West Red Lake Gold Closes $842,000 Financing

written by Raj Shah | March 18, 2020

March 17, 2020 (Source) – West Red Lake Gold Mines Inc. (CSE: RLG) (OTCQB: RLGMF) (FSE: HYK) ("West Red Lake Gold" or the "Company") announces that it completed a non-brokered private placement of common share units and flow-through share units for aggregated gross proceeds of $842,000.

The Company issued 1,420,000 flow-through units (the "Flow-Through Units") at a price of $0.075 per Flow-Through Unit for aggregated gross proceeds of $106,500. 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 $0.10 per share for a period of 18 months from the date of issuance.

The Company issued 14,710,000 common share units (the "Common Share Units") at a price of $0.05 per Common Share Unit for aggregated gross proceeds of $735,500. Each Common Share Unit consists of one common share in the capital of the Company and one common share purchase warrant. Each warrant issued in connection with the Common Share Units entitles its holder to purchase one common share in the capital of the Company at $0.10 per share for a period of 30 months from the date of issuance.

In connection with the financing, the Company paid finders' fees to eligible persons in the form of $48,935 in cash and issued 880,000 broker warrants to purchase Common Share Units at $0.05 for a period of 12 months.

Gross proceeds from the Flow-Through Units will be used by the Company for exploration expenditures on its 3100 hectare West Red Lake Project property, which contains three former gold mines and is located in the prolific Red Lake Gold District of Northwest Ontario.

Net proceeds from the Common Share Units will be used for exploration on the Company's gold exploration property and for general working capital purposes.

The Company announces that it has issued 2,067,602 common shares at a deemed price of $0.075 per share for $155,070 of services to the Company by several service providers.

The Company also announces that options have been granted to consultants and directors of the Company to purchase, in aggregate, 2,000,000 common shares in the capital of the Company at an exercise price of $0.10 per common share for a period of 60 months.

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 3100 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 60%-owned joint venture with Red Lake Gold Mines, which operates three mines and two mills located 20 km east of the Company property. The West Red Lake Project property covers a 12 kilometer 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.

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.