

# Harte Gold Announces \$6.0 Million Bought Deal Offering



July 16, 2019 ([Source](#)) – **HARTE GOLD CORP.** (“Harte Gold” or the “Company”) (TSX: [HRT](#)/FSE: [H40](#)/OTC: [HRTFF](#)) is pleased to announce that it has entered into an agreement with Echelon Wealth Partners Inc. (“**Echelon**”), pursuant to which

Echelon has agreed to purchase, on a bought deal basis, 20,000,000 flow-through common shares (the “**Flow-Through Shares**”) of the Company at a price of \$0.30 per Flow-Through Share (the “**Issue Price**”) for gross proceeds of \$6.0 million (the “**Offering**”).

The Offering will be conducted by Echelon as sole underwriter and bookrunner. The Company has granted Echelon an option to purchase up to an additional 15.0% of the Flow-Through Shares sold under the Offering at the Issue Price (the “**Over-Allotment Option**”). The Over-Allotment Option may be exercised in whole or in part to purchase Flow-Through Shares as determined by Echelon upon written notice to the Company at any time up to 30 days following the closing date of the Offering.

The gross proceeds from the issuance of the Flow-Through Shares will be used for “Canadian exploration” expenses (“**CEE**”), and will qualify as “flow-through mining expenditures” (the “**Qualifying Expenditures**”), as those terms are defined in the *Income Tax Act* (Canada), which will be renounced with an effective date no later than December 31, 2019 to the initial purchasers of the Flow-Through Shares (other than Echelon) in an aggregate amount not less than the gross proceeds raised from the issue of the Flow-Through Shares, and, if the Qualifying Expenditures are reduced by the

Canada Revenue Agency, the Company will indemnify each initial purchaser (other than Echelon) for any additional taxes payable by such subscriber as a result of the Company's failure to renounce the Qualifying Expenditures as agreed.

Harte has agreed to grant Echelon a cash commission equal to 5.0% of the gross proceeds of the Offering (including the Over-Allotment Option), which shall be payable on the closing date of the Offering and/or of the Over-Allotment Option, as applicable. Echelon shall also be granted broker warrants ("**Broker Warrants**") equal to 5.0% of the number of Flow-Through Shares sold in the Offering (including the Over-Allotment Option). Each Broker Warrant will be exercisable into one common share at a price equal to \$0.30 per common share for a period of 18 months from the closing date of the Offering.

The Offering will be completed by way of a short form prospectus to be filed in each of the provinces of Canada, with the exception of the province of Quebec, by way of a private placement in the United States, and in those jurisdictions outside of Canada and the United States which are agreed to by the Company and the Underwriters, where the Flow-Through Shares can be issued on a private placement basis, exempt from any prospectus, registration or other similar requirements.

The Offering is expected to close on or about August 8, 2019, or such other date as the Company and Echelon may agree, and is subject to customary closing conditions, including the approval of the securities regulatory authorities and the TSX.

This news release does not constitute an offer to sell or a solicitation of an offer to sell any of securities in the United States. The securities have not been and will not be registered under the U.S. Securities Act or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered

under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

### **About Harte Gold Corp.**

Harte Gold is Ontario's newest gold producer through its wholly owned Sugar Zone Mine in White River Ontario. Using a 3 g/t gold cut-off, the NI 43-101 compliant Mineral Resource Estimate dated February 19, 2019 contains an Indicated Mineral Resource of 4,243,000 tonnes grading 8.12 g/t Au with 1,108,000 ounces contained gold and an Inferred Mineral Resource of 2,954,000 tonnes, grading 5.88 g/t Au with 558,000 ounces contained gold.

A NI 43-101 compliant Feasibility Study was completed on the Sugar Zone Mine effective February 15, 2019 calculating total Reserves of 3,879,000 tonnes grading 7.1 g/t Au with 890,000 ounces of gold. Exploration continues on the Sugar Zone Property, which encompasses 79,335 hectares covering a significant greenstone belt.

*The Toronto Stock Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.*

### *Cautionary Note Regarding Forward Looking Information*

*This news release contains "forward-looking information" and "forward-looking statements" (collectively, "forward-looking statements") within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "proposed",*

*“budget”, “scheduled”, “forecasts”, “estimates”, “believes” or “intends” or variations of such words and phrases or stating that certain actions, events or results “may” or “could”, “would”, “might” or “will” be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements. In this news release, forward-looking statements relate, among other things, to: the completion of the Offering; the anticipated benefits to the Company and its shareholders respecting the Company’s objectives, goals and exploration activities conducted and proposed to be conducted at the Company’s properties; future growth potential of the Company, including whether any proposed exploration programs at any of the Company’s properties will be successful; exploration results; and future exploration plans and costs and financing availability.*

*These forward-looking statements are based on reasonable assumptions and estimates of management of the Company at the time such statements were made. Actual future results may differ materially as forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to materially differ from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors, among other things, include: the expected benefits to the Company relating to the exploration conducted and proposed to be conducted at the Company’s properties; the receipt of all applicable regulatory approvals for the Offering; failure to identify any additional mineral resources or significant mineralization; the preliminary nature of metallurgical test results; uncertainties relating to the availability and costs of financing needed in the future, including to fund any exploration programs on the Company’s properties and the Company’s other properties; business integration risks; fluctuations in general macroeconomic conditions; fluctuations in securities markets; fluctuations in spot and forward prices*

of gold, silver, base metals or certain other commodities; fluctuations in currency markets (such as the Canadian dollar to United States dollar exchange rate); change in national and local government, legislation, taxation, controls, regulations and political or economic developments; risks and hazards associated with the business of mineral exploration, development and mining (including environmental hazards, industrial accidents, unusual or unexpected formations pressures, cave-ins and flooding); inability to obtain adequate insurance to cover risks and hazards; the presence of laws and regulations that may impose restrictions on mining and mineral exploration; employee relations; relationships with and claims by local communities and indigenous populations; availability of increasing costs associated with mining inputs and labour; the speculative nature of mineral exploration and development (including the risks of obtaining necessary licenses, permits and approvals from government authorities); the unlikelihood that properties that are explored are ultimately developed into producing mines; geological factors; actual results of current and future exploration; changes in project parameters as plans continue to be evaluated; soil sampling results being preliminary in nature and are not conclusive evidence of the likelihood of a mineral deposit; title to properties; and those factors described under the heading "Risks and Uncertainties" in the Company's most recently filed management's discussion and analysis. Although the forward-looking statements contained in this news release are based upon what management of the Company believes, or believed at the time, to be reasonable assumptions, the Company cannot assure shareholders that actual results will be consistent with such forward-looking statements, as there may be other factors that cause results not to be as anticipated, estimated or intended. Accordingly, readers should not place undue reliance on forward-looking statements and information. There can be no assurance that forward-looking information, or the material factors or assumptions used to develop such forward-looking information,

*will prove to be accurate. The Company does not undertake any obligations to release publicly any revisions for updating any voluntary forward-looking statements, except as required by applicable securities law.*