101 – Protection of Minority Securityholders in Special Transactions (“MI 61-101”), as insiders of the Company acquired an aggregate of 7,944,444 Units and 142,857 FT Units. The Company is relying on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(a) and 5.7(1)(a) of MI 61-101, as the fair market value of the participation in the Private Placement by insiders does not exceed 25% of the market capitalization of the Company, as determined in accordance with MI 61-101. The Company did not file a material change report in respect of the related party transaction at least 21 days before the closing of the Private Placement, which the Company deems reasonable in the circumstances to complete the Private Placement in an expeditious manner. The Private Placement was approved by all independent directors of the Company.

Finders Fee

The Private Placement is subject to final acceptance of the TSX Venture Exchange. Finder’s fees and Finder’s warrants totaling $149,150 and 1,230,471 respectively were paid in relation to the Private Placement. Finder’s warrants had same terms and conditions as the Warrants. All securities issued under the Private Placement are subject to a four-month hold period until October 31, 2022, in accordance with applicable securities laws.

HPM Summer Exploration Program

Based on the Preliminary modelling at the BDF Zone, (April 4th news release) the Company is now in a position to move forward with resource expansion and delineation during this summer's drill program at the BDF Zone. Murchison will be leveraging the past work competed at the BDF Zone – which until now, had not previously been modelled – to significantly advance the project forward. The summer exploration program will also consist of a prospecting component, where prospecting crews will be in the field mapping and evaluating high-priority targets defined by previous and ongoing aerial EM surveys. The proceeds from today's announcement will allow the Company to achieve the two key objective from this summer's exploration program at the HPM property in Quebec: define a near-surface nickel-copper-cobalt mineral resource at the BDF Zone, and de-risk high-priority targets for future drilling.

About Murchison Minerals Ltd. (TSXV: MUR, OTCQB: MURMF)

Murchison is a Canadian-based exploration company focused on nickel-copper-cobalt exploration at the 100% – owned HPM Project in Quebec and the exploration and development of the 100% – owned Brabant Lake zinc-copper-silver project in north-central Saskatchewan. The Company also holds an option to earn 100% interest in the Barraute VMS exploration project also located in Quebec, north of Val d'Or. Murchison currently has 218.2 million shares issued and outstanding.

Additional information about Murchison and its exploration projects can be found on the Company's website at **www.murchisonminerals.ca**. For further information, please contact:

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Forward-Looking Information

Certain information set forth in this news release may contain forward-looking information that involves substantial known and unknown risks and uncertainties. This forward-looking information is subject to numerous risks and uncertainties, certain of which are beyond the control of the Company, including, but not limited to, the impact of general economic conditions, industry conditions, and dependence upon regulatory approvals. FLI herein includes, but is not limited to: future drill results; stakeholder engagement and relationships; parameters and methods used with respect to the assay results; the prospects, if any, of the deposits; future prospects at the deposits; and the significance of exploration activities and results. FLI is designed to help you understand management's current views of its near- and longer-term prospects, and it may not be appropriate for other purposes. FLI by their nature are based on assumptions and 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 future results, performance or achievements expressed or implied by such FLI. Although the FLI contained in this press release is based upon what management believes, or believed at the time, to be reasonable assumptions, the Company cannot assure shareholders and prospective purchasers of securities of the Company that actual results will be consistent with such FLI, as there may be other factors that cause results not to be as anticipated, estimated or intended, and neither the Company nor any other person assumes responsibility for the accuracy and completeness of any such

FLI. Except as required by law, the Company does not undertake, and assumes no obligation, to update or revise any such FLI contained herein to reflect new events or circumstances, except as may be required by law. Unless otherwise noted, this press release has been prepared based on information available as of the date of this press release. Accordingly, you should not place undue reliance on the FLI or information contained herein. Furthermore, should one or more of the risks, uncertainties or other factors materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in FLI. Assumptions upon which FLI is based, without limitation, include: the ability of exploration activities to accurately predict mineralization; the accuracy of geological modelling; the ability of the Company to complete further exploration activities; the legitimacy of title and property interests in the deposits; the accuracy of key assumptions, parameters or methods used to obtain the assay results; the ability of the Company to obtain required approvals; the results of exploration activities; the evolution of the global economic climate; metal prices; environmental expectations; community and nongovernmental actions; and any impacts of COVID-19 on the deposits, the Company's financial position, the Company's ability to secure required funding, or operations. Risks and uncertainties about the Company's business are more fully discussed in the disclosure materials filed with the securities regulatory authorities in Canada, which are available at www.sedar.com. Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

SOURCE: Murchison Minerals Ltd.