

Royal Road Minerals Enters into Further Mining Formalization Agreements at the La Candelaria and San Miguel Gold Mines in Nariño

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And Executes Heads of Agreement with Colombian Miner, Latminco S.A.S, Colombia

Toronto, April 29, 2020 - [Royal Road Minerals Ltd.](#) (TSXV: RYR) ("Royal Road" or the "Company") is pleased to announce that its 100% owned Colombian subsidiary, Exploraciones Northern Colombia SAS ("ENC"), has entered into formalization agreements (the "Formalization Agreements") and related earn-in option and royalty agreements (collectively, the "Agreements") with the proprietors of the La Candelaria and San Miguel informal gold mines located in the municipality of Los Andes-Sotomayor, Nariño district, Colombia. The La Candelaria and San Miguel mines are located within concession contract HH2-12001X ("the Concession"), held by AngloGold Ashanti (AGA), pending assignment to ENC pursuant to a Stock Purchase Agreement dated March 4, 2019 (see press release March 5, 2019).

Currently Royal Road has entered into four mining formalization agreements in Nariño (see also press releases October 2, 2019 and April 22, 2020; Figure 1). The Agreements were negotiated and entered into under the framework of the Colombian government's National Policy for Mining Formalization wherein specific portions of the area held under concession by ENC will be returned directly to informal miners so that new concession contracts ("Formalized Concessions") over such returned areas may be granted, enabling legal and responsible mining operations to take place. In exchange, ENC will receive a quarterly royalty equivalent to 3% of the doré extracted from the Formalized Concessions and has been granted the sole and exclusive right to carry out all exploration activities on the Formalized Concessions and the right to acquire 70% of the Formalized Concessions, subject to the completion of certain exploration milestones as summarized below. In-case the Company assists in further optimizing mine operations on Formalized Concessions, ENC may increase the royalty to be received by a further 1%.

The Company is also pleased to announce that it has executed a Heads of Agreement ("HOA") with Colombian mining company Latminco S.A.S ("LMC"). LMC is a resource company established to develop traditional goldmines using modern mining and treatment technologies with the aim of improving the efficiency of mine operations for the benefit of local miners and surrounding communities. The HOA anticipates that LMC and ENC will collaborate and agree with certain Formalized Concessions to identify opportunities where production may be optimized and processing may be centralized to the benefit of all parties. In such cases, the relative royalty payments due to ENC from the Formalized Concessions shall become payable by LMC and the contractual security held by ENC over the Formalized Concessions shall be transferred for the benefit of LMC.

Figure 1

To view an enhanced version of Figure 1, please visit:
https://orders.newsfilecorp.com/files/4008/55089_Figure%201.jpg

About the La Candelaria and San Miguel Gold Mines

The La Candelaria and San Miguel gold mines are located in the east of concession contract HH2-12001X (see Figure 1) and unlike the majority of gold deposits in the region are hosted in a silicified and folded sedimentary succession. Gold mineralization is predominantly related to steep to moderately dipping and northeast trending brittle shear zones and is concentrated in 25 to 30 centimeter wide vein centers, surrounded by vein-stockwork zones of an unknown width. Rock-chip channel and grab sampling completed by AGA at La Candelaria in 2010, returned best results of 2.0 meters at 50.4 and 2.0 meters at 16.1 grams per tonne gold (32 samples, mean 3.0 grams per tonne gold, lowest result below laboratory detection limit). The presence of gold related to vein stockwork mineralization in the sedimentary wall-rocks at La Candelaria

and San Miguel, imply the possibility of gold mineralization over wider, more economic widths.

"The Company has now executed four formalization agreements over promising gold operations in Nariño and there will be more to follow," said Tim Coughlin, Royal Road's President and CEO. "The cash we anticipate earning from royalties due as part of this process will of course be significant, but we do not want to lose sight of the fact that we are an exploration company. The agreement we have executed with Latminco can allow us to effectively hand over the mine management component of the formalization process and ensure that our expert teams are focused on the job of finding large, Tier 1 gold and copper deposits, either as a component of the earn-in aspect of these agreements, or elsewhere in our extensive and prospective land package throughout Colombia."

Highlights of the Formalization Agreements

The following is a brief summary of some of the key aspects of the Agreements:

Formalization Agreement

- Company to return a specific area within the Concession and permit a new mining concession over such area to be issued for the benefit of informal miners
- Informal miners at La Candelaria and San Miguel to satisfy requirements of Colombian mining regulations, including in respect to environment and workplace health and safety
- La Candelaria and San Miguel to allow ENC to have access at any time and to assist with sustaining social licenses at the project and elsewhere in the district

Option Agreement

- ENC has the right to earn 70% of the La Candelaria and San Miguel Concessions by completing a minimum 3000 meters of drilling, underground sampling and an internal feasibility study with respect to each within five years of the date on which the formalization process is complete
- La Candelaria and San Miguel's 30% interest to be free-carried through to commercial production and at such point to be converted to a 30% net profit interest
- La Candelaria and San Miguel to receive an additional 5% net profit interest royalty from mine production within a 100 meter buffer zone around the La Candelaria and San Miguel Concessions and within the Concession HH2-12001X

Royalty Agreement

- From the time of granting of the La Candelaria and San Miguel Concessions, ENC to receive a royalty of 3% of the doré extracted from the La Candelaria and San Miguel Concessions payable in kind on a quarterly basis
- In-case ENC assists in increasing production at the La Candelaria and San Miguel Concessions beyond the average production calculated from the first two quarters of mine production, ENC may increase the royalty to be received by a further 1%
- The royalty is payable until the earlier of ENC relinquishing its entire interest in Concession HH2-12001X, ENC exercising its option to earn 70% and delivering notice to La Esmeralda that it intends to commence mine construction and ENC developing and securing to its satisfaction a global JORC-compliant resource on a single stand-alone project of no less than 3 million ounces gold on the HH2-12001X Concession area surrounding the La Candelaria and San Miguel Concessions

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.

The information in this news release was compiled, reviewed and verified by Dr. Tim Coughlin, BSc (Geology), MSc (Exploration and Mining), PhD (Structural Geology), FAusIMM, President and CEO of [Royal Road Minerals Ltd.](#) and a qualified person as defined by National Instrument 43-101. Royal Road Minerals employees are instructed to follow standard operating and quality assurance procedures intended to ensure that all sampling techniques and sample results meet international reporting standards. More information can be found on Royal Road Minerals web site at www.royalroadminerals.com

Quality Assurance and Quality Control:

The following information was made available to the Company by AngloGold Ashanti.

Sample preparation and analyses are conducted according to standard industry procedures. Rock samples are crushed, split and pulverized prior to analysis of Gold by fire assay and Atomic Absorption and multi-elements by ICP-AES and ICP-MS after four acid digestion. Stream sediment samples are sieved to -200 mesh and analyzed for Gold by fire assay and ICP AES and multi-elements by ICP-AES and ICP-MS after aqua regia digestion. Analytical performance is monitored by means of certified reference materials (CRMs), coarse blanks, coarse and pulp duplicate samples. Surface samples have been prepared, for the most part, in ALS Chemex preparation lab in Colombia and analyses have been completed in ALS Chemex Lima.

Cautionary statement:

This news release contains certain statements that constitute forward-looking information and forward-looking statements within the meaning of applicable securities laws (collectively, "forward-looking statements") describing the Company's future plans and the expectations of its management that a stated result or condition will occur. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Company, or developments in the Company's business or in the mineral resources industry, to differ materially from the anticipated results, performance, achievements or developments expressed or implied by such forward-looking statements. Forward-looking statements include all disclosure regarding possible events, conditions or results of operations that is based on assumptions about, among other things, future economic conditions and courses of action, and assumptions related to government approvals, and anticipated costs and expenditures. The words "plans", "prospective", "expect", "intend", "intends to" and similar expressions identify forward looking statements, which may also include, without limitation, any statement relating to future events, conditions or circumstances. Forward-looking statements of the Company contained in this news release, which may prove to be incorrect, include, but are not limited to the Company's exploration plans.

The Company cautions you not to place undue reliance upon any such forward-looking statements, which speak only as of the date they are made. There is no guarantee that the anticipated benefits of the Company's business plans or operations will be achieved. The risks and uncertainties that may affect forward-looking statements include, among others: economic market conditions, anticipated costs and expenditures, government approvals, and other risks detailed from time to time in the Company's filings with Canadian provincial securities regulators or other applicable regulatory authorities. Forward-looking statements included herein are based on the current plans, estimates, projections, beliefs and opinions of the Company management and the Company does not undertake any obligation to update forward-looking statements should assumptions related to these plans, estimates, projections, beliefs and opinions change.

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