

Karora Resources Inc.

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Karora Resources reveals gold bull Eric Sprott to increase ownership in company by subscribing for 26 million shares

Karora Resources Inc (TSX:KRR), formerly known as RNC Minerals Corp (TSE:RNX), announced Tuesday that well-known Canadian resource investor and gold bull Eric Sprott has agreed to increase his ownership in the company by 26 million shares.

In a strategic move, Karora said it has worked alongside Maverix Metals Inc (TSE:MMX) to effectively place the entire planned share issuance previously announced on June 30.

In lieu of issuing shares to Maverix, Karora said it will use the proceeds from a total of 36.5 million common shares to be issued to Sprott and one other institutional investor to complete the transaction with an all-cash consideration of US\$18 million.

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The shares of Karora to be issued to Sprott and the institutional investor will be issued at the same \$0.506 price per share that had been agreed with Maverix. Subject to completion of the transactions, no common shares of Karora will be issued to Maverix.

"I am very excited that Eric Sprott, a highly influential and well-known leader in the resource investment community and one of the world's premier gold and silver investors, has significantly increased his investment in Karora," CEO Paul Andre Huet in a statement.

"This investment is a strong endorsement of the confidence Mr Sprott has in both our execution over the past year and our plans to unlock the value of our Western Australian gold mining assets," he added.

The completion of the investment transaction is subject to the approval of the Toronto Stock Exchange and other customary conditions. A cash finder's fee will be payable to certain third parties in connection with the private placement of Karora shares.

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Price: 3.59

Market Cap: \$520.26 m

1 Year Share Price Graph



Share Information

Code: KRR

Listing: TSX

52 week	High	Low
	4.49	2.0925

Sector: Mining

Website: www.karoraresources.com

Company Synopsis:

Karora Resources is a multi-asset mineral resource company focused primarily on the acquisition, exploration, evaluation and development of precious metal properties. It is Karora's vision to become the next sustainable high quality mid-tier producer.

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