Power Nickel Increases Previously Announced Non-Brokered Private Placement by C$300,000

written by Raj Shah | October 27, 2022

October 27, 2022 (Source) – **Power Nickel Inc. (the "Company" or "Power Nickel") (TSXV:PNPN, OTCQB:CMETF, Frankfurt:IVVI)** is pleased to announce it has increased the size of its non-brokered private placement (the "**Private Placement**") originally announced in its news release dated October 18, 2022 (the "**Original News Release**") by CAD $300,000. The Private Placement will now consist of up to 10,250,000 flow-through units (each, an "**FT Unit**") of the Company (up from 10,000,000 FT Units) at a price of $0.20 per FT Unit and up to 12,500,000 non-flow-through units (each, an "**NFT Unit"**) of the Company (up from 10,000,000 NFT Units) at a price $0.10 per NFT Unit, for aggregate gross proceeds of up to CAD $3,300,000. The prices of each FT Unit and each NFT Unit are unchanged from the prices set out in the Original News Release. The other terms of the FT Units and NFT Units are also unchanged from the terms set out in the Original News Release. These terms have been provided below for ease of reference.

Each FT Unit will be composed of one common share of the Company that qualifies as a "flow-through share" (each, an "**FT Share**"), for purposes of the *Income Tax Act* (Canada) (the "**ITA**"), and one non-flow-through common share purchase warrant (each, a "**Warrant**"). Each Warrant will be exercisable into one non-flow-through common share (each, a "**Common Share**") at an exercise price of $0.20 per Warrant for a period of five years from the

date of issuance. Each NFT Unit will be composed of one Common Share and one Warrant. All securities issued under the Private Placement will be subject to a four-month and one-day statutory hold period.

The Warrants will be subject to an acceleration clause that entitles the Company to provide notice (the "**Acceleration Notice**") to holders that the Warrants will expire 30 days from the date the Company provides the Acceleration Notice. The Company can only provide the Acceleration Notice if the closing price of the Company's Common Shares on the TSX Venture Exchange is equal to or greater than $0.40 for 10 consecutive trading days. The Acceleration Notice can be provided at any time after the statutory hold period and before the expiry date of the Warrants.

The Company intends to use the gross proceeds from the sale of the FT Shares to incur eligible "Canadian exploration expenses", within the meaning of the ITA, that will qualify for the federal 30% Critical Mineral Exploration Tax Credit pursuant to the draft legislation released on August 9, 2022. The Company intends to use approximately $800,000 of the proceeds from the sale of the NFT Units to settle an outstanding debenture. The Company intends to use the remainder of the proceeds from the sale of the NFT Units for general administrative and working capital purposes.

Two insiders of the Company will now be subscribing aggregate funds of $550,000 into the Private Placement, which is considered a "related party transaction" within the meaning of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). The Company intends to rely on the exemptions from the formal valuation and minority shareholder approval requirements of MI 61-101 as the Company is not listed on a specified market (as set out in

Section 5.5(b) of MI 61-101) and the aggregate fair market value of the FT Units and NFT Units being subscribed to by the insiders does not exceed CAD $2,500,000 (as set out in Section 5.7(1)(b) of MI 61-101).

The Private Placement is subject to TSX Venture Exchange ("TSXV") approval. The Company anticipates paying finder's fees on a portion of the Private Placement, as permitted by applicable securities laws and TSXV policy.

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Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accept responsibility for the adequacy or accuracy of this release.

Cautionary Note Regarding Forward-Looking Statements

This news release contains certain statements that may be deemed "forward-looking statements" with respect to the Company within the meaning of applicable securities laws. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential", "indicates", "opportunity", "possible"

and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance, are subject to risks and uncertainties, and actual results or realities may differ materially from those in the forward-looking statements. Such material risks and uncertainties include, but are not limited to, the Company's ability to raise sufficient capital to fund its planned activities at the NISK Property and for general working capital purposes; the timing for proposed closing of the Private Placement; the timing and costs of future activities on the Company's properties, including preparing the Amended Technical Report; maintaining its mineral tenures and concessions in good standing; changes in economic conditions or financial markets; the inherent hazards associates with mineral exploration and mining operations; future prices of metals; changes in general economic conditions; accuracy of mineral resource and reserve estimates; the potential for new discoveries; the ability of the Company to obtain the necessary permits and consents required to explore, drill and develop the projects and if obtained, to obtain such permits and consents in a timely fashion relative to the Company's plans and business objectives for the projects; the general ability of the Company to monetize its mineral resources; and changes in environmental and other laws or regulations that could have an impact on the Company's operations, compliance with environmental laws and regulations, dependence on key management personnel and general competition in the mining industry. Forward-looking statements are based on the reasonable beliefs, estimates, and opinions of the Company's management on the date the statements are made. Except as required by law, the Company undertakes no obligation to update these forward-looking statements in the event that management's beliefs, estimates or opinions, or other factors,

should change.

SOURCE: Power Nickel Inc.