

Abitibi Royalties Inc.: Canadian Malartic Mine Royalties 2019 Reserve & Resource Estimates

23.03.2020 | [GlobeNewswire](#)

VAL-D’OR, March 23, 2020 - [Abitibi Royalties Inc.](#) (RZZ-TSX-V, ATBYF-OTC-Nasdaq Intl: “Abitibi Royalties” or the “Company”) announces the receipt of the year-end 2019 gold Reserve and Resource estimate completed by the Canadian Malartic Mine, operated by [Agnico Eagle Mines Ltd.](#) (“Agnico Eagle”) and [Yamana Gold Inc.](#) (“Yamana”), in respect of the Company's net smelter return (“NSR”) interests. These areas include portions of Odyssey, East Malartic, Barnat, Jeffrey and Gouldie (Fig. 1). In addition, Canadian Malartic has provided a 3 year gold and silver production guidance schedule for areas covered by the Company’s NSR interests during the years 2020-2022.

Information regarding the updated reserve and resource estimates for the areas where Abitibi Royalties holds an NSR interest was provided by Canadian Malartic by way of a "Reserve and Resources Annual Reporting Letter to Abitibi Royalties". The following reserve and resource estimates were extracted from such letter and without any independent investigation. Proven and probable reserves have been calculated at a gold price of US\$1,200 per ounce. Stated reserves are in addition to resources.

Table 1 - Reserve Estimate for Barnat (3% NSR)

Category	Area	Tonnes (Metric)	Gold Grade (g/t)	Contained Ounces
Proven Reserve	BA Stockpile	1,178,576	0.76	28,891
Probable Reserve	BA	1,519,579	1.04	50,707
Total Proven & Probable Reserve	BA	2,698,155	0.92	79,598

*BA = Barnat

Table 2 - Resource Estimate for Odyssey, East Malartic, Barnat & Jeffrey (3% NSR)

Category	Area	Tonnes (Metric)	Gold Grade (g/t)	Contained Ounces
Measured Resources	BA-JF	130,547	1.21	5,059
Indicated Resources	BA-JF-ODY-EM	5,305,267	2.13	363,188
Total M & I Resources	BA-JF-ODY-EM	5,435,814	2.11	368,247
Inferred Resource	BA-JF-ODY-EM	58,272,702	2.15	4,037,263

*BA = Barnat, Jeffrey = JF, Odyssey = ODY, East Malartic = EM

Table 3 - Resource Estimate for Gouldie (2% NSR)

Category	Area	Tonnes (Metric)	Gold Grade (g/t)	Contained Ounces
Measured Resource	Gouldie	909,645	1.62	47,290
Indicated Resource	Gouldie	1,321,246	1.57	66,824
Total M & I Resource	Gouldie	2,230,891	1.59	114,114
Inferred Resource	Gouldie	187,000	1.18	7,112

An updated resource estimate for Midway (Fig. 1), where the Company acquired a 1.5% NSR in 2018 (see news release dated July 9, 2018) has not been completed.

Exploration programs are ongoing at the Canadian Malartic Mine to evaluate several deposits and prospective exploration areas east of the Canadian Malartic open pit, including the new mineralized zone East Gouldie, as well as Odyssey, East Malartic, Sladen, Sheehan and Rand (Fig. 1). Agnico Eagle states that the Canadian Malartic exploration programs in 2020 will consist of 112,000 metres of drilling. A total 90,000 metres of exploration and conversion drilling will be primarily focused on declaring new inferred mineral resources at the East Gouldie Zone and infilling the current inferred mineral resources. Exploration drilling suggests that East Gouldie may potentially trend onto the Company's 3% NSR at depth. However, the Company believes additional drilling and information is required to make this determination. An additional 22,000 metres of exploration drilling will test other regional targets at Canadian Malartic.

Projected Gold & Silver Production 3% NSR 2020-2022

The tables below summarize the expected gold and silver production from 2020-2022 from the Barnat open pit. The Company also expects to generate additional cash from other forms of investment income (option premiums, dividends and interest). The Company intends to use its cash to make additional investments, including other gold royalties that meet its investment criteria, pay additional dividends to shareholders and repurchase the Company's shares under its Normal Course Issuer Bid. In 2019, the Company's cash generation totaled approximately CDN\$5.3 million* (see news release dated January 20, 2020).

Table 4 - Gold Estimated Production 3% NSR (2020)

Year	Area	Tonnes Mined	Gold Grade	Mined Ounces	Processed Ounces	Recovered Ounces	Stockpiled Ounces
January	BA	4,048	0.95	123	123	108	-
February	BA	2,868	1.16	107	107	94	-
March	-	-	-	-	-	-	-
April	-	-	-	-	-	-	-
May	BA	-	-	-	995	870	-995
June	BA	-	-	-	246	217	-246
July	-	-	-	-	-	-	-
August	BA	10,548	0.94	320	227	201	93
September	BA	13,784	1.51	668	2,327	2,040	-1,659
October	BA	3,822	0.77	94	332	294	-238
November	BA	5,738	0.59	109	109	93	-
December	BA	71,514	1.03	2,378	2,270	2,401	-342
Total	BA	112,322	1.05	3,799	7,186	6,318	-3,387

*BA = Barnat

Table 5 - Silver Estimated Production 3% NSR (2020)

Year	Area	Tonnes Mined	Silver Grade	Mined Ounces	Processed Ounces	Recovered Ounces	Stockpiled Ounces
January	BA	4,048	1.40	183	183	137	-
February	BA	2,868	1.72	159	159	120	-
March	-	-	-	-	-	-	-
April	-	-	-	-	-	-	-
May	BA	-	-	-	1,474	1,110	-1,474
June	BA	-	-	-	364	274	-364
July	-	-	-	-	-	-	-
August	BA	10,548	1.40	473	336	253	137
September	BA	13,784	2.23	989	3,445	2,595	-2,456
October	BA	3,822	1.13	139	492	371	-353
November	BA	5,738	0.88	162	162	119	-

December	BA	71,514	1.53	3,521	4,028	3,035	-507
Total	BA	112,322	1.56	5,626	10,643	8,014	-5017

*BA = Barnat

Table 6 - Gold Estimated Production 3% NSR (2021-2022)

Year	Area	Tonnes Mined	Gold Grade	Mined Ounces	Processed Ounces	Recovered Ounces	Stockpiled Ounces
2021	BA	321,060	0.89	9,144	9,540	8,555	-395
2022	BA	543,760	1.00	17,449	19,869	17,797	-2,420
Total	BA	864,820	0.96	26,593	29,409	26,352	-2,816

*BA = Barnat

Table 7 Silver Estimated Production 3% NSR (2021-2022)

Year	Area	Tonnes Mined	Gold Grade	Mined Ounces	Processed Ounces	Recovered Ounces	Stockpiled Ounces
2021	BA	321,060	1.31	13,544	14,129	10,644	-586
2022	BA	543,760	1.48	25,843	29,428	22,168	-3,585
Total	BA	864,820	1.42	39,387	43,557	32,812	-4,170

*BA = Barnat

The Company will notify shareholders if royalty production is materially different than the estimated amounts shown above for 2020.

Reserves/Resource Estimate Information

Resources are in addition to the reserves and are determined by Ordinary Kriging in exception to Odyssey and East Malartic underground estimates, which are determined by Ordinary Kriging or Inverse Distance Squared. A cutoff grade 0.40 gpt gold is used for material located inside the pit design while a fix cutoff of 1.00 gpt gold is used for material below the pit design. Odyssey and East Malartic underground estimates have been constrained by mineable shape optimizer ("MSO") at stope cutoff grades ranging from 1.15 gpt to 1.60 gpt gold (depending on the area and depth) including internal dilution.

A Proven Ore Reserve is the economically minable part of a Measured Mineral Resource. It includes diluting materials and allowances for losses which occur when the material is mined. A Proven Ore Reserve represents the highest confidence category of reserve estimate.

A Probable Ore Reserve is the economically minable part of Indicated Mineral Resource. It includes diluting material and allowances for losses which may occur when the material is mined. A Probable Ore Reserve has a lower level of confidence than a Proven Ore Reserve but is of sufficient quality to serve as the basis for decision on the development of the deposit.

Measured resources are indicated resources that have undergone enough further sampling that a 'competent person' (defined by the NI-43 101) has declared them to be an acceptable estimate, at a high degree of confidence, of the grade, tonnage, shape, densities, physical characteristics and mineral content of the mineral occurrence.

Indicated resources are simply economic mineral occurrences that have been sampled (from locations such as drill holes) to a point where an estimate has been made, at a reasonable level of confidence, of their contained metal, grade, tonnage, shape, densities and physical characteristic.

Inferred mineral resource is that part of a mineral resource for which tonnage, grade and mineral content can

be estimated with a low level of confidence. It is inferred from geological evidence and assumed but not verified geological/or grade continuity. It is based on information gathered through appropriate techniques from location such as outcrops, trenches, pits, workings and drill holes which may be of limited or uncertain quality and reliability.

Update Canadian Malartic Mine COVID – 19

On March 20, 2020, Yamana stated that currently no government measures have been taken in the Province of Québec, Canada, where the Canadian Malartic Mine is located, which would require a suspension or demobilization of the workforce or operations.

Securities Portfolio Update

On March 20, 2020, the Company was assigned 361,400 common shares of Agnico Eagle under its put option contracts for a total investment of approximately US\$16.3 million. The shares were acquired for investment purposes. The Company has written additional put option contracts to acquire shares of Agnico Eagle that include 25,000 shares at US\$45 per common share (contracts expire April 17, 2020) and 31,000 common shares at US\$40 per common share (contracts expire May 15, 2020). In January 2020, the Company announced that it sold 356,800 shares of Agnico Eagle and 857,400 shares of Yamana for gross proceeds of US\$20.5 million. The Company has not written any put option contracts to acquire Yamana common shares. When writing put option contracts, the Company ensures it has 100% of the required funds available in the contract’s stated currency (all shares sold in January and purchased in March were in United States dollars).

After settlement of the assigned common shares, Abitibi Royalties will own 419,100 common shares of Agnico Eagle and 2,682,200 common shares of Yamana. The Company intends to continue to with its policy of writing covered calls on the common shares it owns at strike prices that are well above current market levels.

To date during Q1-2020, the Company’s option premiums (US\$365,600), dividends (US\$46,000) and interest from funds used to purchase the Agnico Eagle common shares (US\$48,000) totaled approximately US\$459,000.

Technical Information

The Company can make no assurance that all or any of the planned 112,000 metres drilling in 2020 will be in the areas covered by the Company’s various royalties. For more information on the reserves and resources at the Canadian Malartic Mine, please see Agnico Eagle and Yamana Gold’s news releases dated February 13, 2020.

*Non-IFRS Measure: The Company has calculated the measure “cash generation” using the cash basis of accounting. This is a non-IFRS measure as IFRS required the Company’s cash in its financial statements to be recognized using the accrual basis of accounting. The Company believes that this measure, while not a substitute for measures of performance prepared in accordance with IFRS, provides investors an improved ability to evaluate the underlying performance of the Company.

QUALIFIED PERSON

Glenn 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 data provided and without independent verification, and is responsible for the technical information reported herein.

About Abitibi Royalties

Abitibi Royalties owns various royalties 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, monthly dividend, share buyback program and limited number of shares (approximately 12.5 million).

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

Dieser Artikel stammt von [Rohstoff-Welt.de](https://www.rohstoff-welt.de)

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/347192--Abitibi-Royalties-Inc.--Canadian-Malartic-Mine-Royalties-2019-Reserve-und-Resource-Estimates.html>

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 Gewühr! Copyright © by Rohstoff-Welt.de -1999-2026. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).