TRU Precious Metals Announces Private Placement of Flow-Through Units

written by Raj Shah | May 21, 2021

May 20, 2021 (Source) – TRU Precious Metals Corp. (TSXV: TRU) (OTCQB: TRUIF) (FSE: 706) ("TRU" or the "Company") is pleased to announce that it intends to undertake a non-brokered private placement for gross proceeds of up to $3,500,000 (the "Offering"), subject to TSX Venture Exchange (the "Exchange") approval. The Offering shall consist of up to 12,962,963 flow-through units (the "FT Units") at a price of $0.27 per FT Unit. TRU has been informed that Eric Sprott or a related entity intends to purchase approximately $2,000,000 of the FT Units immediately following closing of the Offering.

Joel Freudman, Co-Founder & CEO of TRU, commented: "We are excited to see strong institutional interest in financing TRU so quickly after our resumption of trading, and look forward to advancing the Offering to closing as expeditiously as possible."

Each FT Unit will be comprised of one common share of TRU that qualifies as a "flow-through share" for the purposes of the *Income Tax Act* (Canada) (a "FT Share") and one non-flow-through common share purchase warrant (a "Warrant"). Each Warrant shall be exercisable into one common share of TRU at a price of $0.35 per common share for a period of 36 months from the date of closing of the Offering, currently anticipated to occur next week. The completion of the Offering is subject to completion of necessary documentation and is conditional upon receipt of the approval of the Exchange.

The net proceeds from the Offering will be used by the Company

to fund exploration programs on the Company's mineral properties in the Central Newfoundland Gold Belt and other "Canadian exploration expenses" that qualify as "flow-through mining expenditures", as those terms are defined in the *Income Tax Act* (Canada), including: (i) a comprehensive two-phase exploration program at the Golden Rose Project; and (ii) a limited phase one drilling program at the Twilite Gold Project.

The FT Shares and Warrants, and any common shares of TRU issuable upon exercise of the Warrants, will be subject to a hold period of four months and one day from the closing date of the Offering. Finder's fees may be payable in connection with certain of the subscriptions to the Offering. No finder's fees will be paid to non-arm's length parties.

Other than the Offering, there is no new material information about the affairs of the Company.

About TRU Precious Metals Corp.

TRU has assembled a portfolio of 5 gold exploration properties in the highly prospective Central Newfoundland Gold Belt. The Company has an option with a subsidiary of TSX-listed Altius Minerals Corporation to purchase 100% of the Golden Rose Project, located along the deposit-bearing Cape Ray – Valentine Lake Shear Zone. TRU also owns 100% of the Twilite Gold Project, located along the same Shear Zone, and 3 under-explored properties including its Rolling Pond Property (under option) bordering New Found Gold Corp.'s high-grade Queensway Project. TRU's common shares trade on the TSX Venture Exchange under the symbol "TRU"; on the OTCQB Venture Market under the symbol "TRUIF"; and on the Frankfurt Stock Exchange under the symbol "706".

TRU is a portfolio company of Resurgent Capital Corp. ("Resurgent"), a merchant bank providing venture capital markets

advisory services and proprietary financing. Resurgent works with promising public and pre-public micro-capitalization Canadian companies. For more information on Resurgent and its portfolio companies, please visit Resurgent's LinkedIn profile at https://ca.linkedin.com/company/resurgent-capital-corp.

For further information about TRU, please contact:

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To connect with TRU via social media, below are links:

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Cautionary Statements

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

This press release contains certain forward-looking statements, including those relating to the Offering and the anticipated closing date and use of proceeds thereof, the renunciation to the purchasers of the FT Units and timing thereof, the tax treatment of the FT Units and the Company's plans regarding

exploring its mineral exploration properties. These statements are based on numerous assumptions regarding the Offering that are believed by management to be reasonable in the circumstances, and are subject to a number of risks and uncertainties, including without limitation: risks related to the ability of the Company to satisfy the conditions of the Offering and to close the Offering; the ability of the Company to accomplish its plans and objectives with respect to its exploration projects, within the expected timing or at all; risks inherent in mineral exploration activities; volatility in financial markets, economic conditions, and precious metals prices; and those other risks described in the Company's continuous disclosure documents. Actual results may differ materially from results contemplated by the forward-looking statements herein. Investors and others should carefully consider the foregoing factors and should not place undue reliance on such forward-looking statements. The Company does not undertake to update any forward-looking statements herein except as required by applicable securities laws.

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