

# Kesselrun Announces Brokered Private Placement of up to C\$3.0 Million

Thunder Bay, Ontario--(Newsfile Corp. - November 16, 2020) - Kesselrun Resources Ltd. (TSXV: KES) ("Kesselrun" or the "Company") is pleased to announce that it has entered into an agreement with Red Cloud Securities Inc. ("Red Cloud") pursuant to which Red Cloud will act as lead agent on behalf of a syndicate of agents (the "Agents") to sell up to C\$3,000,000 in units of the Company (the "Units") at a price of C\$0.22 per Unit and flow-through common shares of the Company (the "FT Shares") at a price of C\$0.25 per FT Share on a fully marketed, private placement basis (the "Offering"). Under the Offering, the Company intends to sell a minimum of C\$1,000,000 of Units, with the remaining balance to be comprised of the sale of any combination of Units or FT Shares. The Units and FT Shares shall be collectively referred to as the "Offered Securities". The Company is terminating the private placement previously announced on October 9, 2020.

Each Unit shall be comprised of one common share in the capital of the Company (each a "Common Share") and one half of one Common Share purchase warrant (each a "Warrant"). Each whole Warrant shall be exercisable into one Common Share at a price of C\$0.33 at any time on or before the date which is 24 months after the closing date of the Offering.

The Company has granted Red Cloud an option, exercisable up to 48 hours prior to the closing date, to sell additional Offered Securities in any combination of Units and FT Shares at the offering prices to raise additional gross proceeds of up to C\$1,000,000.

The net proceeds raised from the sale of Units will be used for the exploration and advancement of the Company's Huronian and Bluffpoint projects located in northwestern Ontario and for general working capital purposes. Proceeds from the sale of FT Shares will be used to incur "Canadian exploration expenses" as defined in subsection 66.1(6) of the Income Tax Act and "flow through mining expenditures" as defined in subsection 127(9) of the Income Tax Act ("Qualifying Expenditures"). Such proceeds will be renounced to the subscribers with an effective date not later than December 31, 2020, in the aggregate amount of not less than the total amount of gross proceeds raised from the issue of FT Shares.

The Offering is scheduled to close on or about December 7, 2020, and is subject to certain conditions, including, but not limited to, the receipt of all necessary regulatory and other approvals, including the approval of the listing of the Offered Securities on the TSX Venture Exchange (the "TSXV"). Resale of the common shares of the Company distributed under the Offering will be restricted, including a hold period in Canada of four months and one day following the closing date of the Offering.

*This press release shall not constitute an offer to sell or the solicitation of an offer to buy the Offered Securities, nor shall there be any sale of the Offered Securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such jurisdiction. The Offered Securities being offered will not be, and have not been, 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, a U.S. person.*

## **About Kesselrun Resources Ltd.**

Kesselrun Resources is a Thunder Bay, Ontario-based mineral exploration company focused on growth through property acquisitions and discoveries. Kesselrun's management team possesses strong geological and exploration expertise in Northwest Ontario. For more information about Kesselrun Resources, please visit [www.kesselrunresources.com](http://www.kesselrunresources.com).

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the

policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release.

For additional information please contact:

Kesselrun Resources Ltd.

Michael Thompson, P.Geo., President & CEO  
807.285.3323  
[michaelt@kesselrunresources.com](mailto:michaelt@kesselrunresources.com)

Corporate Communications  
1.866.416.7941  
[information@kesselrunresources.com](mailto:information@kesselrunresources.com)

*Forward Looking Statements - Certain information set forth in this news release may contain forward-looking statements that involve substantial known and unknown risks and uncertainties. These forward-looking statements are subject to numerous risks and uncertainties, certain of which are beyond the control of Kesselrun, including, but not limited to the impact of general economic conditions, industry conditions, volatility of commodity prices, dependence upon regulatory approvals, the execution of definitive documentation, the availability of financing and exploration risk. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements.*

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