

# GENERATION MINING

## Generation Mining Announces C\$8 Million “Bought Deal” Private Placement of Units Including a C\$5 Million Investment from Eric Sprott

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Generation Mining Limited (CSE:GENM) ("**Gen Mining**" or the "**Company**") is pleased to announce that it has entered into an agreement with Haywood Securities Inc. and Mackie Research Capital Corporation as co-lead underwriters and joint-bookrunners on behalf of a syndicate of underwriters including PowerOne Capital Markets Limited and Raymond James Ltd. (collectively, the "**Underwriters**"), pursuant to which the Underwriters have agreed to purchase, on a "bought deal" private placement basis, 15,385,000 units of the Company (the "**Units**") at a price of C\$0.52 per Unit (the "**Issue Price**"), for total gross proceeds of C\$8,000,200 (the "**Offering**"). Each Unit will consist of one common share (a "**Common Share**") in the capital of the Company and one-half (1/2) of one common share purchase warrant (each whole common share purchase warrant, a "**Warrant**") of the Company. Each Warrant shall be exercisable to acquire one Common Share (a "**Warrant Share**") at a price per Warrant Share of C\$0.75 for a period of 24 months from the closing date of the Offering.

Gen Mining is pleased to announce that Eric Sprott has agreed to purchase C\$5,000,000 of the Offering. On completion of the Offering, Eric Sprott will own approximately 8.84% of the Company on a non-diluted basis and approximately 12.70% on a partially diluted basis.

The Company has granted the Underwriters an option to purchase up to an additional 25% of the Offering in Units (the "**Underwriters' Option**"), exercisable in whole or in part at any time up to 48 hours prior to the closing date.

The net proceeds from the sale of the Units will be used for exploration and development of the Company's Marathon Palladium Project, as well as working capital and general corporate purposes.

The Offering is expected to close on or about February 13, 2020 and is subject to certain conditions including, but not limited to, the receipt of all necessary approvals including the approval of the Canadian Securities Exchange and the applicable securities regulatory authorities. The Units to be issued under the Offering will be subject to a hold period in Canada expiring four months and one day from the closing date of the Offering.

In connection with the Offering, the Underwriters will receive: (i) a cash commission of 6.0% of the gross proceeds of the Offering, excluding gross proceeds from the issuance of Units to Eric Sprott for which a commission of 4.0% of such gross proceeds is payable by the Company to the Underwriters; and (ii) that number of non-transferable compensation options (the "**Compensation Options**") as is equal to (a) 6.0% of the aggregate number of Units sold under the Offering, excluding those Units sold to Eric Sprott, and (b) 4.0% of the aggregate number of Units sold under the Offering to Eric Sprott. Each Compensation Option is exercisable into one Common Share of the Company at the Issue Price for a period of 24 months from the closing date of the Offering.

The securities offered have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any State in which such offer, solicitation or sale would be unlawful.

## **About Generation Mining Limited**

Generation Mining Limited is focused on advancing the Marathon Deposit, the largest undeveloped platinum group metal Mineral Resource in North America. The Marathon Property covers a land package of approximately 22,000 hectares or 220 square kilometres. Gen Mining acquired a 51% interest in the Marathon Property from Sibanye Stillwater on July 10, 2019 and can increase its interest to 80% by spending \$10 million over a period of four years. More than \$3 million of this has already been spent. Sibanye Stillwater has certain back-in rights that can bring its interest in the Property back to 51% after such time as Gen Mining has earned its 80% interest (see the Company's press release of July 11, 2019, for more details). The Company's common shares trade on the Canadian Securities Exchange ("CSE") under the symbol GENM.

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## **Forward-Looking Information**

*This news release includes certain information that may be deemed "forward-looking information" under applicable securities laws. All statements in this release, other than statements of historical facts, that address timing and completion of the Offering and events or developments that the Company expects is forward-looking information. Although the Company believes the expectations expressed in such statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the statements. There are certain factors that could cause actual results to differ materially from those in the forward-looking information. These include the results of the Company's due diligence investigations, market prices, exploration successes, continued availability of capital and financing, and general economic, market or business conditions.*

*Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking information. For more information on the Company, investors are encouraged to review the Company's public filings at [www.sedar.com](http://www.sedar.com). The Company disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, other than as required by law.*