West Red Lake Gold US$20 Million Private Placement

West Red Lake Gold Mines (TSXV: WRLG)

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West Red Lake Gold Announces a US$20 Million Private Placement of Gold Linked Notes

TORONTO, February 27, 2024 – West Red Lake Gold Mines Ltd. ("West Red Lake Gold" or "WRLG" or the "Company") (TSXV: WRLG) (OTCQB: WRLGF), is pleased to announce that it has entered into an agreement with Raymond James Ltd. to act as sole bookrunner and lead agent, on behalf of a syndicate of agents (together, the "**Agents**"), in connection with a marketed "best efforts" private placement of units of the Company (each, a "**Unit**") at a price of US$1,000 per Unit (the "**Offering Price**") for gross proceeds of US$20,000,000 (the "**Offering**").

The Agents will have the option to sell up to an additional 15% of the Units offered, exercisable, in whole or in part, at any time up to 48 hours prior to the Closing Date (as defined below) to cover over-allotments, if any.

Each Unit will contain gold-linked notes in the aggregate principal amount of US$1,000 (the "**Notes**") and 710 common share purchase warrants (the "**Warrants**"). Each whole Warrant will entitle the holder to purchase one common share of the Company (collectively, the "**Common Shares**") at an exercise price of C$0.95 per share for a period of 60 months following the closing of the Offering.

The Notes will represent senior unsecured obligations of the Company.

The Notes will bear a 12% per annum coupon, calculated and payable quarterly in arrears, and will mature on December 31, 2029. Commencing January 1, 2026, the Company will cause gold to be placed in escrow on a quarterly basis into a gold trust account.

The aggregate principal amount of Notes outstanding will be reduced by the Company on a quarterly basis, commencing on March 31, 2026, and with the final payment on December 31, 2029, in accordance with the payment schedule to be set forth in the indenture that will govern the Notes.

The Notes will amortize based on a guaranteed floor price of US$1,800 per ounce of gold (the "**Floor Price**"). Any excess proceeds by which the gold price exceeds the Floor Price will be paid to investors as a premium.

Frank Giustra, who holds 11.07% of the outstanding Common Shares, has indicated his intent to participate in the Offering by subscribing for 3,700 Units representing US$3.7 million in gross proceeds.

The net proceeds of the Offering are expected to be used to continue to advance the development of a restart plan for the Madsen Gold Mine as well as for working capital and general corporate purposes.

Shane Williams, CEO of West Red

Lake Gold, commented,

> *“The Offering marks another key step in the financing process as we focus our efforts on the development of a derisked and robust restart plan for the Madsen Gold Mine while minimizing dilution to our shareholders”.*

The Offering is expected to close on or about March 19, 2024 (the “**Closing Date**”), subject to customary closing conditions, including the approval of the TSX Venture Exchange.

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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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Declaration

At the time of writing the author does not hold shares in Red Lake Gold MInes

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