

# Baselode Closes \$2.5M Tranche of \$3M Private Placement

TORONTO, Oct. 7, 2020 /CNW/ - Baselode Energy Corp. ("**Baselode**" or the "**Company**") (TSXV: FIND) is pleased to announce that it has closed \$2,586,134.64 of an expected \$3,000,000 a non-brokered private placement of flow-through units (the "FT Units") and non-flow-through units (the "NFT Units"). The balance of the \$3,000,000 is expected to close in the coming days.

"Demand for this financing was overwhelming. We initially announced a \$1.2 million raise but our book quickly went to \$3 million. This capital puts Baselode in a strong position to execute on our planned exploration and drill programs for the Shadow uranium project, whose details are soon to follow," said James Sykes, President & CEO

The net proceeds from the Offering will be used for general corporate purposes but primarily used for exploration work at the company's [Shadow Project](#) and [Hook Project](#). Both projects are targeting basement-hosted uranium in the Athabasca Basin area, northern Saskatchewan, Canada.

Upon closing of the first tranche, the Company issued:

- 6,484,836 Flow-Through Units ("FT Units") at a price of \$0.26 per unit for gross proceeds of \$1,686,057.36, where each FT Unit consists of one flow through common share and one half of one common share purchase warrant. Each whole warrant will entitle the holder to purchase one additional common share of the Company at a price of \$0.40 for a period of 30 months from the date of issue.
- 3,461,836 Non Flow-Through Units ("NFT Units") at a price of \$0.26 per unit for gross proceeds of \$900,077.28, where each NFT Unit consists of one common share and one common share purchase warrant. Each whole warrant will entitle the holder to purchase one additional common share of the Company at a price of \$0.40 for a period of 30 months from the date of issue.

In accordance with applicable securities laws in Canada, the common shares and warrants issued as part of the Flow-Through Units and the Hard Dollar Units under this Offering will be subject to a four month and one day hold period from the date of closing of the Offering.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws, unless an exemption from such registration is available.

In consideration for introducing certain subscribers to the Offering, the Company has paid certain arm's length finders an aggregate of \$152,660.38 in cash and 587,160 finder's warrants. Each finder's warrant entitles the holder, on exercise thereof, to purchase one common share at a price of \$0.26 for a period of 24 months.

Under the Private Placement, insiders of the Company have purchased a total of 232,308 shares. Their participation is considered to be a "related party transaction" as defined under Multilateral Instrument 61-101 ("MI 61-101"). The transaction is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as neither the fair market value of the securities to be distributed in the Private Placement nor the consideration to be received for those securities, in so far as the Private Placement involves the insiders, exceeds 25% of the Company's market capitalization.

The Company did not file a material change report more than 21 days before the expected closing of

the Private Placement as the details of the private placement and the participation therein by related parties of the Company were not settled until shortly prior to closing and the Company wished to close on an expedited basis for sound business reasons and in a timeframe consistent with usual market practices for transactions of this nature.

## **About Baselode Energy**

Baselode is a uranium exploration company which is focused on discovering a uranium orebody in the Athabasca basin in Saskatchewan, Canada.

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CNW 06:30e 07-OCT-20