Intermin Resources Limited: Intermin Divests Interest in Lehmans JV for $2.5m Cash

07.11.2018 | ABN Newswire

Perth, Australia - Intermin Resources Ltd. (ASX:IRC) (FRA:I6R) ("Intermin" or "the Company") wishes to advise it has reached agreement with Saracen Mineral Holdings (ASX:SAR) ("Saracen") to divest Intermin's interest in the Lehmans Gold Joint Venture.

The divestment package comprises 14 tenements to the north of Saracen's Thunderbox operation near Leinster in the northern goldfields of Western Australia (Figure 1 in link below) and includes the Otto Bore deposit, located 9km from the Thunderbox mill.

Intermin, through its 100% owned subsidiary Black Mountain Gold Pty Ltd, held a 10% interest in the tenements and were free carried to a decision to mine. The Company also owned an exploration license to the east of the joint venture tenements on a 100% basis.

The parties have now agreed to terminate the joint venture and Intermin has agreed to divest its 100% interest in the exploration license to Saracen on the following terms:

- Payment to Intermin of A$250,000 in cash on execution (received)

- Payment to Intermin of A$2.25 million in cash on completion

- A 2.5% Net Smelter Royalty that is payable by Saracen once Saracen has produced 42,000 ounces of gold from the transaction tenements, and ending once Saracen has produced 100,000 ounces from the transaction tenements

- Intermin to provide any required mining information to Saracen on the purchased tenement

- Intermin and Saracen to be released from any rights and obligations under the joint venture agreement

Commenting on the divestment, Managing Director Mr Jon Price said:

"Holding a minority interest in a project in the northern goldfields just didn't make sense for Intermin and would be a distraction from the Company's core focus of building a gold business in the Kalgoorlie region. This will enable Saracen to explore and develop the projects unencumbered and further strengthen Intermin's financial position as it continues with its gold exploration and mine development growth plans."
To view tables and figures, please visit:
http://abnnewswire.net/lnk/JTRE4082

About Intermin Resources Limited:

Intermin Resources Ltd. (ASX:IRC) is a gold exploration and mining company focussed on the Kalgoorlie and Menzies areas of Western Australia which are host to some of Australia's richest gold deposits. The Company is developing a mining pipeline of projects to generate cash and self-fund aggressive exploration, mine developments and further acquisitions. The Teal gold mine has been recently completed.

Intermin is aiming to significantly grow its JORC-Compliant Mineral Resources, complete definitive feasibility studies on core high grade open cut and underground projects and build a sustainable development pipeline.

Intermin has a number of joint ventures in place across multiple commodities and regions of Australia providing exposure to Vanadium, Copper, PGE's, Gold and Nickel/Cobalt. Our quality joint venture partners are earning in to our project areas by spending over $20 million over 5 years enabling focus on the gold business while maintaining upside leverage.

Source:

Intermin Resources Ltd.

Contact:

Jon Price Managing Director Tel: +61-8-9386-9534 E: jon.price@intermin.com.au Michael Vaughan Media Relations - Fivemark Partners Tel: +61-422-602-720 E: michael.vaughan@fivemark.com.au