Ardiden Ltd:: Secures New Prospective Cobalt-Copper-Nickel Project in Canada

27.03.2017 | ABN Newswire

Perth - Diversified minerals explorer and developer Ardiden Ltd. (ASX:ADV) is pleased to advise that it has further expanded its portfolio of emerging mineral projects in the established mining jurisdiction of Ontario, Canada after securing an option to acquire a prospective early-stage cobalt-copper-nickel project.

HIGHLIGHTS:

- Ardiden enters option agreement to acquire 100% of the Bold Property Project in Ontario, Canada.

- The Bold Property Project has multiple historical cobalt, copper and nickel occurrences which were originally discovered in 1992 by Hexagon Gold (Ontario) Ltd ("Hexagon").

- Hexagon discovered a number of sulphide zones at the Project and completed a limited broad-spaced reconnaissance drilling and sampling program which confirmed the potential for cobalt, copper and nickel mineralisation.

- The 1992 grab sampling program returned grades of up to 0.33% cobalt, 5.54% copper and 0.73% nickel, confirming the project's significant exploration potential.

- The Bold Property Project is located ~50km north-east of the regional town of Mine Centre, Ontario, in close proximity to high-quality regional infrastructure and the ability to access the growing energy storage and Electric Vehicle (EV) manufacturing centres in Detroit and California.

- Historical data review, field mapping and exploration program to commence soon, potentially followed by a drilling program.

The Company has entered into an option agreement with Benton Resources Inc. (CVE:BEX) to acquire 100% of the greenfields Bold Property Project, an attractive early-stage exploration opportunity with several sulphide zones identified by historical exploration which returned encouraging cobalt, copper and nickel values from limited reconnaissance drilling and sampling data.

The project complements Ardiden's existing portfolio of lithium and graphite projects, providing it with exposure to additional metals (cobalt, copper and nickel) which are expected to be in high demand due to their consumption by the growing energy storage, battery and Electric Vehicle (EV) markets globally.

The Bold Property Project is strategically located close to existing good infrastructure, with excellent access to the growing energy storage and Electric Vehicle (EV) markets and EV manufacturers in Detroit (General Motors, Ford Motor Company and Fiat Chrysler Automobiles US) and California (Tesla).

The proposed acquisition of the Bold Property Project is consistent with the Company's strategy of establishing a strong pipeline of prospective mineral projects ranging from greenfields discovery opportunities to more advanced, near-term resource development projects which are highly leveraged to the forecast growth in the energy storage and lithium-ion battery sectors.

Bold Property Project

The Bold Property Project is located approximately 50km north-east of the town of Mine Centre in Ontario, Canada. The property is connected to Highway 11 (Trans-Canada), which is located 25km north via an all-weather road. The project is less than 3 hours' drive from Thunder Bay, a leading regional mining jurisdiction in Ontario with key local infrastructure including a skilled mining workforce and excellent local logistics and infrastructure. It has strong potential to provide a high-quality product to supply growing North American demand and export markets.

The Bold Property Project consists of four claims (1,024 hectares) and covers a number of anomalous sulphide zones. In 1992, Hexagon Gold (Ontario) Ltd. completed a total of 17 drill holes in multiple locations on and around the Bold Property Project at various depths of up to 428m down-hole.

The nine grab samples that were collected by Hexagon in 1992 returned encouraging grades of up to 0.33%

cobalt, 5.54% copper and 0.73% nickel, confirming the significant exploration potential; however, Ardiden confirms that very little work has been completed since then.

It should be noted that the historical drill core and grab sample assay results were obtained and reviewed prior to the current CIM National Instrument 43-101 or JORC (2012) guidelines and, as such, should only be considered from a historical point of view and not relied upon. A qualified person has not completed sufficient work to classify the historical results. Further exploration and drill testing programs are required to report these results in accordance with JORC (2012) guidelines.

In late 2016, Benton Resources Inc. staked the project and has completed limited exploration over the zones of anomalous sulphides at the Bold Property Project.

Acquisition Rationale

The proposed acquisition is consistent with Ardiden's strategy of acquiring a broad portfolio early-stage and near- term commodity development projects located in Tier-1 jurisdictions with exposure to structural and transformational change and outstanding market fundamentals (such as those required to supply the rapidly growing energy storage and lithium-ion battery sector). Together with the proposed acquisition of the Wisa Lake Lithium Project and with Ardiden's existing majority-owned Seymour Lake Lithium Project, 100%-owned Root Lake and Root Bay Lithium Projects and Manitouwadge Graphite Project, this acquisition further supports Ardiden as a potential supplier of the key industrial minerals required for the manufacture of lithium-ion batteries.

Deal Terms

Key deal terms for the option agreement (in CAD) to acquire 100% of the Bold Property Project include:

1. An exclusivity/holding deposit of C$10,000 and 100,000 Ardiden shares to be paid to Benton Resources on signing of the agreement, to commence an option and due diligence period which expires on 31 December 2017;

2. After 5 months of due diligence Ardiden are to issue a further 100,000 shares to Benton Resources.

The total consideration for 100% of the Bold Property Project is C$10,000 in cash and 200,000 Ardiden shares.

1. Subject to successful completion of due diligence and should Ardiden exercise the option, Ardiden will acquire 100% the Bold Property Project for no additional consideration.

2. Ardiden reserves both the right to accelerate all payments or withdraw from the option agreement at any time. The vendor will retain 100% of the Bold Property rights should Ardiden fail to complete any requirements of the option agreement; and

3. Should Ardiden exercise the option, the vendor will retain a 2% net smelter royalty (NSR) and a one (1) kilometre Area of Influence around the project claims for a period of two years. Ardiden will retain the option to buy-back a 1.0% NSR for a payment of C$500,000.

Next Steps

Ardiden intends to immediately commence a full review of the historical drilling, sampling and metallurgical data (if applicable) at the Bold Property Project and then undertake further exploration, potentially including, but not limited to, surface sampling, soil surveys and drilling.

Ardiden looks forward to providing further updates as they come to hand.

To view tables and figures, please visit:
http://abnnewswire.net/lnk/12GCK959

About Ardiden Ltd:

Ardiden Ltd. (ASX:ADV) is an emerging international strategic metals company which is focused on the exploration, evaluation and development of two 100 per cent owned projects located in the established mining jurisdiction of Ontario, Canada.

Contact:

Investors: Brad Boyle Executive Director
Ardiden Ltd.
Tel: +61-8-6555-2950

Media: Nicholas Read Read Corporate
Mobile: +61-419-929-046