Rackla Metals completes $3.4 million private placement

written by Raj Shah | December 22, 2022
December 22, 2022 (Source) – Rackla Metals Inc. (TSXV:RAK) (the "**Company**") is pleased to announce that it has closed its previously announced private placement financing with the issuance of 11,365,000 flow-through units at $0.285 each (the "**FT Units**") for gross proceeds of $3,239,025 (the "**FT Offering**") and 1,250,000 hard-dollar units at a price of $0.20 each (the "**HD Units**") for gross proceeds of $250,000 (the **"HD Offering**" together with the FT Offering, the **"Offerings**") for aggregate gross proceeds of $3,489,025 from the Offerings.

Each FT Unit consists of one flow-through common share and one-half warrant and each HD Unit consists of one common share and one-half warrant. Each whole warrant entitles the holder to purchase one additional common share of the Company at $0.35 for two years from closing.

The common shares and warrants issued on closing are subject to a regulatory resale restriction until April 23, 2023. The Offerings are subject to final approval of the TSX Venture Exchange.

The Company intends to use the proceeds from the Offerings to fund exploration and drilling on the Company's Tombstone Gold Belt properties within the Selwyn Basin in the coming year, and for continuing investigations of additional mineral properties for acquisition.

Simon Ridgway, CEO of the Company, comments, "We are pleased with the closing of the upsized financing that raised $3.4 million, as it reflects significant investor interest in our

exploration plans for 2023. Crescat Capital was the lead purchaser in the financing investing $1.0 million of the funds dedicated to the exploration of the Tombstone Belt.”

Rackla has consolidated an extensive land position in the eastern Tombstone Belt that extends through the southeast Yukon and into the NWT. Yukon and Alaska have a number of operating mines, development projects and discoveries with Reduced Intrusive Related Gold Systems (RIRGS) and management believes that the NWT portion of the Belt, which is unexplored for RIRGS, has the potential to be the next frontier for the discovery of these type of deposits.

The Company’s 2023 exploration program includes completing an airborne magnetic program, building on a regional geochemical database and defining drill targets for a planned early summer drill program on the Astro Project, as well as advancing exploration on our other NWT projects that include the Jos, Cinnabar and RAK properties.

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 financing, statements about the exploration of RIRGS in the NWT, and expectations relating to the Company's proposed 2023 exploration program. 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, 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 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.