GoldON Enters Agreement to Acquire Option on Kir Vit Gold Project in Northeastern Ontario

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Victoria, British Columbia (FSCwire) - GoldON Resources Ltd. (“GoldON” or the “Company”) (TSX-V: GLD) is pleased to announce it has entered into a purchase agreement to acquire the right to earn a 100% interest in the Kir Vit gold project (the “Project”) from Teck Resources Ltd. (“Teck”). Located near the Ontario-Quebec border in McVittie Township, the Project consists of 19 claims covering 1,274 hectares in two non-contiguous blocks (See: Location Map).

The latest work on the Project completed by Teck included soil and rock sampling in 2016/17 which outlined the footprint of a large hydrothermal system containing both gold and pathfinder elements (Bi, W, Mo). The work also included ground IP and magnetic geophysical surveys that show strong anomalies at depth under known surface Au-anomalies. This limited work focused on the eastern claim block and indentified two primary drill targets (Porphyry Trend and Conglomerate Trend).

“The Kir Vit project is an exciting exploration opportunity in a world-class gold mining region where accessibility and infrastructure are excellent,” said Michael Romanik, President of GoldON. “The Project runs along the Larder Lake-Cadillac Deformation Zone, which has historically produced over 24 million ounces of gold from the Matachewan, Kirkland Lake, Larder Lake, Noranda, Cadillac, Milartic and Val d’Or Gold Camps.”

Under the terms of the purchase agreement, GoldON will acquire Teck’s option (the “Underlying Option”) to purchase the Project for the following consideration: $200,000 upon closing; $200,000 on the first anniversary of the closing; shares of GoldON equal to 9.9% of the company’s issued capital at closing; and upon exercising the Underlying Option, a 1% net smelter returns royalty, half of which may be repurchased for $2,000,000. Subject to exercising the Underlying Option, GoldON will also pay three milestone payments totaling $7,000,000 upon completion of the first preliminary economic assessment, the first pre-feasibility study, and the commencement of mine construction. Closing will occur within 60 days following the date of the agreement and is subject to TSX Venture Exchange acceptance of the transaction described herein, completion of an equity financing of not less than $500,000, and other conditions typical of transactions of this nature.

In conjunction with the purchase, GoldON will also undertake a non-brokered private placement of up to 4,000,000 units at a price of $0.15 per unit. Each unit will consist of one common share and one warrant. Each warrant will, in turn, entitle the holder to purchase an additional common share at a price of $0.25 for a period of two years following completion of the financing. This financing is integral to GoldON’s acquisition of the Kir Vit Project and the proceeds will be used for its acquisition and exploration. GoldON may pay cash finders’ fees of up to 6% of the subscription proceeds and up to 6% in the form of finders’ warrants in respect of the financing. The financing is subject to TSX Venture Exchange acceptance.

In addition to the payments to Teck to purchase the Underlying Option, GoldON can exercise the Underlying Option and acquire 100% of the Kir Vit Project by paying to the underlying owners a total of $430,000 over the next 18 months and granting the underlying owners a 2% net smelter returns royalty. GoldON may repurchase one-half of this royalty for $1,000,000.

R. Bob Singh, PGeo, an independent qualified person as defined in National Instrument 43-101, has reviewed and approved the technical contents of this news release on behalf of the Company.

About GoldON Resources Ltd.

GoldON Resources Ltd. is an exploration company geographically focused on the prolific mining belts of

Ontario, Canada. All of its properties are in good standing and include the Slate Falls gold-silver property in northwestern Ontario and the Rainy Gold project which is next to New Gold’s Rainy River Mine. To view GoldON’s latest presentation *click here*.

For more information contact Michael Romanik.

ON BEHALF OF THE BOARD

Signed *“Michael Romanik”*

Michael Romanik, President

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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.

To view the original release, please click here

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