Carube Signs LOI to Acquire Latin America Resource Group

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Toronto, August 27, 2019 - Carube Copper Corp. (TSXV: CUC) ("Carube") and Latin America Resource Group ("LARG") are pleased to announce they have entered into a non-binding Letter of Intent ("LOI") dated August 26, 2019, to merge their respective businesses (the "Proposed Transaction"), whereby Carube will acquire all of the issued and outstanding shares of LARG pursuant to the Proposed Transaction. LARG is an unlisted private company with four major shareholders.

LARG's key asset is the Jasperoide Copper-Gold Project (the "Jasperoide Project") located in the highly prospective Andahuaylas-Yauri belt of Peru, where LARG beneficially owns 100% in eight exploration concessions and is earning a majority interest in five exploration concessions together totalling 7,000 hectares. The Andahuaylas-Yauri belt is host to several producing copper-gold-molybdenum deposits and mines including: Las Bambas (Minmetals Group), Antapaccay (Glencore) and Constancia (Hudbay). The Jasperoide Project hosts a number of copper-gold skarn and porphyry targets at various stages of exploration and is located close to existing infrastructure with year-round road access.

Proposed Transaction - Summary

- Carube to secure an underexplored, high-quality, drill ready copper-gold project in a district hosting several producing mines and the opportunity for a major copper-gold discovery.
- All share transaction. LARG shareholders to receive 3.1 common shares (each, a "Carube Share") for each LARG share held on 22 August 2019 and hold 30.9% of the issued shares in Carube post completion of a proposed concurrent CAD $2.5m capital raising.
- LARG will have the right to nominate two directors to the Carube Board upon completion of the proposed acquisition.

The Proposed Transaction combines Carube's highly prospective portfolio of early stage copper-gold and gold assets in Jamaica with LARG's high potential drill ready copper-gold targets in Peru and further strengthens Carube's experienced and highly successful board and management team.

Mr. Stephen Hughes, CEO of Carube, commented: "For the past two years Carube has been systematically searching the America's for a copper and gold opportunity with company maker potential. LARG's Jasperoide project displays all the attributes we have been looking for and the signing of this LOI is a major step forward as we look to grow significant value for all our stakeholders through well targeted and successful project exploration and development. The underlying supply-demand fundamentals for copper remain strong and we believe the quality and timing of this acquisition represents an exceptional opportunity for Carube. Carube looks forward to working with the LARG team to help realize our strategy and vision of creating a leading copper focused explorer-developer."

Ms. Kimberly Ann, CEO of LARG, also commented: "LARG is excited to enter into this LOI with Carube. The combined companies will provide LARG shareholders with liquidity, exposure to Carube's exploration assets, and an injection of capital that will enable the rapid advancement of the Jasperoide project. Jasperoide is an advanced stage mineral development project located in a geologically highly prospective region of the Americas, and under the guidance of the highly skilled and experienced Carube-LARG technical team, we believe that this transaction will help all shareholders realize the wealth creation potential of the Jasperoide project."

Jasperoide Project - Highly Prospective Ground

The Jasperoide Project is located in the highly prospective Andahuaylas-Yauri belt of Peru, an emerging porphyry copper province that is host to several producing mining projects. The Jasperoide Project is located

approximately 50km east of Minmetal's Las Bambas mine (1.2BT @ 0.61% Cu 166 197 ppm Mo[1]) and First Quantum Minerals undeveloped Haquira deposit (569 MT @ 0.56% Cu[2]), 40km northwest of Hudbay's Constancia mine (568MT @ 0.32% Cu, 96ppm Mo[3]) and 100km northwest of Glencore's Antapaccay mine (685MT @ 0.50% Cu, 0.1 g/t Au[4]). Historic exploration activities at the Jasperoide Project focussed on an outcropping and mineralized copper-gold skarn that shows similar features to Las Bambas and other skarn/porphyry copper-gold deposits such as Ertsberg/Grasberg (Indonesia) in respect of geologic setting and mineralization styles.

[1] MMG Limited Mineral Resources and Ore Reserves Statement 30 June 2018
[2] First Quantum Minerals Annual Information Form 2019
[3] Hudbay Mineral Reserves as of January 1, 2018 - www.hudbayminerals.com
[4] Glencore Mineral Reserve Estimates December 31, 2015
www.glencoreperupublicaciones.com/publication/db414077/mobile/

Jasperoide Project - Drill Ready Targets

The Jasperoide project comprises multiple occurrences of strong copper-gold mineralization developed in pervasive magnetite and garnet skarn altered carbonate rocks of the upper Ferrobamba Formation. Surface mapping and sampling programs by previous explorers also identified strong endoskarn alteration in diorite, with locally disseminated chalcopyrite mineralization. Historical drilling campaigns primarily focussed on one prominent zone of outcropping copper-gold mineralization, while numerous other copper-gold skarn surface targets remain untested and drill-ready.

Jasperoide Project - Concession Ownership

LARG has 100% beneficial ownership of eight exploration concessions in the Jasperoide block that total 5800 hectares. LARG has an option to earn a majority interest in five concessions that total 1200 hectares. LARG must spend USD$5M on exploration (USD$1.7M spent to date) and pay USD$2M (USD$60K paid to date) over the next four years to earn 51% in three concessions and 100% in two concessions. It is expected that LARG can earn to 100% of the three concessions by diluting the underlying vendor to a 1.5% royalty. The Jasperoide Project covers 7000 hectares.

Management cautions that past results or discoveries on adjacent properties may not necessarily be indicative to the presence of mineralization on the Jasperoide Project. This press release has been reviewed and approved by Mr. Shannon Baird, P.Geo., Carube Copper's Exploration Manager, in his capacity as a qualified person as defined in National Instrument 43-101 - Standards of Disclosure for Mineral Projects.

Description of Proposed Transaction

Subject to regulatory and all other necessary approvals, Carube will acquire each outstanding common share of LARG in exchange for 3.1 Carube Shares (the "Exchange Ratio"), resulting in Carube issuing a total 101,150,210 Carube Shares, based on LARG's current capitalization. In addition, all outstanding stock options and warrants of LARG not exercised by the holders thereof prior to the Closing Date shall be exchanged for stock options and warrants to purchase Carube Shares, in accordance and subject to adjustment using the Exchange Ratio and pursuant to the rules of the TSX Venture Exchange (the "Exchange"), and shall continue to vest or be convertible on the schedule and terms established at the time of the respective grants set forth in the warrant certificate or stock option agreements of LARG. Both Parties have also agree to settle and extinguish all current liabilities on or prior to the Closing Date. Following completion of the Proposed Transaction, Carube will provide the ongoing management team for LARG and the shareholders of LARG will be entitled to nominate up to two members to Carube's board of directors. It is intended that a concurrent equity raise of CAD $2,500,000 will occur as part of the transaction, the details of which will be announced separately in a future press release. The proposed transaction will result in Carube Copper Corp. having a total of 277,057,139 issued and outstanding shares prior to the concurrent financing.

Completion of the Proposed Transaction is subject to several conditions, including TSX Venture Exchange ("TSXV") final acceptance, completion of due diligence, entering into a definitive agreement, board and shareholder approval, if necessary. Closing of the Proposed Transaction is expected to occur on or about November 15, 2019 or such other date as the Parties may mutually agree (the "Closing Date"). The transaction does not include any non-arms-length parties and no finders' fees are expected to be paid. There

can be no assurance that the Proposed Transaction will be completed as proposed or at all. Trading in the securities of Carube should be considered speculative.

ABOUT LATIN AMERICA RESOURCE GROUP

LARG is a private company incorporated under the laws of Ontario, Canada. The Company is focused on the discovery and development of copper - gold deposits, and is currently earning a majority interest in five mineral exploration concessions and has a 100% beneficial interest in eight mineral exploration concessions together covering 7,000 hectares. The Company's flagship Jasperoide copper-gold project contains multiple near surface zones of skarn, epithermal and porphyry style mineralization and is located within 50km of MMG's Las Bambas copper-gold mine. Kimberly Ann is the Director (non-independent), President, CEO & Founder of LARG, along with the Chairman Fernando Pickmann and Independent Director Brian J. Maher

ABOUT CARUBE COPPER

Carube Copper is focused on creating substantive long-term value for its shareholders through the discovery and development of world class copper and gold deposits. Carube currently holds a 100% interest in 5 licenses covering 207 km^2 of highly prospective copper-gold terrain in Jamaica, and a 100% interest in two porphyry copper-gold properties covering 337 km^2 within the Cascade Magmatic Arc in southwestern British Columbia and a 100% interest in the 46-square-kilometre Stewart Brook gold project in the Meguma gold belt of Nova Scotia. Carube is actively searching for additional high potential copper and gold properties to add to its portfolio.

The responsibility of this release lies with:
Mr. Stephen Hughes, CEO and President +1 (647) 517-4574 • shughes@carubecopper.com,

who along with:
Mr. Jeff Ackert, Vice President, Business Development • +1 (647) 957-2249 • jackert@carubecopper.com may be contacted for further information.

www.carubecopper.com

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This news release includes certain "forward-looking statements" which are not comprised of historical facts. Forward-looking statements are based on assumptions and address future events and conditions, and by their very nature involve inherent risks and uncertainties. Although these statements are based on currently available information, Carube Copper Corp. provides no assurance that actual results will meet management's expectations. Factors which cause results to differ materially are set out in the Company's documents filed on SEDAR. Undue reliance should not be placed on "forward looking statements".

IMPORTANT NOTICE: Carube Copper hereby incorporates the entire disclaimer set forth on its website at http://www.carubecopper.com/uploads/1/6/5/2/16521880/disclaimers-and-forward-statements.pdf

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