Eloro Resources Completes Discounted Bought Deal

Eloro Resources (TSX.V: ELO)

Announced that it has entered into an agreement pursuant to which the Underwriter has agreed to purchase, on a bought deal basis, 1,538,480 units at a price of C$3.25 per Unit for gross proceeds to the Company of C$5,000,060.

This is around a 25% discount to the prevailing price at the time of announcement. […]

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Eloro Resources	TSX.v : ELO
Stage	Exploration
Metals	Silver, tin, lead
Market cap	C$216 m @ C$3.45
Location	Potosi, Bolivia



Eloro Resources Tumi – Gate of the Sun

Comment

As a shareholder I was annoyed at the discount to the market price here, but then I read that Sonoro have withdrawn their proposed financing due to "prevailing market conditions", and I thought that at least Eloro managed to get their placing away!

TORONTO, May 12, 2022 /CNW/ – Eloro Resources Ltd. (the "**Company**" or "**Eloro**") (TSX.V: ELO) (OTCQX: ELRRF) (FSE: P2QM) is pleased to announce that it has entered into an agreement with Cormark Securities Inc. to act as sole underwriter (the "**Underwriter**"), pursuant to which the Underwriter has agreed to purchase, on a bought deal basis, 1,538,480 units (the "**Units**") at a price of C$3.25 per Unit (the "**Issue Price**") for gross proceeds to the Company of C$5,000,060 (the "**Offering**").

Each Unit will consist of one common share (a "**Common Share**") in the capital of the Company and one-half (1/2) of one common share purchase warrant (each whole common share purchase warrant, a "**Warrant**") of the Company. Each Warrant shall be exercisable to acquire one Common Share (a "**Warrant Share**") at a price per Warrant Share of C$4.75 for a period of 24 months from the closing date of the Offering.

In addition, the Company has agreed to grant to the Underwriter an option to purchase up to an additional 15% of the number of Units sold under the Offering at a price per Unit equal to the Issue Price, on the same terms and conditions as the Offering, exercisable at any time, in whole or in part, until the date that is 30 days following the closing of the Offering.

The net proceeds from the Offering will be used for exploration and development at the Company's projects in Bolivia and Peru, and for general working capital and corporate purposes as set out in the Prospectus Supplement (defined below).

The Units will be offered by way of a prospectus supplement (the "**Prospectus Supplement**") to the Company's existing base shelf prospectus in the all of the provinces of Canada (other than the Province of Quebec). The Prospectus Supplement (together with the related base shelf prospectus) will be available on SEDAR at www.sedar.com.

The Offering is scheduled to close on or about May 19, 2022 and is subject to certain conditions including, but not limited to, the receipt of all necessary regulatory and other approvals including the approval of the TSX.V.

For brevity, this summary has been redacted, 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 about ***Eloro Resources***, I will be delighted to assist – Please email andrew@city-investors-circle.com

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Disclosure

At the time of writing the author owns shares in **Eloro *Resources***, bought in the market at the prevailing price on the day of purchase.

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