

# The First Flow-through Crowdfunding Gold Deal in Canada

March 15, 2016 – Experts have been calling for new ways of thinking to help the strong juniors through this difficult market. In an exclusive InvestorIntel interview, Publisher Tracy Weslosky speaks with Peter M. Clausi, EVP Corporate from GTA Resources and Mining Inc. (TSXV:GTA), about being the first flow-through crowdfunding gold deal in Canada.

**Tracy Weslosky:** It's my understanding that GTA is the main buzz at PDAC. Can I just ask you, what have you done now, Peter?

**Peter Clausi:** For about two months we've been working on this project and we were able to announce it this week. We are the first company in Canada to announce a flow-through crowdfunding.

**Tracy Weslosky:** I've heard of crowdfunding. As we've got David Drake on our team and, of course, flow-through: but how have you put these two together?

**Peter Clausi:** At the end of January the Ontario Securities Commission passed amendments to the Securities Act. I know it's a little boring, but they brought in what's called crowdfunding, a colloquial term for accessing capital from smaller investors. There are certain rules that have to be followed, but if you follow the rules you can raise money from new sources. Those new sources can now access opportunities that they couldn't access before. That's crowdfunding. We have flow-through, for which we thank Ned Goodman [editor note: see Dundee Securities]. Ned Goodman created the popularity of flow-through. Flow-through is a mechanism under the Income Tax

Act, where you get a credit when you invest in a certain kind of company. That provides an incentive to invest in that company. In natural resources if you invest \$100 you can get a \$100 credit on your income tax, and depending on what province you're in you get an additional credit on top of that. We have taken that concept of using the Income Tax Act as an incentive and married it to crowdfunding as an incentive and we're the first company in Canada doing flow-through crowdfunding.

**Tracy Weslosky:** This actually is very exciting to me as well. Can you tell me how much you're trying to raise here, Peter?

**Peter Clausi:** We're looking to raise \$250,000, which is not a lot of money. We probably could have raised it from some of the investment funds and contacts of the company, but we're looking out to the future. We needed to expand the capital base and this to us seemed like a brilliant way to do it.

**Tracy Weslosky:** And so the sales pitch to those of us out there interested. So in this crowdfunding opportunity, when you invest in GTA Resources – will you be drilling to try and hit gold?

**Peter Clausi:** Well, the main use of proceeds is to explore. When you raise flow-through capital it can only be spent in the field. One of our properties is on the Borden Lake Eastern Extension, and we call it the Ivanhoe Property. Now because there's an eastern extension, you might expect there's a western extension, and there is. The western extension sold for over half a billion dollars last year. Goldcorp bought it for \$526 Canadian million dollars from Probe...to access the complete interview, [click here](#)

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