

MX Gold Announces Proposed Purchase of WestKam Gold Corp.' Bonaparte Property

06.01.2017 | [GlobeNewswire](#)

VANCOUVER, Jan. 05, 2017 - [MX Gold Corp.](#) (TSX-V:MXL) (the "Company" or "MX Gold") is pleased to announce that it has entered into a letter of intent dated January 4, 2017 (the "LOI") with [WestKam Gold Corp.](#) (TSX-V:WKG) ("WestKam"), pursuant to which WestKam has agreed to sell all of its interest in its Bonaparte property to MX Gold in consideration for 40 million shares of MX Gold (which will represent an approximate 19.7% interest in MX Gold on a non-diluted basis, assuming MX Gold does not issue any additional securities prior to closing). This transaction is considered a Non Arm's Length transaction under the policies of the TSX Venture Exchange (the "TSXV") in that one of the Company's directors, Mr. Akash Patel, is also a director of WestKam.

"This is a strategic step forward and the agreement with WestKam will be adding potential value to our company," said Dan Omeniuk Chairman and CEO.

The LOI contemplates a 30 day due diligence period during which MX Gold intends to verify information regarding the Bonaparte property and WestKam intends to conduct standard due diligence on MX Gold. The sale of the Bonaparte property is further conditional upon the entering into of a definitive agreement within 60 days, with terms and conditions acceptable to both parties. Effective upon signing of the definitive agreement, WestKam has agreed to pay a break fee of \$37,500 (payable within 6 months of termination, in cash or in common shares at WestKam's discretion) in the event this transaction does not close due to WestKam being unable to satisfy one or more of its closing conditions. In addition, effective upon signing of the definitive agreement, MX Gold has agreed to reimburse WestKam for costs WestKam incurs in relation to this transaction, up to a maximum amount of \$75,000.

As previously announced (refer to MX Gold's December 23, 2016 news release), WestKam optioned a 5% interest in the Bonaparte property to MX Gold in consideration for MX Gold incurring a minimum of \$650,000 in exploration expenditures on the property by December 31, 2016. WestKam is awaiting evidence that qualifying expenditures have been incurred by the deadline in order to determine whether MX Gold has earned its 5% interest in the property. The parties have agreed that if MX Gold has earned the 5% interest in the Bonaparte property, then the property interest being acquired under the LOI will be the remaining 95% interest; however, if MX Gold has not earned the 5% interest, then the interest being acquired under the LOI will be a 100% interest, without change in the consideration payable therefore.

Completion of each of the above transactions is subject to a number of conditions, including TSXV acceptance, and the sale of the Bonaparte property requires disinterested shareholder approval from the shareholders of WestKam. The Bonaparte transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the transactions will be completed as proposed or at all.

About the Bonaparte Property

The Bonaparte property is located in close proximity to Kamloops, B.C. (less than 1 hour's drive). Access to the property is by well maintained paved and gravel roads. Work on the property commenced in 1985 with the discovery of high-grade gold in quartz float. Work to date has outlined the presence of a series of well-developed, en-echelon, shear/fracture zones that contain auriferous quartz veins within a Triassic/Jurassic quartz diorite that intrudes late Paleozoic volcanics and metasediments.

The veins have produced high-grade intersections for gold in drilling, trenching and underground sampling. The zones average two-to-three meters in thickness and appear to be located 12 to 15 meters apart within a larger regional structure. Exploration to date indicates the zones are open to expansion in all directions, and a much larger target zone, located east of the original Discovery Zone, and was identified in the 2015 drill program. In April 2016, WestKam received an underground Bulk Sample Permit from the BC Ministry of Energy and Mines, allowing for the extraction of 10,000 tonnes of ore from the Bonaparte property. The permitted design of the bulk sample program includes extension of the existing decline approximately 200 meters through to the Grey Jay/Crow vein systems. The program began in early July 2016.

The current position of the decline is at 229.76 metres, approximately 118.1 metres from the Bulk Sample

target zone. The Bulk Sample target zone encompasses the Grey Jay, Crow, Owl and Nutcracker vein structures which occur over a combined width of approximately 20 metres and are partially located beneath the flooded pits resulting from the 1994 and 2010 bulk sample programs. The structures hosting the aforementioned veins trend from 023° to 034° azimuth, dipping between 45° to 55° east. The area of the proposed bulk sampling are anticipated to be reached in approximately eight weeks once full underground operations resume.

The 2010 bulk sample, totaling 364.6 dry short tons averaging 0.475oz/ton gold, was processed at the Kettle River Mill facility returning 161.95 troy ounces of gold at a recovery rate of 93.51%.

For additional information on the Bonaparte property, please see the Technical Report with respect to the property filed by WestKam on WestKam's Sedar profile available at www.sedar.com.

Technical and scientific information in this news release has been reviewed and approved by Lorne Warner P.Geo., a qualified person as that term is defined in National Instrument 43-101.

About MX Gold

[MX Gold Corp.](#) is a junior mining company focused on the exploration, development and mining of advanced projects located in British Columbia and Mexico.

The Company's primary focus in British Columbia is its high-grade Willa gold and copper project located 12 kilometers south of Silverton, B.C. In 2015, [MX Gold Corp.](#) completed the accretive acquisition of the Willa project and the Max Molybdenum Mine and Mill Complex. This acquisition removed major costs and shortened timelines typically associated with mine project development. The Willa mine is located 135 kilometers south of the Max Mill. [MX Gold Corp.](#) can also elect to reopen the Max Molybdenum mining operation once world Moly prices improve.

On behalf of the Board of Directors,

“Dan Omeniuk”
CEO, MX Gold Corp.

For further information, please contact

SkanderBeg Capital Advisors
604-687-7130, Ext 203

Dan Omeniuk, CEO
Email: dano@mxgoldcorp.com

Ron Birch
Phone: 250-545-0383, Toll Free: 1-800-910-7711
Fax: 604-926-4232
Or by email to: info@mxgoldcorp.com

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.

Statements in this news release that are not historical facts are forward-looking statements. Forward-looking statements are statements that are not historical, and consist primarily of projections - statements regarding future plans, expectations and developments. Words such as "expects", "intends", "plans", "may", "could", "potential", "should", "anticipates", "likely", "believes" and words of similar import tend to identify forward-looking statements. Forward-looking statements in this news release include statements regarding the proposed acquisition of the Bonaparte property, the entry into a definitive agreement regarding same, the intention to conduct due diligence on the property and the statement that such acquisition may add value to MX Gold. All of these forward-looking statements are subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual events or results to differ from those expressed or implied, including, without limitation, business integration risks; uncertainty of production, development plans and cost estimates, commodity price fluctuations; political or economic instability and

regulatory changes; currency fluctuations, the state of the capital markets, uncertainty in the measurement of mineral reserves and resource estimates, MX Gold's ability to attract and retain qualified personnel and management, potential labour unrest, reclamation and closure requirements for mineral properties and the availability of capital to fund the Company's projects, as well as other risks and uncertainties identified under the heading "Risk Factors" in the Company's continuous disclosure documents filed on SEDAR. You are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used. MX Gold cannot assure you that actual events, performance or results will be consistent with these forward-looking statements, and management's assumptions may prove to be incorrect. These forward-looking statements reflect current expectations regarding future events and operating performance and speak only as of the date hereof and MX Gold does not assume any obligation to update forward-looking statements if circumstances or management's beliefs, expectations or opinions should change other than as required by applicable law. For the reasons set forth above, you should not place undue reliance on forward-looking statements.

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

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/252571--MX-Gold-Announces-Proposed-Purchase-of-WestKam-Gold-Corp.-Bonaparte-Property.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](#).