

GTA Updates LOI for Sale of Assets

written by Raj Shah | November 27, 2018

November 26, 2018 ([Source](#)) – GTA Resources and Mining Inc. (TSXV: GTA) (“GTA”) provides an update on the sale of all its mining assets.

On October 17, 2018 GTA announced it had entered into an agreement for a loan of \$425,000 (four hundred twenty-five thousand dollars) (the “Loan”) from an arm’s length party (the “Lender”). GTA also announced that it and the Lender were in discussions whereby GTA would divest itself of all its mining assets and then acquire assets in another industry (the “Change of Business”).

On October 19, 2018, and further to the Loan and the Change of Business, GTA announced it had signed a letter of intent (the “Sale Agreement”) to sell all its mining assets (the “Assets”) to CBLT Inc. (CBLT”) at a price of \$1,050,000, to be paid in 35,000,000 treasury shares of CBLT.

After discussions, and in part to account for movements in GTA’s and CBLT’s respective share prices, GTA and CBLT have agreed to amend the Sale Agreement (the “Amended Sale Agreement”) such that in addition to 35,000,000 shares of CBLT, CBLT will also issue to GTA 17,500,000 common share purchase warrants (the “Warrants”). Each Warrant shall have a two-year term and be exercisable at \$0.08 (eight cents), and shall have an acceleration clause triggered if the closing price for CBLT’s shares exceeds \$0.16 (sixteen cents) for 20 (twenty) consecutive trading days.

There is no standstill agreement or break fee in the Amended

Sale Agreement. Since signing the Sale Agreement with CBLT, GTA has entertained formal and informal expressions of interest from other persons for the sale of all or part of the Assets, but in the opinion of the board, no other expression of interest offers the same or better value as does the CBLT transaction contemplated in the Amended Sale Agreement.

A member firm of Investment Industry Regulatory Organization of Canada ("IIROC") has delivered to GTA a draft written opinion (the "Opinion") with respect to the fairness of the financial terms of the transaction contemplated in the Sale Agreement (the "Sale Terms"). The Opinion, although in draft form, indicates the Sale Terms are fair; however, it must be updated to account for the new terms in the Amended Sale Agreement. Since the draft Opinion was supportive of the Sale Agreement, and the Amended Sale Agreement provides more value to GTA than did the Sale Agreement, GTA management believes the updated Opinion when delivered will be supportive of the Amended Sale Agreement.

GTA has called a shareholder meeting for January 7, 2019 to consider the proposed transaction with CBLT, the Sale Terms and other matters. A copy of the final Opinion will be enclosed with the materials sent to shareholders for that meeting.

CBLT is a Canadian reporting issuer in good standing (symbol "CBLT" on TSX Venture Exchange). GTA and CBLT are non-arm's length as they have a Chief Executive Officer and Chief Financial Officer in common, both of whom are also directors of both GTA and CBLT. Each of CBLT and GTA has taken steps to manage all conflicts of interest.

ABOUT GTA RESOURCES – GTA is a publicly traded company with roughly 51,000,000 shares outstanding. GTA has disclosed its intention to exit the mining sector and enter another as-yet unidentified sector.

On behalf of the board of directors,

GTA Resources and Mining Inc.

"Peter M. Clausi"

President and CEO

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 press release.

This press release contains forward-looking statements and forward-looking information (collectively, "forward looking statements") within the meaning of applicable Canadian and United States securities laws. All statements, other than statements of historical fact, included herein, including statements regarding the potential transaction with CBLT, the expectation regarding the receipt of the Opinion, the consummation of the transactions referred to herein and the timing and receipt of shareholder approval in connection therewith, are forward-looking statements. Forward-looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate and similar expressions or are those which, by their nature, refer to future events. Although GTA believes that such statements are reasonable, there can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. GTA cautions investors that any forward-looking statements by GTA are not guarantees of future performance, and that actual results may differ materially from those in forward-looking statements. Important factors that could cause actual events and results to differ materially from GTA's expectations include those related to weather, equipment and

staff availability; performance of third parties; risks related to the exploration stage of GTA's projects; market fluctuations in prices for securities of exploration stage companies and in commodity prices; and uncertainties about the availability of additional financing; risks related to GTA's ability to identify one or more economic deposits on the properties, and variations in the nature, quality and quantity of any mineral deposits that may be located on the properties; risks related to GTA's ability to obtain any necessary permits, consents or authorizations required for its activities on the properties; and risks related to GTA's ability to produce minerals from the properties successfully or profitably. Trading in the securities of GTA should be considered highly speculative. All of GTA's public disclosure filings may be accessed via www.sedar.com and readers are urged to review these materials, including the latest technical reports filed with respect to GTA's mineral properties.

This press release is not and is not to be construed in any way as an offer to buy or sell securities in the United States.