

Carolina Capital Corp. Signs Definitive Agreement to Acquire Madison Gold Mine

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- Carolina Capital Corp. (CQC-TSX:V) to acquire gold and copper mine and equipment in Silver Star Mining District, southeast Montana

- 450 acre project with extensive underground development and facilities

- Underexplored region with a series of existing high-grade gold and copper zones that remain open for expansion

VANCOUVER, July 21, 2016 - [Carolina Capital Corp.](#) (CQC-TSX:V) ("Carolina" or the "Company") is pleased to announce it has entered into a definitive asset purchase agreement (the "Definitive Agreement") with [Coronado Resources Ltd.](#) ("Coronado") to acquire a 100% interest, subject to underlying royalties, in the Madison Gold and Copper Mine ("Madison Mine") located in southwestern Montana. The purchase is subject to certain conditions and approval by the TSX Venture Exchange ("TSXV") or the ("Exchange").

Project Highlights

The Madison Mine is located in the historic Silver Star Mining District, 38 kilometres southeast of Butte, Montana, the location of the world renowned Butte copper mine. The Madison Mine consists of 6 Federal Patented Lode Claims, 34 Federal Unpatented Lode Claims and 1 Federal Unpatented Placer Claim totaling over 450 acres, in addition to a 192 acre ranch, together with permits, rights, interests, mining equipment, buildings and fixtures and an exploration database that includes 101 drill holes, multi-element and gold assays from rock-chip sampling and bulk sampling, and detailed geologic mapping.

The mining project also hosts the historic Broadway Gold Mine where production from the 1880s to the 1950s yielded an estimated 450,000 tons averaging 0.32 opt gold from 6,000 feet of underground workings to a vertical depth of 750 feet. This mine remains unexplored.

Coronado financial statements document total direct expenditures of over C\$9,900,000 and US\$2,000,000 on the Madison Gold Mine Project since 2005.

Gold and copper shipments 2008 to 2012

Coronado completed drill programs and bulk sampling between 2005 and 2012 stockpiling oxide gold and massive sulphide gold and copper mineralization for subsequent mill shipment. A crushing plant, certified weigh scale and sufficient power exist on the current property. Coronado shipped its first oxide gold, averaging 0.694 opt Au, to Barrick Gold Corp.'s Golden Sunlight Mine at nearby Whitehall, Montana in 2008. The first sulphide gold, averaging 0.71 opt Au, was shipped to Kinross Gold Corp.'s Republic Mine in Republic, Washington in 2009. Based on data from 12 shipments, the gold recovery had an overall average of 83%.

Historically, about 20,000 tons was shipped as bulk samples during underground development and trial mining. Coronado did not calculate a mineral resource or reserve estimate.

Coronado surface and underground drilling confirmed the existence of the high-grade gold and copper zones prior to bulk testing. Highlighted intercepts include:

Drill Hole	Intercept (feet)	Grade (oz/ton Au)	Intercept (metres)	Grade (gm/tonne Au)
C05-02	56.5	0.342	17.22	10.6
C05-06	48.3	0.353	14.72	11.0
C06-8	17	0.682	5.18	21.2
C06-10	29.8	0.333	9.08	10.4
C06-11	14.4	0.423	4.39	13.2
C06-13	40	0.315	12.19	9.8
09-U3	41.5	0.639	12.65	19.9
09-U4	25	0.588	7.62	18.3
10-U1	35.4	0.779	10.79	24.2
10-U2	74	0.743	22.56	23.1

Drill Hole	Intercept (feet)	Copper %	Intercept (metres)
C05-06	27.79	40.03	8.47
C06-8	19.4	10.57	5.91
C06-14	12	10.25	3.66

The drill intercepts were summarized by Carolina from the Coronado drill hole database. These historic drill intersection highlights are down hole lengths not true width lengths. True width conversions were not included in the Coronado drill hole database. Carolina management believes the majority of these drill intersections were subsequently bulk sampled by Coronado.

The Coronado workings remain open and all permits from the bulk sampling programs remain in good standing. The Madison Mine's Small Miners Exclusion Statement (SMES) allows for maximum surface disturbance of 5 acres, but with no upper limit on the amount of bulk sampling per year.

Permits are in place from the Montana Department of Environmental Quality (DEQ) which include water discharge permit MTX000205 to dewater the Madison Mine workings and storm water discharge permit MTR300246 to properly collect runoff from the surface mine workings. These permits will be required to be transferred upon completion of the transaction, and in some cases may need re-application.

The property presents an exciting opportunity, as the area has never been fully exploited or explored, and Carolina has identified a series of existing high-grade gold and copper zones that remain open for expansion.

There are two underexplored areas that Carolina plans to exploit. The first is a number of copper and gold drill intersections to the west of the recent Coronado workings that have yet to be followed up or expanded. The second is the porphyry copper potential of the property indicated by several copper intercepts within the quartz monzonite of the Radar Creek pluton.

Transaction Highlights

Caroline will acquire a 100% right, title and interest in the 192 acre ranch, all patented and unpatented claims, buildings, mining equipment and fixtures in the Madison Project, as follows:

	Cash Payments	Shares
Upon Closing	\$250,000	
First Anniversary		500,000 shares
Second Anniversary		500,000 shares
Commercial Production	\$100,000	

Conditions of the Transaction

Completion of the Transaction is subject to a number of conditions including, but not limited to, completion of TSX Venture approved private placement financing in an amount not less than \$500,000 CDN and Exchange acceptance.

Financing

Concurrently with completion of the transaction, Carolina has arranged a non-brokered private placement of

up to 15,000,000 Unit each unit comprising of one common share and a share purchase warrant for the price of \$0.06 per unit. Each whole warrant is exercisable for a period of three years from the date of issuance for \$0.10 per warrant share.

In accordance with Exchange policy, the Company's shares are currently halted from trading and will remain so until such time as the Exchange determines which, depending on the policies of the Exchange, may not occur until the completion of the transaction.

R. Tim Henneberry, P.Geo. and a Qualified Person as defined by NI 43-101 and a Director of Carolina prepared and approved the technical information contained in this release. All geological information provided in this press release, including all information on the Madison Project, has been gathered during the Company's due diligence process and has not been independently verified by management.

ON BEHALF OF THE BOARD OF DIRECTORS

"Suzanne Wood"
Suzanne Wood, Director

Completion of the transaction is subject to a number of conditions, including but not limited to, Exchange acceptance and if applicable pursuant to Exchange Requirements, majority of the minority shareholder approval. Where applicable, the transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the transaction, any information released or received with respect to the transaction may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.

Neither the TSX Venture Exchange Inc. 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.

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