

# 1844 Closes Non-Brokered Private Placement of Flow Through Units

Saskatoon, Saskatchewan--(Newsfile Corp. - December 30, 2024) - **1844 RESOURCES Inc. (TSXV: EFF)** (the "**Company**" or "**1844**"), is pleased to announce it has closed its previously announced non-brokered private placement of flow through units (each, a "**FT Unit**"). At closing, the Company issued 13,042,928 FT Units at a price of \$0.035 per FT Unit for aggregate gross proceeds of approximately \$456,500 (the "**FT Unit Offering**").

Each FT Unit is comprised of one common share in the capital of the Company (a "**Common Share**"), to be issued as a "flow-through share" within the meaning of the *Income Tax Act* (Canada) (each, a "**FT Share**"), and one-half of one Common Share purchase warrant (each whole warrant, a "**FT Unit Warrant**"). Each FT Unit Warrant entitles the holder thereof to acquire one additional Common Share (a "**FT Unit Warrant Share**") at an exercise price of \$0.05 per FT Unit Warrant Share for a period of 24 months following closing of the FT Unit Offering.<sup>1</sup>

The Company intends to use the proceeds of the FT Unit Offering to incur resource exploration expenses that will constitute "Canadian exploration expenses" and "flow through mining expenditures" as defined in the *Income Tax Act* (Canada) (the "**Qualifying Expenditures**").

In connection with the FT Unit Offering, the Company paid cash finder's fees in the aggregate amount of \$15,040.20 and issued 429,720 non-transferable Common Share purchase warrants (each, a "**Finder's Warrant**") to certain eligible persons who referred investors to the Company, where permitted by applicable law and in accordance with the policies of the TSX Venture Exchange (the "**Exchange**"). Each Finder's Warrant will entitle the holder thereof to purchase a Common Share (a, "**Finder's Warrant Share**") at a price of \$0.05 per Finder's Warrant Share for a period of 24 months following closing of the FT Unit Offering.

All securities issued pursuant to the FT Unit Offering are subject to a statutory hold period expiring four months and one day after closing of the FT Unit Offering (expiring May 1, 2025).

Additionally, the Company intends to increase its previously announced non-brokered private placement of units of the Company (each, a "**Unit**") at a price of \$0.025 per Unit (the "**Unit Offering**") from aggregate gross proceeds of up to \$500,000 to aggregate gross proceeds of up to \$700,000. The increase in the Unit Offering is subject to approval by the Exchange.

Certain insiders of the Company, (collectively, the "**Insiders**") subscribed to the FT Unit Offering for an aggregate of 400,000 FT Units. Such issuance of FT Units to the Insiders constitutes a "related party transaction", as such term is defined under Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). The Company is relying on an exemption 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) of MI 61-101, on the basis that the participation in the FT Unit Offering by the Insiders does not exceed 25% of the fair market value of the Company's market capitalization.

A material change report will be filed in connection with the participation of the Insiders in the FT Unit Offering less than 21 days in advance of the closing of the FT Unit Offering, which the Company considers reasonable in the circumstances so as to be able to avail itself of potential financing opportunities and to complete the FT Unit Offering in an expeditious manner.

None of the securities issued in the FT Unit Offering and the Unit Offering will be registered under the United States Securities Act of 1933, as amended (the "**1933 Act**"), and none of them may be offered or sold in the United States absent registration or an applicable exemption from the registration

requirements of the 1933 Act. This news release shall not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of the securities in any state where such offer, solicitation, or sale would be unlawful.

**About 1844 Resources Inc.:** 1844 is an exploration company with a focus in strategic and energetic metals and underexplored regions "Gaspé, Nunavik Québec". With a dedicated management team, the Company's goal is to create shareholder value through the discovery of new deposits.

## **1844 RESOURCES INC.**

(signed) "Sylvain Laberge"

**Sylvain Laberge**

President and CEO

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## **FORWARD-LOOKING INFORMATION**

This news release includes "forward-looking statements" and "forward-looking information" within the meaning of Canadian securities legislation. All statements included in this news release, other than statements of historical fact, are forward-looking statements including, without limitation, statements with respect to the use of proceeds of the FT Unit Offering and Exchange approval of the increase in the Unit Offering. Forward-looking statements include predictions, projections and forecasts and are often, but not always, identified by the use of words such as "anticipate", "believe", "plan", "estimate", "expect", "potential", "target", "budget" and "intend" and statements that an event or result "may", "will", "should", "could" or "might" occur or be achieved and other similar expressions and includes the negatives thereof.

Forward-looking statements are based on a number of assumptions and estimates that, while considered reasonable by management based on the business and markets in which the Company operates, are inherently subject to significant operational, economic, and competitive uncertainties, risks and contingencies. These include assumptions regarding, among other things: general business and economic conditions; the availability of additional exploration and mineral project financing; and Exchange approval.

There can be no assurance that forward-looking statements will prove to be accurate and actual results, and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company's expectations include exploration or other risks detailed from time to time in the filings made by the Company with securities regulators, including those described under the heading "Risks and Uncertainties" in the Company's most recently filed MD&A. The Company does not undertake to update or revise any forward-looking statements, except in accordance with applicable law.

**Neither the Exchange nor its Regulation Services Provider (as that term is defined in the policies of the Exchange) accepts responsibility for the adequacy or accuracy of this release.**

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<sup>1</sup> For the avoidance of doubt, each FT Unit Warrant Share is a Common Share and such Common Share is not being issued as a flow-through share.

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