

GoviEx Uranium

09:36 13 Feb 2020

GoviEx Uranium to bring in C\$5M from private placing to advance Africa assets

GoviEx Uranium Inc (CVE:GXU) is set to raise around C\$5 million via a non-brokered private placing to fund exploration and development of its assets in Africa, including its flagship Madaouela project.

The firm is issuing over 33.3 million units at C\$0.15 a throw. The cash will also be used for working capital and general corporate purposes.

READ: GoviEx Uranium eyeing project economics update for Madaouela project in first half

"Conscientious clean energy investing is [a] critical part of the process to realize a sustainable environment for the future generations and we are delighted to have the support of the long-term shareholders participating in this issue", said GoviEx executive chairman Govind Friedland.

"GoviEx sees our main value driver, the uranium commodity price, to improve through 2020 as the impact of the current supply deficit, and expected removal of political uncertainty in the USA impacts buyer actions in a positive way," he added.

"Our near-term goal is to deliver an updated pre-feasibility study on our Madaouela uranium project in Niger, in the second quarter of 2020 that updates the mineral resources and synthesises the last 5 years of improvements made to the planned operations and process design of the project, which have the potential to reduce capital and operating expenses and improve resulting project economics from those previously reported in the current pre-feasibility study on the project."

Each unit in the fundraise consists of one company share and one transferable warrant.

Each warrant entitles the holder to acquire one share in the firm for 60 months from the closing at the US dollar equivalent price of C\$0.20 per warrant share, subject to applicable adjustments and accelerated exercise.

Closed first tranche

Also in today's statement, the firm said it had already closed the first tranche of the placing, issuing over 15.3 million units, bringing in gross proceeds of around C\$2.3 million.

Warrants issued pursuant to the first tranche are exercisable at a price of US\$0.15 per share until February 13, 2025.

The next tranche of the financing is expected to close on or before February 28, 2020, it added.

Contact the author at giles@proactiveinvestors.com

Price: 0.13

Market Cap: \$55.02 m

1 Year Share Price Graph



Share Information

Code: GXU

Listing: TSX-V

52 week **High** **Low**
0.21 0.12

Sector: Exploration & Production

Website: www.goviex.com

Company Synopsis:

GoviEx Uranium Inc. (TSX-V: GXU; OTCQB: GVXXF) is a mineral resource company focused on the exploration and development of its African uranium properties. GoviEx's principal objective is to become a significant uranium producer through the continued exploration and development of its mine-permitted Madaouela Project in Niger, its mine-permitted Mutanga Project in Zambia, and its exploration Falea Project in Mali.

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