TRU Precious Metals Completes Oversubscribed Private Placement of Subscription Receipts for Gross Proceeds of $3.5 Million with a Lead Order from Palisades Goldcorp

written by Raj Shah | March 5, 2021

March 5, 2021 (Source) – Further to its press releases dated February 16, 2021 and March 1, 2021, TRU Precious Metals Corp. (TSXV: TRU) (OTCQB: TRUIF) ("TRU" or the "Company") is pleased to announce that it has completed its oversubscribed non-brokered private placement (the "Offering") for gross proceeds of $3,500,211.66, with a lead order from Palisades Goldcorp Ltd. ("Palisades"). Pursuant to the Offering, TRU issued 15,910,053 subscription receipts (the "Subscription Receipts") at a price of $0.22 per Subscription Receipt. The Offering is subject to the final approval of the TSX Venture Exchange (the "Exchange").

TRU Co-Founder and CEO Joel Freudman commented, "By successfully completing this Offering, we have secured the funds to finance our comprehensive exploration program in the Central Newfoundland Gold Belt on our Golden Rose Project as well as a defined phase 1 drilling program at our 100 percent owned Twilite Gold Project. Notwithstanding some headwinds from a consolidating gold market, this Offering was considerably oversubscribed with the lead order from Palisades Goldcorp Ltd. and orders from several institutions both in Canada and the US and from existing long-term shareholders. We are well-positioned to enhance our growth and are excited to continue to build value

for our enlarged shareholder base.”

Each Subscription Receipt will, upon completion of the Company’s Change of Business (as defined below) and certain other customary conditions for a transaction of this nature, be automatically exercised into one unit of the Company (each, a “Unit”). Each Unit will be comprised of one (1) common share in the capital of the Company (each, a “Share”) and one (1) Share purchase warrant (each, a “Warrant”), with each Warrant entitling the holder thereof to purchase one Share at a price of $0.35 for a period of 36 months following the date of closing of the Offering (the “Closing Date”).

Subscriptions by insiders of the Company accounted for $104,699.98 of the gross proceeds of the Offering. Participation by insiders in the Offering is exempt from the valuation and minority shareholder approval requirements of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* by virtue of the exemptions contained in Sections 5.5(b) and 5.7(1)(b).

As previously announced by TRU on February 24, 2021, the Company has entered into an option agreement dated February 23, 2021 with a subsidiary of TSX-listed Altius Minerals Corporation (“Altius”) for the option to purchase the Golden Rose Project located in the Central Newfoundland Gold Belt, which transaction will constitute a Change of Business (the “Change of Business”) under the policies of the Exchange.

The net proceeds from the Offering will be used by the Company to fund its comprehensive exploration program on the Golden Rose Project; a limited phase one drilling program at the Company’s 100%-owned Twilite Gold Project, also in the Central Newfoundland Gold Belt; for general corporate and public company purposes, including hiring additional technical personnel and

conducting various marketing initiatives; and to add to working capital for the operations of the Company.

The Subscription Receipts issued in the Offering, and the underlying Units, Shares, and Warrants, will be subject to a statutory hold period expiring July 5, 2021.

Upon completion of the Change of Business, eligible finders will receive, on account of gross proceeds raised from subscribers to the Offering who were introduced by such finders, (a) a cash commission equal to an aggregate of $112,696.61, and (b) an aggregate of 526,257 non-transferrable finder warrants, each of which will entitle the holder thereof to purchase one Share at a price of $0.22 for a period of 36 months following the Closing Date.

The securities issued pursuant to the Offering 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 U.S. state securities laws and may not be offered or sold in the United States absent registration or an available exemption from the registration requirement of the U.S. Securities Act and applicable U.S. state securities laws. This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of, such securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

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 entered into a definitive option agreement with a subsidiary of TSX-listed Altius Minerals Corporation for the option 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" and on the OTCQB Venture Market under the symbol "TRUIF".

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.

About Palisades Goldcorp Ltd.

Palisades Goldcorp is Canada's resource focused merchant bank. Palisades' management team has a demonstrated track record of making money and is backed by many of the industry's most notable financiers. With junior resource equities valued at generational lows, management believes the sector is on the cusp of a major bull market move. Palisades is positioning itself with significant stakes in undervalued companies and assets with the goal of generating superior returns.

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

Facebook
https://www.facebook.com/TRU-Precious-Metals-Corp-100919195193616

Twitter
https://twitter.com/corp_tru

LinkedIn
https://www.linkedin.com/company/tru-precious-metals-corp

YouTube
https://www.youtube.com/channel/UCHghHMDQaYgS1rDHiZIeLUg/

Cautionary Statements

Completion of the transactions contemplated herein is subject to a number of conditions, including but not limited to Exchange acceptance and, if applicable, disinterested shareholder approval. Where applicable, the transactions cannot close until the required shareholder approval is obtained. There can be no assurance that the transactions will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the filing statement to be prepared in connection with the transaction, any information released or received with respect to the Change of Business may not be accurate or complete and should not be relied upon. Trading in the securities of the Company should be considered highly speculative.

The Exchange has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release. Neither the Exchange nor its Regulation Services Provider (as that term is defined in policies of the Exchange) accepts responsibility for the adequacy or accuracy of this release.

The links included in this press release are included as inactive textual reference for reference purposes only and the information on or connected to those websites are not part of, or incorporated by reference into, this press release.

This press release contains certain forward-looking statements, including those relating to the Offering and the anticipated use of proceeds thereof, the Change of Business, the Company's transaction with Altius for the Golden Rose Project and the Company's plans regarding acquiring, exploring, and monetizing the Golden Rose Project and the Company's other mineral exploration properties. These statements are based on numerous assumptions regarding the Offering, the Golden Rose Project, the transaction with Altius and the Change of Business 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 Change of Business, and to close the Change of Business; the ability of the Company to accomplish its plans and objectives with respect to its exploration projects, within the expected timing or at all; challenges in identifying, structuring, and executing transactions on favourable terms 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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