Rackla Metals Announces $2 Million Non-Brokered Private Placement

written by Raj Shah | November 14, 2022

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November 14, 2022 (Source) – Rackla Metals Inc. (TSX:RAK) (the "Company") announces that it proposes to complete a non-brokered private placement of up to 10 million units at $0.20 per unit, for proceeds of up to $2.0 million, each unit to consist of one common share and one half warrant. Each whole warrant will entitle the holder to purchase one additional common share of the Company at $0.35 for two years from the closing date of the financing.

Crescat Capital will be the lead order on the financing taking a minimum $1.0 million of the $2.0 million financing total. Rackla management proposes to use the net proceeds of the placement for conducting exploration and drilling on the Company's Tombstone Gold Belt properties within the Selwyn Basin in the coming year, for continuing investigations of additional mineral properties for acquisition, and for general working capital purposes.

"We at Crescat relish our position of funding early stage, high-caliber, high-potential exploration stories," commented Quinton Hennigh, Geologic and Technical Director of Crescat Capital. "With Snowline Gold's recent discovery of the Valley reduced intrusion-hosted gold deposit in the Yukon, the Tombstone Gold Belt continues to deliver new, very large gold deposits. Rackla

Metals has assembled an attractive portfolio of similar reduced-intrusion related gold systems along the Tombstone Gold Belt in Yukon and western Northwest Territories. Early BLEG, soil and rock sampling highlight multiple robust gold anomalies closely associated with granite intrusions, some of which appear nearly drill ready. We are delighted to join Rackla and its experienced exploration team at this early stage and look forward to seeing them quickly advance multiple targets to first pass drilling in 2023."

The private placement is subject to acceptance for filing by the TSX Venture Exchange.

*The securities to be offered pursuant to the financing 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.*

Qualified Person

Bruce Smith, M.Sc. (Geology), a member of the Australian Institute of Geoscientists, is Rackla's Qualified Person as defined by National Instrument 43-101, Standards of Disclosure for Mineral Projects. Mr. Smith reviewed and approved the technical information contained in this news release.

ON BEHALF OF THE BOARD

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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 press release.

Forward-Looking Information

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 Company's proposed financing, and future exploration activities. 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 stock exchange approval to the financing will be obtained and the financing will be completed 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; 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 stock exchange approval to the financing will be obtained and that the financing will be completed as planned; that the Company's stated goals and planned exploration activities at its properties 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.