

# NorZinc Ltd. Provides Results for First Quarter 2020

15.05.2020 | [CNW](#)

VANCOUVER, May 14, 2020 - [NorZinc Ltd.](#) (TSX: NZC; OTCQB: NORZF) (the "Company" or "NorZinc") reports its interim financial results and development activities for the first quarter ended March 31, 2020 ("Q1 2020"). (All amounts are in Canadian dollars unless otherwise stated. M = million).

## Q1 2020 Results & Recent Highlights

- Financial and Corporate
  - Closed and received first tranche of US\$3M (approx. C\$4.2M) unsecured loan from the Company's largest shareholder RCF VI CAD LLC (Apr)
  - Closed \$0.9M oversubscribed private placement (Mar)
  - Implemented COVID-19 precautions (Mar)
  - Cash and short-term investments at March 31, 2020 - \$0.1M (Mar)
  - Loss for Q1 2020 - \$3.0M (Mar)
- Prairie Creek
  - Announced updated focus for 2020 and 2021 on activities related to possible significant:
    - Increase in throughput; and
    - Increase in reserves (Apr)
  - All Season Road ("ASR") Phase 1 Management Plan development (Jan-March)
  - Continued discussions to renew Mine Operations permits (Mar)
  - Renewal of Surface Leases: Mine Site & Airstrip (Mar)
  - Made presentations to Dehcho First Nations and met with regulators (Jan-Mar)

## Summary

The Company's activities are primarily focused on the completion of permitting and ultimate development of the Prairie Creek zinc-lead-silver mine in the Canada's Northwest Territories. The Company provided a corporate update on April 22, 2020 outlining the new objective for the Mine for 2020 and 2021 based on a thorough internal review. The results of this review process have focussed the Company on a 2020 and 2021 plan for the Mine on a possible significant:

- Increase in production throughput; and
- Increase in reserves

The Company is working through Stage 1 currently, a thorough planning process to define and establish the scope of all elements required to ready the project for Stage 2. In Stage 2, the actual exploration drilling program, site infrastructure redesign, mine design and economics, engineering, permitting and project execution plans will be completed.

During the first quarter, the Company has made significant advances towards the successful development of the Prairie Creek Mine.

- In April, NorZinc provided a significant corporate update on the project as well as announced the signing of a US\$3.0M Bridge Loan. The company has drawn down the first US\$1.5M tranche of the loan and will draw the second tranche down during the second quarter. The Bridge Loan will be repaid from the proceeds of a rights offering that has been previously disclosed.
- Implemented COVID-19 measures including temporary closure of the Vancouver head office with all staff working remotely. The Fort Simpson office has maintained some activities in support of the communities but strictly within the NWT guidelines for remote communities.
- In March, the Company closed on a \$0.9M oversubscribed private placement
- In February, the Company announced it will voluntarily file a Form 15F with the United States Securities and Exchange Commission (the "SEC") to terminate the registration of its common shares under Section 12(g) of the Securities Exchange Act of 1934.

## Review of Financial Results

For the three months ended March 31, 2020, the Company reported a net loss and comprehensive loss of \$3.0M compared to a net loss and comprehensive loss of \$2.6M for the three months ended March 31, 2019.

At March 31, 2020, the Company had negative working capital balance of \$1.3M which included cash and cash equivalents of \$65,000 and short-term investments of \$35,000. At December 31, 2019, the Company had cash and cash equivalents of \$2.5M, short-term investments of \$32,000 and a positive working capital balance of \$0.8M.

## Outlook and Factors Affecting Performance

NorZinc's focus for 2020 and 2021 is for a possible significant increase in production throughput and increase in reserves through the completion of the Stage 1 and Stage 2 plans announced in April. The Company has been active in working towards a timely completion of Stage 1 activities. This has included discussions and engagement with prospective consultants and vendors in getting the appropriate supplemental expertise to define and establish all elements required for Stage 2.

The Company continues to work with the respective Regulators in ensuring compliance with all respective licenses and permits. As previously mentioned, while there are no guarantees, NorZinc is optimistic that under the assumption of obtaining additional funding, Stages 1 and 2 can be achieved over the next 18-24 months.

The Company is continually assessing various options for financing the development of Prairie Creek, these include alternative project financing, discussions with strategic investors, governmental supported funding, leases and other financing mechanisms.

## Qualified Person

Unless otherwise indicated, all scientific and technical information relating to the Company's mineral projects contained in this news release has been reviewed and approved by Kerry Cupit, P. Geo., who by reason of education, membership in professional associations (as defined in NI 43-101) and past relevant work experience, fulfills the requirements of a qualified person as defined in NI 43-101. Mr. Cupit is a Project Geologist employed by the Company, with a B.Sc. in Earth Sciences (Geology).

## About NorZinc

NorZinc is a TSX-listed mine development Company trading under the symbol "NZC". NorZinc is developing its key project, the 100%-owned high grade zinc-lead-silver Prairie Creek Mine, located in the Northwest Territories. NorZinc also owns projects in Newfoundland that host several zinc-lead-copper-gold-silver deposits.

## Cautionary Statement &#8211; Forward-Looking Information

This press release contains forward-looking information, including, among other things, statements regarding the Company's objectives for increases in mine throughput and reserves, the economic and environmental effects of achieving such increases, and the timing for completing Stage 1 and Stage 2 of the plan. These statements reflect the Company's objectives generated for planning purposes only and are disclosed in order to explain the direction the Company intends to take in 2020 and 2021. The analyses that lead to these objectives are internal studies only and the conclusions and recommendations of such studies have not and will not be publicly disseminated. There is no assurance that production rates will ultimately increase from the rates contemplated in the Company's current feasibility study or that the production on the property will be achieved at all. There is also no assurance that further exploration on the property will result in increased reserves and the reader should not read these objectives as reflecting an economic analysis of the project

based on inferred resources. Resources that are not reserves do not have demonstrated economic viability. Inferred resources are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as reserves. There is no certainty that resources will ever be converted into reserves.

Statements relating to closing and timing of the Bridge Loan also constitute forward-looking information, as do statements relating to the completion, timing and size of the rights offering and the use of the proceeds thereof. In making the forward-looking statements in this release, the Company has applied certain factors and assumptions that the Company believes are reasonable, including that the mine enhancement objectives will achieve the expected results, that additional exploration on the property will result in increases in reserves, that financing will be available to achieve these goals on acceptable terms, that regulatory approvals for the plan will be received. These statements also based on management's expectations regarding the size and quality of resources, future trends for the Company, progress in development of properties, future production and sales volumes, capital costs, mine production costs, demand and market outlook for metals, future metal prices and treatment and refining charges, the outcome of legal proceedings, the timing of exploration, development and mining activities, capital market conditions, and the financial results of the Company. However, the forward-looking statements in this release are subject to numerous risks, uncertainties and other factors that may cause future results to differ materially from those expressed or implied in such forward-looking statements. Material risk factors that could cause actual results to differ materially from the forward-looking statements include risks that the assumptions and factors on which the forward-looking information is based differ from expectations, risks related to the COVID-19 global health crisis, the Company's history of losses, lack of revenue generation, and dependence on substantial financing to develop the Prairie Creek Mine, as well as all of the risk factors described in the Company's most recent Annual Information Form and Management's Discussion & Analysis filed with Canadian provincial securities regulatory authorities. The Company disclaims any intention or obligation to update or revise any forward-looking information, except as required by applicable law.

SOURCE [NorZinc Ltd.](#)

#### Contact

Don MacDonald, President & CEO or Ambika Srinivas both on (604) 688-2001 or Tollfree:1-866-688-2001; E-mail: [IR@norzinc.com](mailto:IR@norzinc.com); Website: [www.norzinc.com](http://www.norzinc.com)

---

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

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/351507--NorZinc-Ltd.-Provides-Results-for-First-Quarter-2020.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](#).