

Pinehurst Capital I Reports on Transaction with Silver Bullet Mines Inc.

written by Raj Shah | June 29, 2021

June 28, 2021 ([Source](#)) – Pinehurst Capital I Inc. (TSXV: PHT.P) (the “**Corporation**” or “**Pinehurst**”), a capital pool company listed on the TSX Venture Exchange (“**TSXV**”), is pleased to provide this update on the reverse takeover of Pinehurst by Silver Bullet Mines Inc. (“**Silver Bullet**”, and together with Pinehurst, the “**Parties**”), a mining company focused on silver exploration at its 100% owned Black Diamond Property located near Globe, Arizona (the “**Property**”). The Parties entered into a binding definitive agreement effective November 12, 2020, as amended, (the “**Definitive Agreement**”) pursuant to which the Parties intend to complete a business combination transaction, which, subject to certain conditions and applicable shareholder and regulatory approvals, will result in a reverse takeover of Pinehurst by Silver Bullet (the “**Transaction**”). The combined public company resulting from the Transaction (the “**Resulting Issuer**”) will carry on the business of Silver Bullet. The Transaction has been approved by the shareholders of Silver Bullet.

The Transaction is not a “Non-Arm’s Length Qualifying Transaction” under the policies of the TSXV and is not required to be approved by the shareholders of Pinehurst. In addition, no Non-Arm’s Length Party to Pinehurst is an insider of Silver Bullet or has any direct or indirect beneficial interest in any of the assets of Silver Bullet.

1. The Definitive Agreement

Under the terms of the Definitive Agreement, Pinehurst will acquire all of the issued and outstanding common shares of Silver Bullet in exchange for common shares of Pinehurst on a one for one basis. In addition, each outstanding option and/or warrant to acquire Silver Bullet common shares will become exercisable for one common share of Pinehurst. As consideration for 100% of the outstanding common shares of Silver Bullet, Pinehurst will issue up to 51.1 million common shares, assuming the closing of additional \$717,000 under the private placement financing, to the shareholders of Silver Bullet. Certain of the common shares may be subject to an escrow agreement to be determined by regulatory authorities. The Definitive Agreement also provides that as a condition of closing that Silver Bullet shall have completed one or more non-brokered private placements of securities of Silver Bullet for aggregate gross proceeds of no less than \$2,009,200 at a price or prices to be determined by Silver Bullet. As of June 24, 2021, Silver Bullet as raised \$4,282,569 and issued 14,275,231 units at a price of \$.30, each unit consisting of one common share and one-half of one common share purchase warrant, with each whole warrant being exercisable for one common share at an exercise price of \$0.50 for a two-year term. In addition, Silver Bullet has issued 25,000 shares as compensation shares and paid finders' fees consisting of cash of \$179,140 and 496,299 finders' warrants.

2. Silver Bullet Financial Information:

An unaudited summary of significant financial information respecting Silver Bullet Mines Inc. presented in Canadian dollars as at May 31, 2021 is set out below:

Cash	\$ 2,676,000
Other current assets	806,000
Capital assets	931,000

Total assets	\$ 4,413,000
Current liabilities	\$ 172,000
Other liabilities	302,000
Shareholders' equity	3,939,000
Total liabilities and shareholders' equity	\$ 4,413,000

Directors and Officers of the Resulting Issuer

The following persons will be the directors and officers of the Resulting Issuer:

John Carter-Director and CEO-Oakville, Ontario

Ron Wortel-Director and President-King City, Ontario

Ron Murphy-Director and Vice President Mining-Globe, Arizona

Peter Clausi-Director and Vice President Capital Markets-St. Catherines, Ontario

Eric Balog-Director-Toronto, Ontario

Jon Wiesblatt-Director-Toronto, Ontario

J. Birks Bovaird-Director-Toronto, Ontario

Brian Crawford-CFO-Burlington, Ontario

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Information concerning Silver Bullet has been provided to the Corporation by Silver Bullet for inclusion in this press release.

Completion of the Transaction is subject to a number of conditions, including but not limited to, TSXV acceptance and if applicable pursuant to Exchange Requirements (as that term is defined in the policies of the TSXV), majority of the minority shareholder approval. Where applicable, the Transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the Transaction will be completed as proposed or at all.

Readers are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.

The TSXV has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release. Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this release.

The securities referenced herein have not been, nor will be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent U.S. registration or an applicable exemption from U.S. registration requirements. This release does not constitute an

offer for sale of securities in the United States.

Cautionary and Forward-Looking Statements

This news release contains certain statements that constitute forward-looking statements as they relate to Pinehurst, Silver Bullet, their respective leadership teams and the intended Resulting Issuer. Forward-looking statements are not historical facts but represent management's current expectation of future events, and can be identified by words such as "believe", "expects", "will", "intends", "plans", "projects", "anticipates", "estimates", "continues" and similar expressions. Although management believes that the expectations represented in such forward-looking statements are reasonable, there can be no assurance that they will prove to be correct.

By their nature, forward-looking statements include assumptions and are subject to inherent risks and uncertainties that could cause actual future results, conditions, actions or events to differ materially from those in the forward-looking statements. If and when forward-looking statements are set out in this new release, Pinehurst will also set out the material risk factors or assumptions used to develop the forward-looking statements. Except as expressly required by applicable securities laws, Pinehurst assumes no obligation to update or revise any forward-looking statements. The future outcomes that relate to forward-looking statements may be influenced by many factors, including but not limited to: closing on the Transaction as described above in a timely manner; SARS CoV-2; reliance on key personnel; shareholder and regulatory approvals; activities and attitudes of communities local to the location of the Property; risks of future legal proceedings; income tax matters; availability and terms of financing; distribution of securities; commodities pricing; currency movements, especially as between the USD and CDN; effect of market interest rates on price of securities;

and, potential dilution. SARS CoV-2 creates risks that at this time are immeasurable and impossible to define.