

Laurentian Goldfields Ltd. Acquires a Second Red Lake Property and Further Consolidates the Madsen Mine Trend

14.01.2014 | [Marketwired](#)

VANCOUVER, Jan. 14, 2014 - [Laurentian Goldfields Ltd.](#) (TSX VENTURE:LGF) ("Laurentian" or the "Company") is pleased to announce it has signed a Letter of Intent ("LOI") to acquire a 100% interest in the Newman-Madsen Gold Property ("Newman-Madsen") from [Sabina Gold & Silver Corp.](#) ("Sabina"). The Newman-Madsen Property is adjacent to the Madsen Gold Project ("Madsen") which Laurentian entered into a Definitive Agreement to purchase from [Claude Resources Inc.](#) ("Claude") on December 19, 2013. Together the two properties comprise in excess of 5,000 hectares in the prolific Red Lake gold camp of Northwestern Ontario. The consolidated property consists of two former gold producers including the Madsen Gold Mine which had previous gold production of 2.4 million ounces.

Darin Labrenz President & CEO of Laurentian stated that: "Laurentian is pleased to announce the acquisition of the Newman-Madsen Gold Property. The Madsen Mine Trend has never been consolidated under one operator and the addition of the Newman-Madsen property represents a unique opportunity to apply a new and consistent exploration model to a consolidated mine trend that exceeds over 12 kilometres in length and over 50 square kilometres in size. This first-time consolidation of the Madsen Mine Trend will transform Laurentian into a leading Red Lake gold exploration company."

Consideration payable by Laurentian consists of shares representing 9.9% of Laurentian's shares outstanding following completion of both the Madsen and Newman-Madsen acquisitions. On closing of the Newman-Madsen transaction, it is anticipated that Laurentian will seek shareholder approval to appoint Mr. Robert Pease, current President & CEO of Sabina, to Laurentian's previously announced proposed Board of Directors (see Proposed Board of Directors below).

Strategic Rationale for Madsen and Newman-Madsen Transactions

- Establishes Laurentian as a leading Red Lake focused gold explorer with the third largest land position and second largest historical production in one of North America's most prolific gold camps
- Consolidation of Madsen Mine Trend under single ownership and the application of modern exploration to numerous highly prospective exploration targets and former producers along a 12 km corridor
- The Newman-Madsen property consists of 38 patented mining claims and together with Madsen provides exposure to a contiguous 50 square kilometer land package with numerous exploration targets along the 12 km Madsen Mine Trend, including additional prospective structural horizons associated with the Buffalo and Lavery deposits
- Madsen Gold Project contains an Indicated mineral resource of 928,000 oz gold in 3.24 million tonnes grading 8.93g/t Au and an Inferred mineral resource of 297,000 oz gold in 0.79 million tonnes grading 11.74 g/t Au*
- Potential near-term low-capital production opportunity facilitated by a fully permitted 500 tonne per day mill, 1,275 metre shaft, and associated mining and tailings management infrastructure
- New management and Board with deep Red Lake knowledge, and proven technical and capital markets expertise

Closing of the Newman-Madsen and Madsen transactions are expected in February 2014 and subject to receipt of all required shareholder, regulatory and third party consents, satisfaction of customary closing conditions. The Newman-Madsen transaction is subject to the closing of the Madsen transaction, and the completion by Laurentian of a financing to raise minimum gross proceeds of C\$7.5 million.

Macquarie Capital Markets Canada Ltd. is acting as financial advisor to Laurentian with regard to the acquisition and financing.

About the Madsen Gold Project and the Madsen Transaction

On December 19th, 2013 Laurentian announced it had entered into a Definitive Agreement to purchase a 100% interest in the Madsen Gold Project from Claude Resources Inc. The terms of the Madsen Transaction

include both cash payments and share consideration to Claude consisting of:

- Cash consideration of C\$3.75 million at closing;
- Cash consideration of C\$2.5 million payable 3 months following closing;
- Cash or share consideration (at Laurentian's option) of C\$2.5 million payable 6 months following closing;
- and
- Share consideration at closing representing 19.9% of Laurentian's shares outstanding following completion of the acquisition and an initial C\$7.5 million financing.

The Madsen Gold Project

The Madsen Gold Project consists of 237 patented and leased mining claims covering an area of 4,193 hectares and includes two former gold producers (Madsen, Starrett-Olsen). The Madsen Gold Mine operated continuously from 1938 to 1974, and 1997 to 1999. Total recorded production is 7,872,679 metric tonnes at an average grade of 9.7 g/t Au producing 2,452,388 ounces of gold.

In 2009, SRK Consulting Inc. calculated a mineral resource for the Madsen Gold Mine. SRK compiled a geological database consisting of 13,617 historic surface and underground core holes, 647 stope boreholes, and 6 underground core drill holes completed by Claude. Using this database SRK estimated an Indicated and Inferred mineral resource for four mineralized zones accessible from the underground mine workings. The mineral resource statement for the Madsen Gold Mine is listed in Table 1 (see Claude press release December 7th, 2009).

Table 1: Consolidated Mineral Resource Statement* for Madsen Gold Project, Ontario

Resource Class (g/tonne) (oz/ton) (oz)	Zone Grade Contained Gold	Tonnes	Grade		
Indicated	Austin	1,677,000	7.92	0.23	427,000
South Austin	850,000	9.32	0.27	254,000	
McVeigh	374,000	9.59	0.28	115,000	
Zone 8	335,000	12.21	0.36	132,000	
Total	3,236,000	8.93	0.26	928,000	
Inferred	Austin	108,000	6.30	0.18	22,000
South Austin	259,000	8.45	0.25	70,000	
McVeigh	104,000	6.11	0.18	20,000	
Zone 8	317,000	18.14	0.53	185,000	
Total	788,000	11.74	0.34	297,000	

Mineral resources are not mineral reserves and do not have demonstrated economic viability. All figures have been rounded to reflect the relative accuracy of the estimates. Reported at a cut-off grade of 5.0 g/t gold based on US\$1,000 per troy ounce gold and gold metallurgical recoveries of 94 percent.

Existing mine and mill infrastructure on the property includes a 1,275 metre shaft, recently de-watered to below the 16 level (approximately 775 metres below surface), a 500 tonne per day mill and CIP gold recovery circuit installed at site in the late 1990's, and tailings storage facility, all of which are fully permitted and currently on care and maintenance. The existing permitted infrastructure provides considerable development flexibility, allowing for shortened timelines and the opportunity to leverage on exploration success.

The second former gold producer on the Madsen property is the historic Starrett-Olsen Mine. A 450 metre shaft was sunk in 1945 and mining operations were carried out from 1945 to 1956. A total of 823,544 metric tonnes were mined at an average recovered grade of 6.17 g/t Au to produce 163,990 ounces of gold. The Starratt-Olsen Mine does not have a current mineral resource. Only limited modern day exploration has been conducted near the mine workings.

In addition to the historic production and the mineral resource, the Madsen Gold Project has enormous upside exploration potential. A new understanding of controls on high-grade mineralization in the Red Lake camp has resulted in multiple recent discoveries on the Madsen property since the mining operation ceased. These include the Fork Zone, Russett South, Treasure Box, and Buffalo. A near term focus of Laurentian will be to advance many of these exploration targets and potentially define mineral resources. Laurentian will also focus its exploration efforts on developing additional targets along the 12 km-long Madsen Mine Trend and the 10 km-long '8 Zone' corridor.

Proposed Board of Directors

Laurentian will transform its Board at closing by seeking shareholder approval to add the following experienced mining professionals as a result of this transformational acquisition:

Mark O'Dea

Dr. O'Dea is the Founder and Chair of Pilot Gold Inc. and Executive Chair of True Gold Mining Inc. with a track record of creating strong, well-financed companies built on high-quality projects and run by technical leaders. As President, Chief Executive Officer and Director of Fronteer Gold Inc. (2001 to 2011), Dr. O'Dea grew the company from a \$2 million start-up into a well-funded, high-profile, development-focused gold company acquired in 2011 by Newmont Mining Corp. for \$2.3 billion. Over the past decade, Dr. O'Dea has raised more than \$750 million through equity financings, equity investments and asset divestitures.

Robert Pease

Mr. Pease has been involved with mineral exploration and mine development projects worldwide for the past 30 years. In 2006, Mr. Pease formed Terrane Metals Corp. with the intent to develop the Mt Milligan Gold-Copper project northwest of Prince George. Terrane advanced the project through exploration, development, and mine permitting. Construction commenced in the spring 2010, and ultimately Terrane Metals was acquired by Thompson Creek Mining in late 2010 for \$700 million. He is also a former Director and Strategic Advisor to Richfield Ventures Corp., a junior gold mining company who discovered Blackwater gold project in British Columbia. Richfield was acquired in 2011 by New Gold Inc for \$500 million. Prior to becoming President and CEO of Terrane, Mr. Pease was employed by the Placer Dome group for the majority of his professional career.

Graeme Currie

Mr. Currie most recently served as Director, Investment Banking at CanaccordGenuity Limited where he concentrated specifically on the junior mining sector. He retired from Canaccord in August 2012. Prior to his role in Investment Banking he was with Canaccord as a Senior Mining Analyst who focused, for over 22 years, on the junior mining sector. Mr. Currie has over three decades of industry experience directed specifically on junior exploration and development companies worldwide, and has extensive knowledge of the capital markets as it relates to the mineral exploration and mining industry.

Troy Fierro

Mr. Fierro is a successful mining engineer with over 28 years of industry experience. He has previously held executive positions with Fronteer Gold Inc., Metallica Resources Inc., and Coeur d'Alene Mines, where he has overseen the development, construction or management of mines in Nevada, Mexico, Argentina, Chile, and Alaska. At Fronteer, Mr. Fierro acted as COO, and at Metallica, he was Vice President Operations where he played the lead role in the construction of the Cerro San Pedro Mine in Mexico. Mr. Fierro was also a director of Grayd Resources and is currently a Board Member with Timberline Resources. Mr. Fierro graduated with a Bachelor of Science - Mine Engineering from South Dakota School of Mines where he serves on the Advisory Board.

Lenard Boggio

Mr. Boggio was a Partner with PricewaterhouseCoopers LLP ("PwC") and its predecessor firm Coopers & Lybrand from 1988 until his retirement from PwC in May 2012. During that time, he was Leader of the B.C. Mining Group of PwC, a senior member of PwC's Global Mining Industry Practice and an audit practitioner for publicly listed Canadian, U.S. and U.K. mineral resource and energy clients. The scope of his clients' activities included exploration, development and production stage operations in the Americas, Africa, Europe and Asia. Mr. Boggio holds a B.A. and B.Comm. from the University of Windsor, Ontario and is a member of the Institute of Chartered Accountants of British Columbia.

Quality Assurance and NI 43-101 Compliance

The mineral resource estimate reported herein for the Madsen Gold Project is set out in the NI 43-101 technical report "Mineral Resource Estimation Madsen Gold Project Red Lake, Ontario" with an effective

date of December 7, 2009, prepared under the supervision of Glen Cole, P. Geo, SRK Consulting Inc., an independent Qualified Person, based on information provided by Claude Resources Inc., is available on SEDAR under the profile of Claude Resources. Claude Resources mineral resource statement has been publicly reported in Claude's press release dated December 7th, 2009.

The aforementioned technical report and other exploration reports were reviewed on behalf of the Company by Darren O'Brien, P.Geo., a consultant to the Company and a "Qualified Person" under NI 43-101. The scientific and technical information in this news release has been approved by Mr. O'Brien.

To the best of the Company's knowledge, information and belief, there is no new material, scientific or technical information that would make the disclosure of the mineral resources inaccurate or misleading.

ON BEHALF OF THE BOARD OF DIRECTORS,

Darin Labrenz, P.Geo.
President and CEO

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Cautionary Statement on Forward-Looking Information

This press release contains certain forward-looking statements. All statements, other than statements of historical facts, are forward-looking statements. The words "believe", "expect", "anticipate", "contemplate", "target", "plan", "intends", "continue", "budget", "estimate", "may", "will" and similar expressions identify forward-looking statements. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements. Such factors include, but are not limited to, fluctuations in the price of gold and other commodities, changes in government legislation, taxation, controls, regulations and political or economic developments in Canada, risks associated with mining or development activities, the speculative nature of exploration and development, including the risk of obtaining necessary licenses and permits. Many of these uncertainties and contingencies can affect the Company's actual performance and could cause actual performance to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, the Company. Readers are cautioned that forward-looking statements are not guarantees of future performance. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those acknowledged in such statements.

The Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except to the extent required by applicable laws.

NOT FOR DISTRIBUTION OR TRANSMISSION BY ANY MEANS INTO THE UNITED STATES

*To view a map associated with this release, please visit the following link:
<http://media3.marketwire.com/docs/921686i.pdf>*

CONTACT INFORMATION

[Laurentian Goldfields Ltd.](#)

Darin Labrenz, President and CEO

(604) 646-8000

(604) 646-8088 (FAX)

InvestLGF@laurentiangoldfields.com

www.laurentiangoldfields.com

Dieser Artikel stammt von [Rohstoff-Welt.de](https://www.rohstoff-welt.de)

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/164208--Laurentian-Goldfields-Ltd.-Acquires-a-Second-Red-Lake-Property-and-Further-Consolidates-the-Madsen-Mine-Tre>

Für den Inhalt des Beitrages ist allein der Autor verantwortlich bzw. die aufgeführte Quelle. Bild- oder Filmrechte liegen beim Autor/Quelle bzw. bei der vom ihm benannten Quelle. Bei Übersetzungen können Fehler nicht ausgeschlossen werden. Der vertretene Standpunkt eines Autors spiegelt generell nicht die Meinung des Webseiten-Betreibers wieder. Mittels der Veröffentlichung will dieser lediglich ein pluralistisches Meinungsbild darstellen. Direkte oder indirekte Aussagen in einem Beitrag stellen keinerlei Aufforderung zum Kauf-/Verkauf von Wertpapieren dar. Wir wehren uns gegen jede Form von Hass, Diskriminierung und Verletzung der Menschenwürde. Beachten Sie bitte auch unsere [AGB/Disclaimer!](#)

Die Reproduktion, Modifikation oder Verwendung der Inhalte ganz oder teilweise ohne schriftliche Genehmigung ist untersagt!
Alle Angaben ohne Gewähr! Copyright © by Rohstoff-Welt.de -1999-2025. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).