

# Foran Closes Second Tranche of \$360M Private Placement for Additional Gross Proceeds of \$71M

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All amounts are in Canadian dollars unless stated otherwise

VANCOUVER, BC, Sept. 17, 2024 /CNW/ - Foran Mining Corporation (TSX: FOM) (OTCQX: FMCXF) ("Foran" or the "Company") is pleased to announce that following the receipt of all requisite shareholder approvals at the special meeting of shareholders held on Monday, September 16, 2024, it has now completed the second tranche of its previously announced \$360 million private placement financings (the "Offering"), for aggregate gross proceeds of \$70,950,788 (the "Second Tranche Offering"). Upon closing of the Second Tranche Offering, the full financing of \$360 million previously announced on July 17, 2024 is now complete.

The Second Tranche Offering involved the completion of:

1. the second tranche of a brokered private placement (the "Brokered Offering"), pursuant to which the Company issued a total of 12,563,798 common shares of the Company (the "Common Shares") at an issue price of \$4.05 per Common Share, for gross proceeds of \$50,883,382, which were subscribed for by certain controlled affiliates of Fairfax Financial Holdings Limited ("Fairfax"); and
2. the second tranche of a non-brokered private placement with Agnico Eagle Mines Limited ("Agnico Eagle") pursuant to which the Company issued a total of 4,954,915 Common Shares at an issue price of \$4.05 per Common Share for gross proceeds of \$20,067,406.

The Brokered Offering was conducted through a syndicate of agents with Eight Capital, BMO Capital Markets and National Bank Financial Inc. as co-lead agents and joint bookrunners, together with Ventum Financial Corp., CIBC World Markets Inc., Cormark Securities Inc., Scotia Capital Inc., Stifel Nicolaus Canada Inc. and TD Securities Inc. (collectively, the "Agents").

The gross proceeds of the Second Tranche Offering will be used for exploration and development of the Company's mineral projects in Saskatchewan, and for working capital and general corporate purposes.

The Second Tranche Offering remains subject to the final approval of the TSX. The securities issued pursuant to the Second Tranche Offering are subject to a four-month plus one day hold period commencing on the date hereof under applicable Canadian securities laws. Following the completion of the Second Tranche Offering, Agnico Eagle holds a 9.9% interest in the Company on a basic voting basis.

The securities being offered have not, nor will they be registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons in the absence of U.S. registration or an applicable exemption from the U.S. registration requirements. This release does not constitute an offer for sale of securities in the United States.

## **Related Party Transaction**

Certain controlled affiliates of Fairfax, an insider of the Company, subscribed for the 12,563,798 Common Shares issued in the Brokered Offering. The insider participation in the Brokered 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"), for which the Company was exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 pursuant to sections 5.5(a) and 5.7(1)(a) thereof, respectively, as neither the fair market value of the securities issued to the insider under the Brokered Offering nor the consideration paid by the insider exceeded 25% of the Company's market capitalization, in each case as determined under MI 61.101. A material change report disclosing the related party transaction was filed on August 8, 2024 in connection with the closing of the first tranche of the Offering.

## Early Warning Disclosure

Immediately prior to the acquisition of the Common Shares pursuant to the Brokered Offering, certain controlled entities of Fairfax beneficially owned an aggregate of 56,524,688 Common Shares, representing 15.1% of the issued and outstanding Common Shares, and 27,777,778 non-voting shares of the Company (the "**Non-Voting Shares**", together with the Common Shares, the "**Shares**") representing 100% of the Non-Voting Shares and, together with the Common Shares owned by Fairfax, 21.0% of the issued and outstanding Shares. As a result of the acquisition of the 12,563,798 Common Shares in the Brokered Offering, Fairfax now beneficially owns 69,008,486 Common Shares, representing 17.6% of the issued and outstanding Common Shares, and 27,777,778 Non-Voting Shares, representing 100% of the Non-Voting Shares and, together with the Common Shares owned by Fairfax, 23.0% of the issued and outstanding Shares.

This press release and Fairfax's corresponding early warning report (the "Early Warning Report") which is expected to be filed on SEDAR+ in the near term, constitutes the required disclosure pursuant to section 5.2 of National Instrument 62-104 - *Take-Over Bids and Issuer Bids* ("NI 62-104"). The requirement to file an early warning report was triggered because the acquisition by Fairfax of the Common Shares in the Brokered Offering resulted in Fairfax's beneficial ownership of the Common Shares increasing by greater than 2% as compared to the early warning report last filed by Fairfax. The Common Shares acquired under the Brokered Offering are being acquired by Fairfax for investment purposes and it may further purchase, hold, vote, trade, dispose or otherwise deal in the securities of the Company, in such manner as it deems advisable to benefit from changes in market prices of the Company's securities, publicly disclosed changes in the operations of the Company, its business strategy or prospects, or from a material transaction of the Company. In the future, it may discuss with management and/or the board of directors of the Company any of the transactions listed in clauses (a) to (k) of item 5 of Form 62-103F1 of National Instrument 62-103 – *The Early Warning System and Related Take-over Bid and Insider Reporting Issues* ("NI 62-103").

The Early Warning Report that will be filed on SEDAR+ in respect of the Brokered Offering will satisfy the requirement of section 5.2 of NI 62-104 to have the Early Warning Report filed by an acquirer, in this case by Fairfax, with the securities regulatory authorities in each of the jurisdictions in which the Company is a reporting issuer and which contains the information required by section 3.1 of NI 62-103, which includes the information required by Form 62-103F1.

A copy of the Early Warning Report filed by Fairfax in connection with the Brokered Offering will be available under the Company's profile on the SEDAR+ website at [www.sedarplus.ca](http://www.sedarplus.ca).

## About Foran Mining

Foran Mining is a copper-zinc-gold-silver exploration and development company, committed to supporting a greener future, empowering communities and creating circular economies which create value for all our stakeholders, while also safeguarding the environment. The McIlvenna Bay Project is located entirely within the documented traditional territory of the Peter Ballantyne Cree Nation, comprises the infrastructure and works related to pre-development and advanced exploration

activities of the Company, and hosts the McIlvenna Bay Deposit and Tesla Zone. The Company also owns the Bigstone Deposit, a resource-development stage deposit located 25 km southwest of the McIlvenna Bay Property.

The McIlvenna Bay Deposit is a copper-zinc-gold-silver rich VHMS deposit intended to be the centre of a new mining camp in a prolific district that has already been producing for 100 years. The McIlvenna Bay Property sits just 65 km West of Flin Flon, Manitoba, and is part of the world class Flin Flon Greenstone Belt that extends from Snow Lake, Manitoba, through Flin Flon to Foran's ground in eastern Saskatchewan, a distance of over 225 km.

The McIlvenna Bay Deposit is the largest undeveloped VHMS deposit in the region. The Company announced the results from its NI 43-101 compliant Technical Report on the 2022 Feasibility Study for the McIlvenna Bay Deposit ("2022 Feasibility Study") on February 28, 2022, outlining that current Mineral Reserves would potentially support an 18-year mine life producing an average of 65 million pounds of copper equivalent annually. The Company filed the 2022 Feasibility Study on April 14, 2022, with an effective date of February 28, 2022. The Company also filed a NI 43-101 Technical Report for the Bigstone Deposit resource estimate on January 21, 2021, as amended on February 1, 2022. Investors are encouraged to consult the full text of these technical reports which may be found on the Company's profile on [www.sedarplus.ca](http://www.sedarplus.ca).

The Company's head office is located at 409 Granville Street, Suite 904, Vancouver, BC, Canada, V6C 1T2. Common Shares of the Company are listed for trading on the TSX under the symbol "FOM" and on the OTCQX under the symbol "FMCXF".

## **CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS**

This news release contains certain forward-looking information and forward-looking statements, as defined under applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or to the future performance of Foran Mining Corporation and reflect management's expectations and assumptions as of the date hereof or as of the date of such forward looking statement. All statements other than statements of historical fact are forward-looking statements. Such forward-looking statements include, but are not limited to, statements regarding our objectives and our strategies to achieve such objectives; our beliefs, plans, estimates, projections and intentions, and similar statements concerning anticipated future events; as well as specific statements in respect of our intended use of proceeds from the Second Tranche Offering; the TSX providing final approval for the Second Tranche Offering; the expected filing by Fairfax of the Early Warning Report; our commitment to support a greener future, empower communities and create circular economies which create value for all our stakeholders while safeguarding the environment; expectations regarding our development and advanced exploration activities; and expectations, assumptions and targets in respect of our 2022 Feasibility Study. The forward-looking statements in this news release speak only as of the date of this news release or as of the date specified in such statement.

Inherent in forward-looking statements are known and unknown risks, estimates, assumptions, uncertainties and other factors that may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements contained in this news release. These factors include, but are not limited to, management's belief or expectations relating to the following and, in certain cases, management's response with regard to the following: the certainty of funding; government, securities, and stock exchange regulation and policy; the Company is exposed to risks related to mineral resources exploration and development; the Company may require additional financing and future share issuances may adversely impact share prices; market and liquidity risk; and the additional risks identified in our filings with Canadian securities regulators on SEDAR+ in Canada (available at [www.sedarplus.ca](http://www.sedarplus.ca)). Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause

results not to be as anticipated, estimated, described or intended.

The forward-looking statements contained in this press release reflect the Company's current views with respect to future events and are based upon a number of assumptions that, while considered reasonable by the Company, are inherently subject to significant operational, business, economic and regulatory uncertainties and contingencies. Readers are cautioned not to place undue reliance on forward-looking statements and should note that the assumptions and risk factors discussed in this press release are not exhaustive. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this press release. All forward-looking statements herein are qualified by this cautionary statement. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law. Additional information about these assumptions, risks and uncertainties is contained in our filings with securities regulators.

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