West Red Lake Gold Announces Financing

written by Raj Shah | August 25, 2020

August 24, 2020 (Source) – West Red Lake Gold Mines Inc. (CSE: RLG) (OTCQB: RLGMF) (FSE: HYK) ("West Red Lake Gold" or the "Company") is pleased to announce that it intends to complete a non-brokered private placement offering (the "Offering") of up to 7,500,000 flow-through common share units (the "Flow-Through Units") for gross proceeds of up to $1,500,000. Each Flow-Through Unit consists of one common share in the capital of the Company issued on a "flow- through" basis pursuant to the *Income Tax Act* (Canada) and one half of one common share purchase warrant. Each full warrant issued in connection with the Flow-Through Units entitles its holder to purchase one common share in the capital of the Company at an exercise price of $0.25 per share for a period of 18 months from the date of issuance.

Gross proceeds from the Flow-Through Units will be used by the Company for exploration work planned to take place during 2020 and 2021 on its 3,100 hectare West Red Lake Project property located in the prolific Red Lake Gold District of Northwest Ontario.

In connection with the financing, the Company may pay finders fees in cash or common share units priced at $0.20 and consisting of one common share plus one half of a common share purchase warrant with each full warrant exercisable at $0.25 for 18 months, being the same price terms as the units in the Offering.

In part, the Offering will be conducted by the Company utilizing the "existing shareholder exemption". The Company will make the Offering available to all shareholders of the Company as at

August 18, 2020 (the “Record Date”) who are eligible to participate under the existing shareholder exemption and who will have notified the Company by no later than August 26, 2020 of their intention to participate in the Offering. Orders will be processed by the Company on a first come, first served basis such that it is possible that a subscription received from a shareholder may not be accepted by the Company if the Offering is over subscribed. Any person who becomes a shareholder of the Company after the Record Date shall not be entitled to participate in the Offering under the existing shareholder exemption.

West Red Lake Gold Mines is a Toronto-based minerals exploration company focused on gold exploration and development in the prolific Red Lake Gold District of Northwest Ontario, Canada. The Red Lake Gold District is host to some of the richest gold deposits in the world and has produced 30 million ounces of gold from high grade zones. The Company has assembled a significant property position totalling 3,100 hectares in west Red Lake (the “West Red Lake Project”) which contains three former gold mines. The Mount Jamie Mine and Red Summit Mine properties are 100% owned by the Company and the Rowan Mine property is held in a 62%/38% joint venture with Evolution Mining Limited. The West Red Lake Project property covers a 12 km strike length along the Pipestone Bay St Paul Deformation Zone and the Company plans to continue to explore the property both along strike and to depth.

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The Canadian Securities Exchange has neither approved nor

disapproved the contents of this news release. Certain statements contained in this news release constitute "forward looking statements". When used in this document, the words "anticipated", "expect", "estimated", "forecast", "planned", and similar expressions are intended to identify forward looking statements or information. These statements are based on current expectations of management, however, they are subject to known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from the forward looking statements in this news release. Readers are cautioned not to place undue reliance on these statements. West Red Lake Gold does not undertake any obligation to revise or update any forward looking statements as a result of new information, future events or otherwise after the date hereof, except as required by securities laws.

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