

Emgold Mining Corp. Completes Acquisition of New York Canyon Property, NV from Searchlight

30.03.2020 | [ACCESS Newswire](#)

VANCOUVER, March 30, 2020 - [Emgold Mining Corp.](#) (TSXV:EMR)(OTCPINK:EGMCF)(FRA:EMLM) ("Emgold" or the "Company") announces it has completed the acquisition of 100% ownership of 21 patented and 60 unpatented mineral claims that make up the core of the New York Canyon Property, NV (the "Property") from [Searchlight Resources Inc.](#) (SCLT) ("Searchlight"). The Property hosts both copper oxide skarn and copper-molybdenum-gold-silver sulfide porphyry mineralization in three known targets - Longshot Ridge, Copper Queen, and Champion. As background:

- On July 16, 2019, Emgold announced it had signed a Claim Purchase Agreement with Searchlight to acquire 100% interest in the Property (at that time 21 patented and 60 unpatented mineral claims).
- On November 15, 2019, the Company announced that it had expanded the size of the Property by staking 92 additional unpatented claims.
- On February 11, 2020, Emgold announced it had signed an Earn-In with Option to Joint Venture Agreement with Kennecott Exploration Company ("Kennecott"), a subsidiary of Rio Tinto PLC (RIO:L)(RIO:AX)(RIO:N) for the Property. Kennecott can earn up to a 75% interest in the Property by completing US\$22.5 million in exploration expenditures. Kennecott staked 265 unpatented mineral claims, expanding the Property to 21 patented and 417 unpatented mineral claims, totaling approximately 8,700 acres.

The Property ownership, subject to underlying royalties and subject to transfer of the Searchlight claims to Emgold, will now be consolidated between Emgold and Kennecott and falls under the Earn-In with Option to Joint Venture Agreement between Emgold and Kennecott.

Searchlight Transaction

Under the terms of the Claim Purchase Agreement between Emgold and Searchlight, Emgold, agreed to purchase a 100% interest in the 21 patented and 60 unpatented mineral claims comprising the Property (at that time) from Searchlight under the following terms:

1. C\$10,000 on signing the LOI (paid);
2. C\$40,000 on closing of the Transaction (paid);
3. C\$500,000 in common shares of the capital of Emgold at the date of closing of the Transaction, with the share price based on the 30-day volume weighted average price of the Company's share immediately prior to the announcement of the Transaction - 2,941,176 shares at C\$0.17 per share, with the shares subject to Right of First Refusal provisions (paid);
4. C\$100,000 within 6 months of the date of closing of the Transaction;
5. C\$100,000 within 12 months of the date of closing of the Transaction; and
6. C\$100,000 within 18 months of the date of closing of the Transaction.

In the Claim Purchase Agreement with Searchlight, Emgold had the option of accelerating the acquisition. If the outstanding payments (3 x C\$100,000) were made on or before the 6 month anniversary of the closing of the Transaction, Emgold would be entitled to a 25% discount on the outstanding balance, reducing the amount of the payment due to C\$225,000. Under the terms the Earn-In with Option to Joint Venture Agreement between Kennecott and Emgold (outlined below), Kennecott elected to pay this discounted payment to Searchlight, on Emgold's behalf, as part of its expenditures under the First Option.

Kennecott Transaction

Under the terms of the Earn-In with Option to Joint Venture between Emgold and Kennecott:

1. Kennecott will have an option (the "First Option") to acquire a 55% undivided interest in the Property by incurring US\$5.0 million in expenditures over a 5 year period, of which US\$1.0 million is a committed expenditure that must be completed prior to the 18 month anniversary of the Agreement.
2. Kennecott will have a second option (the "Second Option") to earn an additional 10% undivided interest in the Property (for a total of 65%) by incurring an additional US\$7.5 million in expenditures over a 3 years period.
3. Kennecott will have a third option (the "Third Option") to earn an additional 10% undivided interest in the Property (for a total of 75%) by incurring an additional US\$10 million in expenditures over a three year period.
4. Any expenditure in excess of an option expenditure requirement in a given time period will be credited against subsequent option expenditure requirements. Kennecott may, at any time or from time to time, accelerate its satisfaction of the First, Second, or Third Option by paying Emgold money in lieu of incurring expenditures.
5. While earning in, Kennecott will have the right to make exploration and development decisions.
6. Kennecott must maintain the Property in good standing during the option period(s), including payment of BLM and County maintenance fees and make any underlying property payments due to Searchlight.
7. Kennecott will have the right to elect to form a joint venture (the "Joint Venture") with Emgold upon completion of either the First, Second, or Third Option. Upon establishing a Joint Venture each participant will fund the joint venture according to its participating interest, with Kennecott acting as the Manager of the joint venture. If a party's participating interest falls below 10%, then such parties participating interest will be converted to a 1% Net Smelter Royalty, capped at US\$25 million.

Qualified Person

Robert Pease, C.P.G., a qualified person under the NI 43-101 instrument, has reviewed and approved the technical content of this press release.

About Emgold

Emgold is a junior gold and base metal exploration company focused on Nevada and Quebec. The Company's strategy is to look for quality acquisitions, add value to these assets through exploration, and monetize them through sale, joint ventures, option, royalty, and other transactions to create value for our shareholders. Our Nevada properties owned or under option include Golden Arrow, New York Canyon, Mindora, Buckskin Rawhide East, Buckskin Rawhide West, and Koegel Rawhide. Our Quebec properties owned or under option include Casa South and a 50% interest in the East-West Property (with option to increase ownership to 55%).

Golden Arrow is an advanced stage exploration project and core asset for the Company. Buckskin Rawhide East is an inlying property to Rawhide Mining LLC's operating Rawhide Mine. Casa South is adjacent to Hecla Mining Corporation's (HL) operating Casa Berardi Mine. East-West is adjacent to and on strike with Wesdome Gold Mine Ltd.'s (WDO) Kiena Complex (past producing Kiena Mine) and Osikso Mining Corporation's (OSK) Marban Block (past producing Marban, Norlartic, and Kierrans Mines). Note that the location of Emgold's properties adjacent to producing or past producing mines does not guarantee exploration success at Emgold's properties. For more information on the Company, investors should review the Company's website at www.emgold.com or view the Company's filings available at www.sedar.com.

On behalf of the Board of Directors
David G. Watkinson, P.Eng.
President & CEO

For further information, please contact:

David G. Watkinson, P.Eng.
Tel: 530-271-0679 Ext 101
Email: info@emgold.com

Neither TSX Venture Exchange nor its Regulation Services Provider (as the term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Cautionary Note on Forward-Looking Statements

Certain statements made and information contained herein may constitute "forward looking information" and "forward looking statements" within the meaning of applicable Canadian and United States securities legislation. These statements and information are based on facts currently available to the Company and there is no assurance that actual results will meet management's expectations. Forward-looking statements and information may be identified by such terms as "anticipates", "believes", "targets", "estimates", "plans", "expects", "may", "will", "could" or "would". Forward-looking statements and information contained herein are based on certain factors and assumptions regarding, among other things, the estimation of mineral resources and reserves, the realization of resource and reserve estimates, metal prices, taxation, the estimation, timing and amount of future exploration and development, capital and operating costs, the availability of financing, the receipt of regulatory approvals, environmental risks, title disputes and other matters. While the Company considers its assumptions to be reasonable as of the date hereof, forward-looking statements and information are not guarantees of future performance and readers should not place undue importance on such statements as actual events and results may differ materially from those described herein. The Company does not undertake to update any forward-looking statements or information except as may be required by applicable securities laws. The Company's Canadian public disclosure filings may be accessed via www.sedar.com and readers are urged to review these materials, including any technical reports filed with respect to the Company's mineral properties.

SOURCE: [Emgold Mining Corp.](#)

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

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/347743--Emgold-Mining-Corp.-Completes-Acquisition-of-New-York-Canyon-Property-NV-from-Searchlight.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 Gewähr! Copyright © by Rohstoff-Welt.de -1999-2026. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).