

Bullet Exploration Inc. Announces Merger with Gold79 Mines Limited

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Vancouver, Sept. 4, 2024 - [Bullet Exploration Inc.](#) (TSXV: AMMO) ("Bullet" or the "Company") and [Gold79 Mines Ltd.](#) (TSXV: AUU) (OTCQB: AUSVF) ("Gold79") are pleased to announce that they have entered into a definitive amalgamation agreement (the "Agreement") dated September 3, 2024, whereby Gold79 will acquire all of the issued and outstanding common shares of Bullet (the "Transaction"). The Transaction will create a well-funded gold exploration company focused on the southwest United States. The combined entity will be focused on delivering a maiden resource at Gold79's Gold Chain project in Arizona; exploring Bullet's Jefferson North Gold-Silver project in Nevada to define its scale potential; and continue to work with Kinross to get the maiden drill program at Gold 79's Jefferson Canyon project in Nevada underway.

Under the terms of the Transaction and subject to Bullet shareholder approval, Bullet shareholders will receive one (1) common share of Gold79 (each, a "Gold79 Share") for every three (3) common shares of Bullet (each, a "Bullet Share") held (the "Exchange Ratio"). In addition, each common share purchase warrant and stock option of Bullet outstanding immediately prior to completion of the Transaction shall be adjusted in accordance with the Exchange Ratio and replaced with common share purchase warrants and stock options of Gold79, respectively. Existing shareholders of Gold79 and Bullet will hold approximately 54% and 46%, respectively, of the outstanding Gold79 Shares on closing of the Transaction, on a fully diluted, in-the-money basis (but prior to the completion of the planned equity financing described below). In connection with the Transaction Gold79 plans to raise C\$4,000,000 (or such other amount as may be agreed to by the parties).

Ehsan Agahi, President and CEO of Bullet, stated: "This merger is a transformative step for Bullet shareholders, offering immediate exposure to a diverse portfolio of high-potential gold projects in the Southwest U.S. By joining forces with Gold79, we strengthen our ability to advance these assets and unlock their full value. The combined expertise and resources should accelerate our growth trajectory and create substantial value for all stakeholders."

Derek Macpherson, President and CEO of Gold79, commented: "The Transaction between Gold79 and Bullet is a unique opportunity to consolidate exploration companies in the Southwest U.S. The combined entity is going to have multiple projects at various stages of exploration, be well-funded and have improved access to capital. Importantly for shareholders, the planned equity financing should provide the combined entity with the capital necessary to deliver a maiden resource at Gold Chain. We are excited to bring together the teams of these two companies that have complementary skill sets, which we expect to bear fruit as we move the combined entity forward."

Strategic Rationale for the Transaction

- Creation of a multi-project SW US Gold Explorer (Figure 1)
 - Gold Chain Project, Arizona
 - Recent drilling returned 9.1m of 51.09 g/t Au (GC23-28) and 44.2m of 2.01 g/t Au (GC23-23).
 - Recently defined a from-surface exploration target of 15.6 to 31.2 million tonnes (Mt) grading 1.5 to 2.5 g/t Au. The potential quantity and grades are conceptual in nature. There has been insufficient exploration drilling to define a mineral resource and it is uncertain if further exploration will result in the exploration target being delineated as a mineral resource.
 - Short path to a maiden resource.
 - Jefferson North Gold-Silver Project, Nevada
 - Recent sampling returned 56.7 g/t Au and 29.9 g/t Au from the East Adit #1 Underground Drive.
 - Maiden drill program scheduled to be completed in the Fall of 2024.
 - Approximately 30 kilometres from Gold79's Jefferson Canyon project providing regional synergies.
 - Jefferson Canyon Gold-Silver Project, Nevada
 - Historical results include 41.2m of 6.4 g/t Au and 402 g/t Ag (drill hole GJ-081, CR Exploration Company (CREC), 1983 to 1985).
 - Partnered with Kinross, operator of the adjacent Round Mountain Mine and a Top Ten Global Gold producer.
 - Permitting advanced for a maiden drill program.
 - Tip Top Gold-Silver Project, Nevada
 - Historical results include 9.14m at 14.42 g/t Au (drill hole T98-14, Dos Amigos 1998, reverse circulation drilling).
- Financial Strength to deliver a Maiden Resource: The planned C\$4,000,000 equity financing should provide the necessary funds to deliver a maiden resource at the Gold Chain project, while also allowing the Company to advance its other projects.
- Increased scale : The combined entity is expected to have a larger market capitalization.
- Multiple Exploration Projects: The combined entity will have four exploration stage projects in the southwest United States.
- Operational Synergies: The synergy of the combined exploration and management teams of the combined entity is expected to reduce costs and result in a higher percentage of capital raised being used for exploration.

Figure 1: Southwest US Proforma Project Map

To view an enhanced version of this graphic, please visit:

https://images.newsfilecorp.com/files/4114/222048_cfac6923f479ba0a_001full.jpg

Benefits to Bullet Shareholders

- Exposure to Gold Chain: Bullet shareholders gain exposure to the Gold Chain project which is expected to have a short path to a maiden resource.
- Gold79 Management Team: Bullet shareholders should benefit from the technical expertise of the Gold79 team, which has had exploration success over the last three years with limited budgets.
- Exposure to Partner Funded Project: Bullet shareholders gain exposure to the Jefferson Canyon project, where the next round of drilling is expected to be funded by Kinross and the potential exists for a US\$5 million payment to the Company if Kinross exercises their option.
- Increased Scale: The combined entity is expected to have a larger market capitalization.

Transaction Details

Under the terms of the Transaction and subject to Bullet shareholder approval, Bullet shareholders will receive one (1) Gold79 Share for every three (3) Bullet Shares held. In addition, each common share purchase warrant and stock option of Bullet outstanding immediately prior to completion of the Transaction shall be adjusted in accordance with the Exchange Ratio and replaced with common share purchase warrants and stock options of Gold79, respectively. Existing shareholders of Gold79 and Bullet will hold approximately 54% and 46%, respectively, of the outstanding Gold79 Shares on closing of the Transaction on a fully diluted, in-the-money basis (but prior to the completion of the planned equity financing).

The Transaction will be effected by way of a three-cornered amalgamation whereby Gold79, through its wholly-owned subsidiary, 1492834 B.C. Ltd. ("Subco"), will amalgamate with Bullet forming Amalco. Amalco will become a wholly-owned subsidiary of Gold79. Bullet will cease to be a reporting issuer and the Bullet Shares will be delisted from the TSXV.

On the effective date of the Transaction, the Board of Directors (the "Board") of Gold79 will be reconstituted such that three current directors of Gold79 will remain on the Board, and Gold79 will appoint two additional director nominees provided by Bullet. The Company plans to provide additional details on the composition of the go-forward management team, Board and advisory board at a later date.

In addition to the requisite Bullet shareholder approval, the Transaction is subject to applicable regulatory approvals, including the approvals of the TSX-V and the satisfaction of certain other closing conditions customary in transactions of this nature as well as customary interim period covenants regarding the operation of each of the companies' respective businesses. The Agreement also provides for a mutual condition of the parties that a C\$4,000,000 equity financing (or such other amount as may be agreed by the parties) be completed immediately following, and contingent upon, the closing of the Transaction. The Agreement contains customary provisions including fiduciary-out provisions in favour of both Gold79 and Bullet, non-solicitation and the right to match alternate proposals for each party. A C\$200,000 termination fee may be payable to Gold79 or Bullet under certain circumstances.

Subject to the satisfaction of these conditions, Gold79 and Bullet expect that the Transaction will be completed on or before November 30, 2024. Details regarding these and other terms of the Transaction are set out in the Agreement, which will be available under the SEDAR+ profiles of Gold79 and Bullet at www.sedarplus.ca.

None of the securities to be issued pursuant to the Transaction have been or will be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any securities laws of any state of the United States (as defined in Regulation S under the U.S. Securities Act), and any securities issuable in the Transaction are anticipated to be issued in reliance upon available exemption from such registration requirements pursuant to Section 3(a)(10) of the U.S. Securities Act and similar exemptions under applicable securities laws of any state of the United States. This press release does not constitute an offer to sell or the solicitation of an offer to buy any securities.

Additional Information

Further details about the Transaction, including further particulars of the business of Bullet, Gold79, and the combined entity, will be provided in the management information circular of Bullet to be prepared and filed in respect of the annual and special meeting of the Bullet shareholders to be held in Q4 2024.

All information contained in this press release with respect to Bullet and Gold79 was supplied for inclusion herein by the respective parties and each party and its directors and officers have relied on the other party for any information concerning the other party.

Completion of the Transaction is subject to a number of conditions, including but not limited to, TSX-V acceptance and the requisite Bullet shareholder approval. The Transaction cannot close until the required Bullet shareholder approval is obtained. There can be no assurance that the Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the Agreement or in the management information circular of Bullet to be prepared in connection with the annual and special meeting of the Bullet shareholders, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of Bullet and Gold79 should be considered highly speculative.

The TSX-V has in no way passed upon the merits of the proposed Transaction and has neither approved nor disapproved the contents of this press release.

Qualified Person / Quality Control and Quality Assurance

Garry Clark, P. Geo., is a qualified person as defined in National Instrument 43-101 and has reviewed and approved the technical content of this press release related to the Jefferson North project. Mr. Clark is a director of Bullet.

Robert Johansing, M.Sc. Econ. Geol., P. Geo., the Company's Vice President, Exploration for Gold79 is a qualified person ("QP") as defined by NI 43-101 and has reviewed and approved the technical content of this press release related to the Gold Chain, Jefferson Canyon, and Tip Top projects. The QP has not verified the historical analytical data or the quality control or quality assurance procedures of previous operators

related to historical drill hole intercepts at the Jefferson Canyon and Tip Top projects.

About Bullet Exploration Inc.

Bullet Exploration Inc. is a TSX Venture listed company focused on high-potential gold and silver projects in the Southwest United States. The flagship Jefferson North Gold-Silver project in Nevada, near major producers like Kinross's Round Mountain, spans 1,068 hectares and 132 claims, offering significant exploration potential. Bullet also holds the Copper Canyon Property in British Columbia, targeting a copper-gold porphyry deposit. With a tight capital structure and a long-term vision for growth, Bullet is committed to advancing its projects and creating lasting shareholder value.

About Gold79 Mines Ltd.

Gold79 Mines Ltd. is a TSX Venture listed company focused on building ounces in the Southwest USA. Gold79 holds 100% earn-in option to purchase agreements on three gold projects: the Jefferson Canyon Gold Project and the Tip Top Gold Project both located in Nevada, USA, and, the Gold Chain Project located in Arizona, USA. In addition, Gold79 holds a 32.3% interest in the Greyhound Project, Nunavut, Canada under JV by [Agnico Eagle Mines Ltd.](#)

For further information regarding this press release contact:

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Reader Advisor

Except for statements of historical fact, this news release contains certain "forward-looking information" within the meaning of applicable securities law. Forward-looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may" or "will" occur. In particular, forward-looking information in this press release includes, but is not limited to, statements with respect to the business of the combined entity, statements with respect to the completion and timing of the Transaction, the conditions to be satisfied for the completion of the Transaction, the completion of an equity financing, the proposed members of the Board, the preparation and filing of a management information circular for the Bullet annual and special shareholder meeting and the timing thereof. Although we believe that the expectations reflected in the forward-looking information are reasonable, there can be no assurance that such expectations will prove to be correct. We cannot guarantee future results, performance or achievements. Consequently, there is no representation that the actual results achieved will be the same, in whole or in part, as those set out in the forward-looking information.

Forward-looking information is based on the opinions and estimates of management at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking information. Some of the risks and other factors that could cause results to differ materially from those expressed in the forward-looking statements include, but are not limited to: general economic conditions in Canada, the United States and globally; industry conditions, including fluctuations in commodity prices; governmental regulation of the mining industry, including environmental regulation; geological, technical and drilling problems; unanticipated operating events; failure to obtain industry partner and other third party consents and approvals, if and when required; competition for and/or inability to retain drilling rigs and other services; competition for, among other things, skilled personnel and supplies; incorrect assessments of the value of acquisitions; the availability of capital on acceptable terms; the need to obtain required approvals from regulatory authorities; stock market volatility; volatility in market prices for commodities; liabilities inherent in mining operations; changes in tax laws and incentive programs relating to the mining industry; and the other

factors described in our public filings available at www.sedarplus.ca. Readers are cautioned that this list of risk factors should not be construed as exhaustive.

The forward-looking information contained in this news release is expressly qualified by this cautionary statement. We undertake no duty to update any of the forward-looking information to conform such information to actual results or to changes in our expectations except as otherwise required by applicable securities legislation. Readers are cautioned not to place undue reliance on forward-looking information.

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

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