

# Avalon Rare Metals to raise up to \$5 million

Avalon Rare Metals {TSX: AVL} have announced a financing of up to \$5 million.

AVL are offering up to 7.3 million units, and 6.4 million flow through units, on a best efforts basis.

## Comment

*The share price of Avalon Rare Metals has risen by 50% this year, and now a financing is announced at the top of the current price range!*

*It will be interesting to see how whether they can fill this.*

*I suspect it ill be difficult in the current market, we shall see shortly.*

## News Release

Avalon Rare to raise up to \$5-million in public offering

2015-04-29 09:16 ET – Mr. Don Bubar reports

**Avalon Rare Metals Inc. {TSX.V: AVL}** has entered into an agency agreement with Secutor Capital Management Corp., pursuant to which Secutor will act as agent on a best-efforts basis in an offering of units of the company and flow-through shares of the company for up to \$5-million in gross proceeds.

The offering comprises up to 7,352,941 units at a price of 34 cents per unit and up to 6,410,256 flow-through shares at a price of 39 cents per flow-through share. Each unit consists of one common share and one-half of one non-transferrable common share purchase warrant. Each warrant entitles the

holder to purchase one common share of the company at a price 42.5 cents per share for a period of 18 months following the issuance of the warrants. Each flow-through share will qualify as a flow-through share within the meaning of the Income Tax Act (Canada).

The company intends to use the gross proceeds from the sale of the flow-through shares for work on three mineral properties: the Nechalacho rare-earth-element project, the East Kemptville tin-zinc-copper-indium project and the Separation Rapids lithium mineral project, and the net proceeds from the sale of the units for working capital and general corporate purposes.

The corporation has granted Secutor an option (exercisable in whole or in part, in Secutor's sole discretion) for a period of 30 days from closing of the offering to purchase up to an additional 2,064,479 units at a price of 34 cents to cover over-allotments, if any, and for market stabilization purposes.

**The offering is expected to close on or before May 12, 2015,** subject to customary closing conditions, including the conditional approval of the Toronto Stock Exchange and the New York Stock Exchange.

The offering is being made outside of the United States by way of a prospectus supplement dated April 29, 2015, to the Canadian base-shelf prospectus dated Sept. 10, 2013. The prospectus supplement relating to the offering has been filed with the applicable provinces and territories in Canada and is available on SEDAR. The prospectus supplement forms part of the shelf registration statement filed with the United States Securities and Exchange Commission.

We seek Safe Harbour.