

Gowest Gold Ltd. Signs Letter of Intent to Receive \$1.5 Million for 2 Percent Royalty

22.10.2013 | [Marketwired](#)

Announces Proposed Non-Brokered Private Placement

[Gowest Gold Ltd.](#) ("Gowest" or the "Company") (TSX VENTURE:GWA) (OTCBB:GWSAF) is pleased to announce the Company has signed a non-binding Letter of Intent with Gold Royalties Corporation and a Toronto-based royalty company (the "Purchasers") for the proposed sale of: (i) a 2.0% gross royalty interest on gold production from Gowest's North Timmins Gold Project ("NTGP"), including the Bradshaw Gold Deposit (formerly named Frankfield East); and (ii) a right-of-first refusal agreement with respect to future gold streams associated with the NTGP, in exchange for an aggregate consideration of CDN\$1,500,000.

This transaction is expected to close on or before December 15, 2013, subject to certain conditions including due diligence and definitive agreement.

"We are very pleased, particularly in this extremely difficult market, to be able to gain royalty company support as we plan to build the newest gold mine in the Timmins gold camp," stated Greg Romain, President and CEO of Gowest Gold Ltd.

Non-Brokered Private Placement

Gowest also announces that it plans to complete a non-brokered private placement of up to 50,000,000 units of the Corporation at a price of \$0.05 per unit, for gross proceeds of up to \$2,500,000 (the "Offering"). Each unit will be comprised of one common share and one common share purchase warrant (a "Warrant"), with each Warrant being exercisable to acquire one common share of the Corporation at a price of \$0.08 for a period of 24 months following the closing date of the Offering.

Certain insiders of the Corporation will participate in the Offering and the Corporation may pay a finder's fee to certain registrants in connection with the Offering. Completion of the Offering is subject to receipt of TSX Venture Exchange approval. All of the securities issuable in connection with the Offering will be subject to a hold period expiring four months and one day after the date of issuance.

The securities offered have not been registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons absent registration or an applicable exemption from registration requirements. This release does not constitute an offer for sale of securities in the United States.

It is anticipated that the closing of the Offering will occur on or about November 15, 2013; however, additional closings may be completed thereafter.

USE OF PROCEEDS

The funds from the proposed royalty transaction and private placement are to be used by Gowest primarily in advancing the Company's wholly-owned Bradshaw Gold Deposit to being ready for final financing and construction. This would include the completion and submission of applications to the appropriate levels of government for the regulatory permits required to start mine development at the Bradshaw Gold Deposit, part of the Company's NTGP.

The expected proceeds would also be used to complete two previously noted Feasibility Studies (see Gowest releases dated September 11 and May 29, 2013) in conjunction with the Company's plans to send mined material to the Kidd Operations for processing into a high-grade (+90 grams gold per tonne) concentrate. One study will provide a detailed estimate of the cost and other key requirements to refurbish the Division "D" line of the mill at the Kidd Operations to process Gowest mined material, while the other study will be used to provide a detailed estimate on mine cost and planning. The funds would also be used for general corporate purposes.

About Gowest

Gowest is a Canadian gold exploration and development company focused on the development of its 100% owned Bradshaw Gold Deposit (Bradshaw) (formerly Frankfield East), on the Frankfield Property, part of the Company's North Timmins Gold Project (NTGP). Gowest is exploring additional gold targets on the 107-square-kilometre NTGP land package and continues to evaluate the area, which is part of the prolific Timmins, Ontario gold camp. The latest updated resource estimate for Bradshaw included approximately 945,600 ounces of gold ("Au") in the Indicated category (6.0 million tonnes at a grade of 4.9 grams per tonne ["g/t"] Au) and 536,800 ounces of gold in the Inferred category (3.7 million tonnes at a grade of 4.2 g/t Au). As was used in the Company's recent Preliminary Economic Assessment, the current estimate is based on a 3.0 g/t Au cut-off and a conservative gold price of US\$1,200/oz. The resource estimate was updated on November 20, 2012 by Neil N. Gow, P. Geo., an independent Qualified Person, and reported in accordance with Canadian Securities Administration National Instrument 43-101 ("NI 43-101") requirements and CIM Standards on Mineral Resources and Reserves.

Forward-looking statements

This news release contains certain "forward looking statements". Such forward-looking statements involve risks and uncertainties. The results or events depicted in these forward-looking statements may differ materially from actual results or events. Any forward-looking statement speaks only as of the date of this news release and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise.

NEITHER THE TSX VENTURE EXCHANGE NOR ITS REGULATION PROVIDER (AS THAT TERM IS DEFINED IN THE POLICIES OF THE TSX VENTURE EXCHANGE) ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OF THIS RELEASE.

NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES

Contact

[Gowest Gold Ltd.](#)

Greg Romain, President & CEO
(416) 363-1210
info@gowestgold.com

Gowest Gold Ltd.
Greg Taylor, Investor Relations
905 337-7673 / Mob: 416 605-5120
gregt@gowestgold.com
www.gowestgold.com

Dieser Artikel stammt von [Rohstoff-Welt.de](#)

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/162766--Gowest-Gold-Ltd.-Signs-Letter-of-Intent-to-Receive-1.5-Million-for-2-Percent-Royalty.html>

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 -1999-2026. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).