

DEALS AND SUITS

Carcetti Capital Corp. announces acquisition of Hemlo Gold Mine to launch a new mid-tier Canadian gold producer

On September 10, 2025, Carcetti Capital Corp. ("Carcetti" or the "Company") (TSXV/NEX: CART.H) announced that it has entered into a definitive agreement to acquire a 100 per cent interest in the Hemlo Gold Mine ("Hemlo") in Ontario, Canada from wholly-owned subsidiaries of Barrick Mining Corporation for US\$875 million in cash and 34.6 million common shares of the Company payable at closing plus up to US\$165 million in additional contingent cash payments tied to gold price thresholds, for aggregate consideration of up to US\$1.09 billion (the "Transaction"). Upon closing, Carcetti intends to change its name to Hemlo Mining Corp. and appoint a leadership team of experienced mining executives. The Transaction is expected to close in the fourth quarter of 2025.

To fund the US\$875 million in upfront cash consideration as well as working capital requirements upon closing the Transaction, the Company has entered into agreements for an acquisition financing package of at least US\$1.0 billion as follows:

- US\$400 million to be provided through a gold stream with Wheaton
- US\$225 million senior secured credit facilities solely underwritten by the Bank of Nova Scotia, comprising a US\$200 million acquisition term loan and US\$25 million revolving credit facility for working capital
- US\$415 million to be provided through a bought deal private placement offering of Subscription Receipts

The Company has entered into a term sheet for a US\$400 million gold stream (the "Gold Stream"). Under the terms of the Gold Stream, the Company will deliver to Wheaton Precious Metals Corp. ("Wheaton") gold equal to 13.5 per cent of the production from Hemlo (subject to certain adjustments) until 181,000 ounces have been delivered after which the stream percentage will be reduced to 9.0 per cent until a further 157,330 ounces have been delivered followed by a stream percentage of 6.0 per cent thereafter. The applicable stream percentages for production from certain claims comprising the Interlake deposit will be reduced by half. For each ounce delivered, Wheaton will pay the Company a production payment equal to 20 per cent of the current spot gold price. The applicable stream percentages and delivery thresholds may be adjusted subject to cumulative deliveries relative to a pre-agreed delivery schedule.

The Company has entered into an agreement with Scotiabank as sole bookrunner on behalf of a syndicate of underwriters in connection with a bought deal private placement of 287,500,000 subscription receipts of the Company (the "Subscription Receipts") at an issue price of C\$2.00 (approximately US\$1.44) per Subscription Receipt for total gross proceeds of C\$575 million (approximately US\$415 million) (the "Private Placement"). The Private Placement is expected to close on or about October 1, 2025.

The Company has a binding commitment from the Bank of Nova Scotia for a \$200 million term loan facility ("Term Loan") and a \$25 million revolving credit facility (the "RCF" and together with the Term Loan, the "Credit Facilities"). The Credit Facilities will have a three-year term. The Credit Facilities will be available by way of advances bearing interest at either the term Secured Overnight Financing Rate (SOFR) plus an applicable margin ranging from 2.75 per cent to 3.75 per cent based on the Company's net leverage at the end of each fiscal quarter (provided that for the first two quarters there will be a minimum margin of 3.25 per cent). The Term Loan will have no principal payments for the 6 months following closing of the Transaction, following which the Term Loan will be repaid in quarterly installments of 5 per cent of the outstanding amount under the Term Loan as of the first amortization date, with the balance repaid at maturity. The Company will have the ability to repay the Credit Facilities in full, without penalties, at any time prior to the maturity date. The Credit Facilities are senior secured facilities on a shared basis with the Gold Stream, secured by first-priority security interests on substantially all of the Company's assets, and subject to customary financial and non-financial covenants.

BLG is representing Carcetti with a team led by [Graeme Martindale](#) and including [Kent Kufeldt](#), [Fred Pletcher](#), [Salvador Pimental](#), [James Cantwell](#), [George Collister](#), [Merritt Loh](#) and [Makena Anderson](#) (M&A/Securities); [Randy Morphy](#), [Robert Biggar](#) and [Yifei Yang](#) (Tax); [Andrew Zinman](#) and [James Fu](#) (Labour & Employment); [Elly Seddon](#) (Financial Services); [Christopher Roine](#) and [Claudia Wheeler](#) (Indigenous); and [Denes Rothschild](#) (Competition).