

Scandium Canada Announces Closing of First Tranche of a Flow-Through Private Placement of \$620,000 and a hard-cash offering

written by Raj Shah | December 20, 2024

December 20, 2024 ([Source](#)) – Scandium Canada Ltd. (TSX-V: SCD) (OTC: SCDCF) (the “Corporation”) is pleased to announce the closing of the first tranche of a non-brokered private placement for aggregate proceeds of \$620,000 (the “Offering”). This Offering consist of the issuance of 24,800,000 common shares in the capital of the Corporation (the “Flow-Through Shares”), that qualify as “flow-through share” pursuant to subsection 66(15) of the *Income Tax Act* (Canada) and section 359.1 of the *Taxation Act (Quebec)*, at a price of \$0.025 per Flow-Through Share.

The net proceeds from the sale of the Flow-Through Shares will be used to update the resources of the TG Zone of the Crater Lake Project following the drilling in the summer of 2024, to complete the report following the geotechnical drilling and, finally, to prepare for the next field work in 2025. Reference the attached press release : [Scandium Canada Ltd. Announces diamond drilling results.](#) The gross proceeds of the Offering will not be used for payments to persons not dealing at arm’s length with the issuer, nor for payments to persons conducting investor relations. The Corporation does not intend to use more than 10% of the proceeds for any particular purpose.

In connection with the first tranche of the Offering, finder’s fees totaling \$24,000 were paid to an arm length finder. Flow-

Through Shares issued pursuant to this Offering are subject to a restricted hold period of four months and one day, ending on April 20, 2025, under applicable Canadian laws. The Offering remains subject to the final approval of the TSX Venture Exchange (the “**TSXV**”).

The Corporation also announces its intention to close subsequent tranches of the Offering on or before December 31, 2024, for a maximum total gross proceeds of \$750,000 representing the issuance of up to 30,000,000 Flow-Through Shares.

Under the Offering, an insider of the Corporation purchased a total of 400,000 Flow-Through Shares for a total consideration of \$10,000 which constitutes a “related party transaction” within the meaning of Regulation 61-101 *respecting Protection of Minority Security Holders in Special Transactions* (“**Regulation 61-101**”) and TSXV Policy 5.9 – *Protection of Minority Security Holders in Special Transaction*. However, the insider that participated in the Offering disclosed its interest in the Offering and the directors of the Corporation who voted in favor of the Offering have determined, based on advice from counsel and management, that the exemptions from formal valuation and minority approval requirements provided for respectively under subsections 5.5(a) and 5.7(1)(a) of Regulation 61-101 can be relied on as neither the fair market value of the Flow-Through Shares issued to the insider nor the fair market value of the consideration paid exceed 25% of the Corporation’s market capitalization. None of the Corporation’s directors has expressed any contrary views or disagreements with respect to the foregoing. A material change report concerning this related party transaction will be filed by the Corporation.

HARD-CASH OFFERING

The Corporation also announces its intention to proceed with the

closing of a non-brokered hard-cash offering to investors benefiting from a prospectus exemption under Regulation 45-106 respecting Prospectus Exemptions for total gross proceeds of up to a maximum of \$1,000,000 (the "**Hard-Cash Offering**"). The Hard-Cash Offering consists of the issuance of up to 50,000,000 common shares in the capital stock of the Corporation (the "**Common Shares**"), at a price of \$0.02 per Common Share.

The gross proceeds of the Hard-Cash Offering from the sale of the Common Shares will be used by the Company primarily for general administrative expenses, including the payment of finder's fees for flow-through share offerings (5%), expenses related to being a reporting issuer and a publicly traded company (15%), as well as various expenses related to private or public offerings to be made by the Company (10%) and management salaries (35%). The gross proceeds of the Hard-Cash Offering will not be used for investor relations purposes. The Common Placement remains subject to TSXV approval.

*This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.*

ABOUT SCANDIUM CANADA LTD.

Scandium Canada is a **technology metals** company focused on advancing its flagship scandium project in Québec, Canada, and a high-tech company through the development of aluminum and scandium alloys. Its mission: to contribute to the society's

goal of reducing carbon emissions to zero.

Forward-Looking Statements

All statements, other than statements of historical fact, contained in this press release including, but not limited to, those relating to the intended use of proceeds of the Offering and of the Hard-Cash Offering, closing of any additional tranches of the Offering and of the Hard-Cash Offering, the approval of the Exchange in connection with the Offering and the Hard-Cash Offering, the development of the Crater Lake project and, generally, the above "About Scandium Canada Ltd." paragraph which essentially described the Corporation's outlook, constitute "forward-looking information" or "forward-looking statements" within the meaning of applicable securities laws, and are based on expectations, estimates and projections as of the time of this press release. Forward-looking statements are necessarily based upon a number of estimates and assumption that, while considered reasonable by the Corporation as of the time of such statements, are inherently subject to significant business, economic and competitive uncertainties, and contingencies. These estimates and assumption may prove to be incorrect. Many of these uncertainties and contingencies can directly or indirectly affect, and could cause, actual results to differ materially from those expressed or implied in any forward-looking statements and future events, could differ materially from those anticipated in such statements. A description of assumptions used to develop such forward-looking information and a description of risk factors that may cause actual results to differ materially from forward-looking information can be found in the Corporation's disclosure documents on the SEDAR+ website at www.sedarplus.ca. By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that estimates, forecasts, projections and other forward-looking

statements will not be achieved or that assumptions do not reflect future experience. Forward-looking statements are provided for the purpose of providing information about management's endeavors to develop the Crater Lake project, and, more generally, its expectations and plans relating to the future. Readers are cautioned not to place undue reliance on these forward-looking statements as a number of important risk factors and future events could cause the actual outcomes to differ materially from the beliefs, plans, objectives, expectations, anticipations, estimates, assumptions and intentions expressed in such forward-looking statements. All of the forward-looking statements made in this press release are qualified by these cautionary statements and those made in our other filings with the securities regulators of Canada. The Corporation disclaims any intention or obligation to update or revise any forward-looking statement or to explain any material difference between subsequent actual events and such forward-looking statements, except to the extent required by applicable law. Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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