

Abitibi Royalties: Canadian Malartic & Early Stage Royalties Update Q4-2019 Quarterly Dividend Declared

28.10.2019 | [GlobeNewswire](#)

VAL-D’OR, Oct. 28, 2019 - [Abitibi Royalties Inc.](#) (RZZ-TSX-V, ATBYF-OTC-Nasdaq Intl: “Abitibi Royalties” or the “Company”) is pleased to provide an update on the Company’s net smelter royalties (NSRs) at the Canadian Malartic Mine, Canada’s largest gold mine, near Val-d’Or, Québec, in addition to other NSRs the Company holds on early-stage exploration projects. The Company’s board of directors has approved a Q4-2019 quarterly dividend of CDN\$0.03 per common share (which would amount to CDN\$0.12 per common share on an annual basis). The Company is unique among its peers due to its strong treasury, no debt, quarterly dividend, share buyback program and limited number of outstanding shares (approximately 12.5 million).

Royalties at the Canadian Malartic Mine

The Canadian Malartic Mine, where Abitibi Royalties owns various NSRs and a net profit interest (“NPI”), is jointly operated by [Agnico Eagle Mines Ltd.](#) (“Agnico Eagle”) and Yamana Gold Inc. (“Yamana”). Abitibi Royalties’ NSRs and NPI cover portions of East Malartic (3% NSR), Odyssey (3% NSR), Sladen (3% NSR), Sheehan (3% NSR), Jeffrey (3% NSR), Barnat Extension (3% NSR), Gouldie (2% NSR), Charlie (2% NSR) and all of Midway (1.5% NSR) and the Radium Property (15% NPI) (Fig 1.).

1) Canadian Malartic Mine

Exploration programs are ongoing to evaluate several deposits and prospective exploration areas to the east of the Canadian Malartic open pit where the Company holds royalties, including portions of the Odyssey, East Malartic, Sladen and Sheehan zones. The Company believes these opportunities may have the potential to provide new sources of mineralization for the Canadian Malartic mill. The mineralization could initially displace a portion of the lower grade open pit mineralization. Access for additional underground drilling and possible mining would be by ramp extending from the Odyssey zone. The permit allowing for the development of an underground ramp was received in December 2018.

Agnico Eagle and Yamana have announced a new discovery at the Canadian Malartic Mine named East Gouldie (see Abitibi Royalties news release September 10, 2019). Exploration drilling suggests that East Gouldie may potentially trend north onto the Company’s 3% NSR at depth. However, the Company believes additional drilling is required to make this determination. Yamana states that East Gouldie, East Malartic and Sladen zones are converging at depth, increasing the level of confidence in the economic potential of the overall resources below 1,000 metres and the prospect for a large underground bulk tonnage opportunity. An initial resource estimate for East Malartic below 1,000 metres was contained in the Company’s news release dated September 10, 2019. The Company anticipates receiving an updated reserve and resource estimate for areas covered by its NSRs at the Canadian Malartic mine in late Q1 or early Q2-2020.

While targeting deeper mineralization along trend from the East Gouldie Zone, drilling intersected an undefined zone located 300 metres north of the East Gouldie Zone horizon and south of the Company’s 3% NSR. This intersection suggests the potential for another zone towards the east in the larger East Gouldie structure, which may also potentially cross into the Company’s 3% NSR. However, similar to East Gouldie, additional drilling is required before the Company can make this determination.

Early Stage Royalties Update

In 2015, Abitibi Royalties began acquiring royalties on early-stage projects near existing mines, where historical exploration had outlined favourable geology with indications of mineralization. The Company believed this was a low-cost method of gaining increased exposure to favourable mining regions. Since acquiring the royalties, a number of the projects are now being advanced.

1) Red Lake Royalties (1% NSR)

The Company holds various NSR interests located near Newmont Goldcorp's Red Lake Mine and adjacent to Pure Gold's Madsen Mine and Great Bear Resources Dixie Project (Fig. 2) in Red Lake, Ontario. On October 10, 2019, Pacton Gold Inc. ("Pacton") announced that drill crews had been mobilized to complete a 10,000 metre drill program on a number of high-priority targets within the Madsen-Dixie fault corridor. Abitibi Royalties' 1% NSR covers a number of key historical gold occurrences within Pacton's Red Lake Gold Project and inside the Madsen-Dixie fault corridor.

2) New Alger Project Royalty (1% NSR)

Abitibi Royalties holds a 1% NSR on the New Alger Project, which contains the historic Thompson-Cadillac Mine, located in the Abitibi region of northwest Québec and adjoins Agnico Eagle's LaRonde Mine to the southeast (Fig. 3). The project contains a NI 43-101 Inferred resource estimate that can be viewed here. [Renforth Resources Inc.](#) ("Renforth"), which owns 100% of the New Alger Project, announced that it is preparing a new NI 43-101 Technical Report and is planning a drill program at the project focused on the Discovery Vein, which is located approximately 250 metres south of the historic Thompson-Cadillac Mine.

Q3-2019 Cash Generation

As announced on October 16, 2019, the Company generated total cash during Q3-2019 of approximately CDN\$988,000, with approximately CDN\$834,000 coming from royalties on the open pit portion contained within the Company's 3% NSR (Fig. 1) at the Canadian Malartic Mine. Royalties from the open pit portion of the Canadian Malartic Mine commenced at the end of Q4-2018 (the Company's core underground royalties at East Malartic and Odyssey are not yet in production). The remainder of the cash generated during the quarter came from options premiums (CDN\$63,000) (for additional information pertaining to the options contracts, including expiry dates and strike prices, please see the Company's Q-2 2019 MD&A prepared as of August 22, 2019) and dividends (CDN\$91,000). During the nine months ended September 30, 2019, the Company generated cash of approximately CDN\$3.2 million.

Q4-2019 Dividend Declared (CDN\$0.03 Quarterly/CDN\$0.12 Annually)

The Company's board of directors has approved its Q4-2019 quarterly dividend on the Company's outstanding common shares of CDN\$0.03 per common share (which amounts to CDN\$0.12 per common share on an annual basis). The record and payment dates for the quarterly dividend will be December 9 and 30, 2019, respectively. The ex-dividend date will be announced in a subsequent news release once finalized. The full amount of the dividend will be designated as an "eligible dividend" as defined in the *Income Tax Act (Canada)*.

Technical Information

The Company requires additional details before it will know the full impact of the studies being completed by Agnico Eagle and Yamana on any potential future underground production inside the Company's 3% NSR area. This includes the grade and tonnes of the open pit low-grade ores that could be potentially displaced by the higher-grade underground material, subsequent production totals and the percentage of production coming from the area covered by the Company's 3% NSR. The Company has not received any of the drill hole data from the exploration drilling at the Canadian Malartic Mine in 2019 that is not in public domain and there can be no assurances that the new discoveries at the mine and described in this news release will extend into the Company's royalty area. Similarly, the Company can provide no assurances that all or any of the exploration drilling at Pacton's Red Lake properties will occur in

areas covered by the Company's NSRs.

About Abitibi Royalties

Abitibi Royalties owns various royalty interests at the Canadian Malartic Mine near Val-d'Or Québec. In addition, the Company is building a portfolio of royalties on early-stage properties near producing mines. The Company is unique among its peers due to its strong treasury, no debt, quarterly dividend, share buyback program and limited number of shares (approximately 12.5 million).

QUALIFIED PERSON

Glenn J. Mullan, Chairman, is the Qualified Person (as defined in National Instrument 43-101 – Standards of Disclosure for Mineral Projects) who has reviewed this news release, based solely on the public disclosure provided by Agnico Eagle, Yamana, Pacton, and Renforth and without independent verification, and is responsible for the technical information reported herein.

For additional information, please contact:

Shanda Kilborn – Director, Corporate Development
2864 chemin Sullivan
Val-d'Or, Québec J9P 0B9
Tel.: 1-888-392-3857
Email: info@abitibiroyalties.com

Forward Looking Statements:

This news release contains certain statements that may be deemed "forward-looking statements". Forward looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or realities may differ materially from those in forward looking statements. Forward looking statements are based on the beliefs, estimates and opinions of the Company's management on the date the statements are made. Except as required by law, the Company undertakes no obligation to update these forward-looking statements in the event that management's beliefs, estimates or opinions, or other factors, should change.

Neither the 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 news release.

Figure 1. Abitibi Royalties' Canadian Malartic Royalties and New Prospect Areas

Figure 2. Abitibi Royalties' NSRs in Red Lake District

Figure 3. Abitibi Royalties - New Alger Royalty Location

Dieser Artikel stammt von [Rohstoff-Welt.de](#)

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/337207--Abitibi-Royalties--Canadian-Malartic-und-Early-Stage-Royalties-Update-Q4-2019-Quarterly-Dividend-Declared.htm>

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](#).