

Ely Gold Royalties Closes the Purchase of Tonopah Patented Claims

03.04.2020 | [Newsfile](#)

The Sale of the Consolidated Land Position to Blackrock Gold Has Also Been Completed

Vancouver, April 3, 2020 - [Ely Gold Royalties Inc.](#) (TSXV: ELY) (OTCQB: ELYGF) ("Ely Gold") or the ("Company") and its wholly owned subsidiary, Nevada Select Royalty, Inc ("Nevada Select") are pleased to announce that they have completed the purchase (the "Cliff ZZ Agreement"), announced February 3, 2020, of seventy-three (73) patented mining claims from Cliff ZZ L.L.C., a Nevada limited liability company (the "Tonopah Extension Claims").

The Tonopah Extension Claims are located in Esmeralda and Nye Counties, Nevada and are contiguous to Nevada Select's current holdings at their Tonopah West Property that now includes 96 patented mining claims and 17 unpatented mining claims. The consolidated Tonopah West land package has been sold under a four-year option agreement to [Blackrock Gold Corp.](#), announced on February 25, 2020 (the "Blackrock Agreement"). The closing of the Blackrock Agreement was contingent on the closing of the Cliff ZZ Agreement. Both transactions closed on April 2, 2020.

The Cliff ZZ Agreement

Under the terms of the Cliff ZZ Agreement, Nevada Select acquired 100% of the Tonopah Extension Claims by paying Cliff ZZ \$650,000 in cash and issuing 600,000 Ely Gold share purchase warrants. Each warrant will be exercisable into one common share at \$0.78 for a period of two years from the date of the Cliff ZZ Agreement. Cliff ZZ will not retain any royalties on the Tonopah Extension Claims.

The Blackrock Agreement

[Blackrock Gold Corp.](#)'s wholly owned US subsidiary is acquiring the Tonopah West Project under an option to purchase agreement. The four year option has payments as follows:

- US\$325,000 on Closing (the "Initial Payment");
- US\$325,000 on the 1st Anniversary of Closing;
- US\$650,000 on the 2nd Anniversary of Closing;
- US\$700,000 on the 3rd Anniversary of Closing; and
- US\$1,000,000 on the 4th Anniversary of Closing (the "Final Payment").

After Blackrock makes the Final Payment, Nevada Select will retain a 3% net smelter returns royalty with no buydown and Blackrock will then pay Nevada Select an annual advance minimum royalty payment of US\$50,000 commencing once the option is exercised. The Option Agreement also includes a one-mile area of interest. There are no work commitments associated with the Option Agreement or after the Final Payment.

Trey Wasser, President and CEO commented, "This transaction continues to support our business model of consolidating under-explored districts while generating royalty interests. We consider Tonopah to be one of the best districts in Nevada based on past production and exploration potential."

The Tonopah District

The Tonopah District is an epithermal precious metal deposit of the quartz-adularia type, which may be divided into gold-rich and silver-rich subtypes. The Tonopah West Property is a prominent example of the silver-rich subtype. Some silver-rich quartz-adularia type deposits have significant base metal content, but

Tonopah is relatively base metal poor. The only larger deposit of this type known in the United States is the Comstock Lode, a relatively gold-rich deposit, which has greater total production of both gold and silver than Tonopah. The Tonopah District has a historical production of 174 million ounces of silver and 1.86 million ounces of gold.

Corporate Update

The Company also announces that, pursuant to its Stock Option Plan, a total of 1,500,000 stock options to purchase Ely Gold common shares have been granted to certain directors, officers, and consultants of the Company, subject to TSX-V approval. These stock options are exercisable at \$0.68 per share and will expire on April 3, 2025.

Qualified Person

Stephen Kenwood, P. Geo, is a director of the Company and a Qualified Person as defined by NI 43-101. Mr. Kenwood has reviewed and approved the technical information in this press release.

About Ely Gold Royalties Inc. Ely Gold is a Vancouver-based, emerging royalty company with development assets focused in Nevada and Quebec. Its current portfolio includes 43 royalties and 19 properties optioned to third parties. Ely Gold's royalty portfolio includes producing royalties, fully permitted mines and development projects that are at or near producing mines. The Company is actively seeking opportunities to purchase existing third-party royalties for its portfolio and all the Company's option properties are expected to produce royalties, if exercised. The royalty and option portfolios are currently generating significant revenue. Ely Gold is well positioned with its current portfolio of over 20 available properties to generate additional operating revenue through option and sale agreements. The Company has a proven track record of maximizing the value of its properties through claim consolidation and advancement using its extensive, proprietary data base. All portfolio properties are sold or optioned on a 100% basis, while the Company retains royalty interests. Management believes that due to the Company's ability to generate third-party royalty agreements, its successful strategy of organically creating royalties, its equity portfolio and its current low valuation, Ely Gold offers shareholders a low-risk leverage to the current price of gold and low-cost access to long-term mineral royalties.

On Behalf of the Board of Directors
Signed "Trey Wasser"
Trey Wasser, President & CEO

For further information, please contact:

Trey Wasser, President & CEO
trey@elygoldinc.com
972-803-3087

Joanne Jobin, Investor Relations Officer
jjobin@elygoldinc.com
647-964-0292

FORWARD-LOOKING CAUTIONS: This press release contains certain "forward-looking statements" within the meaning of Canadian securities legislation, including statements regarding: (i) increase to the Company's outstanding common shares; (ii) use of warrant exercise proceeds; (iii) the Company's forecasts for its royalty portfolio and related business; and (iv) the Company's intention to secure a disinterested shareholder approval at its 2020 annual shareholder meeting. These matters are subject to certain risks and uncertainties. Although the Company believes that such statements are reasonable, it can give no assurance that such expectations will prove to be correct. Forward-looking statements are statements that are not historical facts; they are generally, but not always, identified by the words "expects," "plans," "anticipates," "believes," "intends," "estimates," "projects," "aims," "potential," "goal," "objective," "prospective," and similar expressions, or that events or conditions "will," "would," "may," "can," "could" or "should" occur, or are those statements, which, by their nature, refer to future events. The Company cautions that Forward-looking statements are based on the beliefs, estimates and opinions of the Company's management on the date the

statements are made and they involve a number of risks and uncertainties. Consequently, there can be no assurances that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Except to the extent required by applicable securities laws and the policies of the Exchange, the Company undertakes no obligation to update these forward-looking statements if management's beliefs, estimates or opinions, or other factors, should change. Factors that could cause future results to differ materially from those anticipated in these forward-looking statements include risks of declining precious metals prices, failure of projects in which the Company has an interest may underperform current management forecasts, the Company may not be able to identify suitable new royalty acquisitions, and the political uncertainties and regulatory or legal disputes or changes in the jurisdictions where the Company carries on its business that might interfere with the Company's business and prospects. The reader is urged to refer to the Company's reports, publicly available through the Canadian Securities Administrators' System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com for a more complete discussion of such risk factors and their potential effect.

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 release.

Dieser Artikel stammt von Rohstoff-Welt.de

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/348194--Ely-Gold-Royalties-Closes-the-Purchase-of-Tonopah-Patented-Claims.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](#).