

Wedgemount Makes Second Payment on Willowbend Property, Raises US\$400,000 Through Loan from Director

written by Raj Shah | February 21, 2023

February 21, 2023 ([Source](#)) – Wedgemount Resources Corp. (CSE: WDGY) (OTCQB: WDGRF) (“**Wedgemount**” or the “**Company**”), announces that it has completed the second of three payments in connection with the acquisition of certain West Texas, Permian Basin, oil and gas production assets (the “**Project**”) (announced [October 27, 2022](#) and [December 19, 2022](#)). The Company has made payments totalling US\$750,000 and has one final payment of US\$750,000 due on or before March 31, 2023. Upon completion of the third payment, the Company will assume operatorship of and take title to the Project. Upon closing, the Company will acquire a 100% working interest in the leases comprising the project subject to underlying royalties averaging 19%.

In addition, the Company announces that it has entered into a loan agreement (the “**Loan Agreement**”) with Mark Vanry, the Chief Executive Officer of the Company, under which Mr. Vanry has agreed to loan the Company US\$400,000 (the “**Loan**”). The Loan will bear interest at a rate of fifteen percent (15%) per annum, payable by the Company to Mr. Vanry monthly on the last Business Day of every month, with the, for the first twenty-two (22) months from the date of initial advance with the first payment commencing on June 30, 2023, and thereafter at the rate of eighteen percent (18%) per annum. The Company will make payments on account of principal on the Loan commencing June 30, 2023 at the rate of US\$20,000 per month plus an amount equal to 25% of

net cash flows over US\$200,000. The Loan will mature, and all outstanding principal shall be payable, on February 28, 2025. The Company may repay the Loan at any time on 10-days' notice without penalty. The Company intends to repay the Loan with cash received from cash flows. The Loan is guaranteed by the Company's wholly owned subsidiary, Wedgemount Texas Corp, and is secured by a pledge of the shares of Wedgemount Texas Corp. and a general security interest over the assets of Wedgemount Texas Corp. In addition, the Company has agreed to grant to Mr. Vanry warrants to purchase 275,000 common shares, exercisable for three years from the date of issue, at a price of \$0.30 per share.

The Loan, including the issue of the warrants, constitutes a "related party transaction" as defined in Multilateral Instrument 61-101 – *Protection of Minority Securityholders in Special Transactions* ("MI 61-101") as Mr. Vanry is a director and officer of the Company. The Company is relying on the exemption from valuation requirement and minority approval pursuant to subsection 5.5(a) and 5.7(1)(a) of MI 61-101, respectively, as the value of the Loan does not represent more than 25% of the Company's market capitalization, as determined in accordance with MI 61-101. The Loan Agreement was approved by the independent members of the Company's board of directors.

About Wedgemount Resources Corp.

Wedgemount Resources is a junior natural resources company focused on maximizing shareholder value through the acquisition, discovery and advancement of natural resource projects in North America.

On behalf of the Board of Directors,
WEDGEMOUNT RESOURCES CORP.

Mark Vanry, President and CEO

For more information, please contact the Company at:

Telephone: (604) 343-4743

info@wedgemountresources.com

www.wedgemountresources.com

Reader Advisory

This news release may contain statements which constitute "forward-looking information", including statements regarding the plans, intentions, beliefs and current expectations of the Company, its directors, or its officers with respect to the future business activities of the Company. The words "may", "would", "could", "will", "intend", "plan", "anticipate", "believe", "estimate", "expect" and similar expressions, as they relate to the Company, or its management, are intended to identify such forward-looking statements. Forward looking statements made in this news release include the anticipated completion of the acquisition and the proposed timing thereof, the anticipated benefits of the acquisition, the potential for gas production and production from additional zones on the Project, and potential additional acquisition opportunities in the area of the Project. Investors are cautioned that any such forward-looking statements are not guarantees of future business activities and involve risks and uncertainties, and that the Company's future business activities may differ materially from those in the forward-looking statements as a result of various factors, including, but not limited to, availability of funds, personnel and other resources necessary to conduct exploration or development programs, successes of the Company's exploration efforts, availability of capital and financing and general economic, market or business conditions. There can be no assurances that such information will prove accurate and, therefore, readers are advised to rely on their own evaluation of such uncertainties. The Company does not assume any obligation to update any forward-looking information except as

required under the applicable securities laws.

Neither the Canadian Securities Exchange nor the Investment Industry Regulatory Organization of Canada accepts responsibility for the adequacy or accuracy of this release.