Cabral Gold Closing Circa C$3,000,000 Financing

Cabral Gold (TSX.V: CBR)

Announced the closing of its previously announced brokered private placement, consisting of a total of 10,038,358 units of the Company at a price of $0.30 per Unit for aggregate gross proceeds to the Company of approximately $3,011,507.40 […]

Cabral Gold	**TSX.V : CBR**
Stage	**Exploration**
Metals	**Gold**
Market cap	**C$35 m @ 25c**
Location	**Cuiú Cuiú , Tapajos, Para State, Brazil**



Comment

Sadly another placing at a discount to recent market price, but explorers have to raise to keep exploring, so when the markets fall they have no choice but to raise at lower levels, causing dilution to buys at higher prices.

What I do like is management have participated (again) here, as they have in the past, and the raise is only C$3 million, so not too dilutive.

Cabral Gold Inc. Announces Closing of Approximately $3,000,000 Private Placement Financing

Vancouver, British Columbia – June 28, 2022 – Cabral Gold Inc. ("Cabral" or the "Company") (TSXV: CBR) (OTC: CBGZF) is pleased to announce the closing of its previously announced brokered private placement, consisting of a total of 10,038,358 units of the Company (each, a "Unit", and collectively the "Units"), at a price of **$0.30 per Unit** for aggregate gross proceeds to the Company of approximately $3,011,507.40 (the "Offering").

The Offering was led by Paradigm Capital Inc. as lead agent and sole bookrunner (the "Lead Agent") on behalf of a syndicate of agents including Cormark Securities Inc., Research Capital Corporation and Roth Canada Inc. (together with the Lead Agent, the "Agents").

Each Unit consists of one common share in the capital of the Company (a "Common Share") and one common share purchase warrant of the Company (a "Warrant"). Each Warrant entitles the holder thereof to acquire one Common Share at an exercise price of $0.50 per Common Share for a period of 24 months after the closing of the Offering. (the "Closing").

The Offering was previously announced by the Company on June 8, 2022, at which time it was proposed that the Lead Agent offer, on a best efforts private placement basis, for sale up

to 10,000,000 Units of the Company at a price of $0.30 per Unit for aggregate gross proceeds of up to $3.0 million. In connection with the Offering, the Lead Agent exercised its over-allotment option for additional gross proceeds of $11,507.40.

The Company intends to use the net proceeds from the Offering for exploration and development activities, and general working capital purposes.

Officers and directors of Cabral subscribed in the Offering for a total of 480,000 Common Shares for gross proceeds of $144,000.

The participation of officers and directors of Cabral in the Offering constitutes a "related party transaction" within the meaning of Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions ("MI 61-101"). The transaction is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 pursuant to section 5.5(a) and section 5.7(1)(a) as the fair market value of the officers' and directors' participation is not more than 25% of the Company's market capitalization.

In connection with the Offering, the Agents received a cash commission equal to 6.0% of the gross proceeds of the Offering (including on any exercise of the Over-Allotment Option), subject to a reduced cash commission equal to 3.0% in respect of any sales of Units to purchasers on a president's list provided by the Company to the Agents.

In addition, the Company also issued to the Agents that number of compensation options (the "Compensation Options") that is equal to 6.0% of the Units issued under the Offering (including on any exercise of the Over-Allotment Option), subject to a reduced number of Compensation Options equal to 3.0% in respect of any sales of Units to purchasers on the president's list, each exercisable for one Common Share at $0.30 for a period of 24 months after Closing.

The securities issued in connection with the Offering will be

subject to a hold period of four months and one day from Closing, expiring October 29, 2022, in accordance with applicable securities laws.

To read the full news release, please click HERE

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If you need clarification of any information contained in this note, or have any questions, I will be delighted to assist – Please email andrew@city-investors-circle.com

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