

# Rokmaster Delivers Robust Economics for Revel Ridge: After-Tax NPV(5.0%) of C\$423M, 29.5% IRR and 2.6 Years Payback

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VANCOUVER, Dec. 8, 2020 - [Rokmaster Resources Corp.](#) ("Rokmaster" or the "Company") is pleased to announce preliminary results from the Preliminary Economic Assessment ("PEA") study prepared in accordance with National Instrument 43-101, Micon International Limited ("Micon"), supported by Canenco Consulting Corp., Base Metallurgical Laboratories Ltd., Canadian Northern Mining Corp., and Knight Plésold Consulting, for the Revel Ridge polymetallic gold-silver Project ("Revel Ridge Project") located in the Revelstoke area of southeastern British Columbia.

The PEA demonstrates the Revel Ridge Project's potential to become a long life, low cost, robust polymetallic gold-silver mine with strong project economics with a base case gold price of US\$1,561/ounce gold. In addition to the PEA, Revel Ridge has upside potential to expand current resources through ongoing exploration diamond drilling down dip, up dip, along strike and other occurrences, with more than 430 samples currently awaiting assay.

Revel Ridge 2020 PEA Highlights (reported in C\$, except where noted) include:

- High-grade underground mine with mill-feed averaging \$300/T NSR value (diluted) comprised of the Main Zone with mill-feed averaging 4.24 g/t Au, 49.8 g/t Ag, 2.62 % Zn, 1.63 % Pb (diluted) and the Yellow Jacket Zone 0.65 MT averaging 1.90% Pb, 43.0 g/t Ag and 0.06 g/t Au (diluted). Years 1-4 mill-feed will average >\$400/T NSR (diluted).
- After-tax NPV5.0% of C\$423M and 29.5% IRR at US\$1,561/oz Au, US\$20.55/oz Ag, US\$1.07/lb Zn, and US\$0.99/lb Pb.
- After-tax payback period of 2.6 years discounted at 5.0%.
- After-tax NPV<sub>5.0%</sub> CAPEX Ratio of 1.1:1
- Life of mine ("LOM") average annual production of 124,000 oz payable AuEq. (89,000 oz Au, 690,000 oz Ag, 37.5 million lbs Pb).
- LOM all-in sustaining costs ("AISC") net of Ag-Zn-Pb by-products is US\$560/oz payable Au.
- LOM AISC of US\$842/oz payable AuEq.
- LOM cash costs net of Ag-Zn-Pb by-products is US\$362/oz payable Au.
- LOM cash costs of US\$700/oz payable AuEq.
- 2,300 tonne per day (TPD) mill comprising crushing-sorting-grinding-gravity-flotation-POX plant, producing gold/silver and saleable zinc and lead concentrates

Notes:

1. Exchange Rate (US\$/C\$) of 0.77
2. Cash costs are inclusive of mining costs, processing costs, and site G&A
3. AISC includes cash costs plus estimated sustaining capital and closure costs
4. Payable Gold Equivalent (AuEq) calculated by dividing net sales revenue by \$1,556 (i.e., \$1,561/oz Au less \$5/oz Au refining costs).

Rokmaster's Chairman, Michael ("Mike") Cowin stated, "Revel Ridge is a remarkable property that has been worked on for decades to unlock its riches. After significant metallurgical, marketing and processing studies, this PEA demonstrates that Revel Ridge has a solid future ahead as a high-grade underground polymetallic gold-silver mine, utilizing conventional mining & processing equipment to produce a combination of saleable concentrates and gold-silver doré. The Project has the potential to produce an average of 124,000 gold-equivalent ounces per year with a diluted mill feed grade of 5.53 grams per tonne gold-equivalent, selling zinc and lead-silver concentrates to reliable Canadian and offshore smelters and utilizing low risk onsite processing.

facilities, we are able to keep initial capital costs low and cut marketing risk both short and long term."

John Mirko, President and CEO of Rokmaster commented "This is a very strong start to a project with significant exploration upside. As a historical exploration site, Revel Ridge benefits from tremendous infrastructure in the nearby area and on-site installed by the previous developers, in addition to its location in a favourable, mine-friendly jurisdiction. Rokmaster's team has substantial experience with permitting, constructing and operating mines in the Kootenay region and has demonstrable experience supporting community through mine development with low environmental impact."

## PEA Overview

The 2020 Revel Ridge PEA considers an underground mine with on-site treatment of the mined material by conventional gravity and flotation to produce concentrates for sale to third-party smelters, in combination with on-site treatment of refractory concentrates to produce gold-silver doré. The mine will comprise an owner-operated, ramp developed, long hole stope underground mine.

The processing capacity of 2,300 tonnes per day will result in a production lifespan of 12 years. An additional 18 months of ramp access and development, and construction of the process plant and dry-stack tailings facility is planned prior to the mine becoming fully operational in Year 1. The PEA leverages Revel Ridge's extensive existing infrastructure, including all-weather access roads, local hydroelectric facilities, 3 km of underground development, permitted waste rock storage facility, full tailings facility and proximity to the City of Revelstoke with its skilled labour pool.

The PEA is derived from the Company's NI 43-101 resource estimate (January 29, 2020), and does not include results from a recently initiated and ongoing 2020 exploration diamond drilling program. The effective date of the PEA is December 8, 2020. A technical report will be filed on the Company's website and on SEDAR within 45 days of this disclosure.

Mineral resources that are not mineral reserves do not have demonstrated economic viability. This PEA is preliminary and includes inferred mineral resources that are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves. There is no certainty that the results of this PEA will be realized.

Table 1: Revel Ridge 2020 PEA Detailed Parameters and Outputs

Assumptions	
Gold Price (US\$/oz)	\$1,561
Silver Price (US\$/oz)	\$20.55
Zinc Price (US\$/lb)	\$1.07
Lead Price (US\$/lb)	\$0.91
Exchange Rate (US\$/C\$)	0.77
Royalties	0%
Contained Metals in Mill Feed	
Contained Gold Ounces (koz)	1,280
Contained Silver Ounces (koz)	15,934
Contained AuEq Ounces (koz)	1,785
Mining	

Mine Life (Years)	12
Main Zone LOM production (MT, diluted)	9.39
Average Diluted Gold Grade (g/T)	4.24
Average Diluted Silver Grade (g/T)	49.8
Average Diluted Zinc Grade %	2.62
Average Diluted Lead Grade %	1.63
Yellow Jacket Zone LOM production (Mt, diluted)	0.65
Average Diluted Gold Grade (g/T)	0.06
Average Diluted Silver Grade (g/T)	43.00
Average Diluted Zinc Grade %	7.47
Average Diluted Lead Grade %	1.90
Processing	
Processing Throughput (TPD)	2,300
Total Mill-feed Tonnage (MT)	10,04
Average revenue per tonne treated (C\$/T)	300.25
Average Diluted Gold Equivalent Grade (g/T AuEq)	5.53
Production	
Gold Recovery	83.5%
Silver Recovery	52.0%
LOM Gold Production (koz)	1,068
LOM Silver Production (koz)	8,282
LOM Zinc Production (Mlbs)	450
LOM Lead Production (Mlbs)	255
LOM Gold Equivalent Production (koz AuEq)	1,490
LOM Average Annual Gold Production (koz)	89
LOM Average Annual Silver Production (koz)	690
LOM Average Annual Gold Equivalent Production (koz)	124
Operating Costs	
Mining Cost (C\$/T Milled)	\$62.42
Processing Cost (C\$/T Milled)	

\$65.07



G&A Cost (C\$/T Milled)	\$7.59
Total Operating Cost (C\$/T Milled)	\$135.08
Cash Costs and AISC	
LOM Cash Cost (US\$/oz Au) Net of Silver-Zinc-Lead By-Products	\$362
LOM Cash Cost (US\$/oz AuEq) Co-Product	\$700
LOM AISC (US\$/oz Au) Net of Silver-Zinc-Lead By-Products	\$560
LOM AISC (US\$/oz AuEq) Co-Product	\$842
Capital Expenditures	
Pre-Production Capital Expenditures (C\$M)	\$396
Sustaining Capital Expenditures (C\$M)	\$274
Reclamation Cost (C\$M)	\$6.5
Economics	
After-Tax NPV (5.0%) (C\$M)	\$423
After-Tax NPV (7.5%) (C\$M)	\$345
After-Tax NPV (10.0%) (C\$M)	\$279
After-Tax IRR(%)	29.5
After-Tax Payback Period, base case discounted at 7.5% (Years)	2.7
After-Tax NPV <sub>7.5</sub> :CAPEX Ratio	0.9:1
Pre-Tax NPV (5.0%) (C\$M)	\$689
Pre-Tax NPV (7.5%) (C\$M)	\$578
Pre-Tax NPV (10.0%) (C\$M)	\$484
Pre-Tax IRR (%)	39.6
Pre-Tax NPV <sub>7.5</sub> :CAPEX Ratio	1.5:1
Average Annual After-Tax Free Cash Flow (Year 1-5) (C\$M)	\$160
LOM After-Tax Free Cash Flow (C\$M)	\$630

## Notes:

1. Cash costs are inclusive of mining costs, processing costs, and site G&A
2. AISC includes cash costs plus corporate G&A, sustaining capital and closure costs
3. Payable Gold Equivalent (AuEq) calculated by dividing net sales revenue by \$1,556 (i.e., \$1,561/oz Au less \$5/oz Au refining costs).

## Sensitivities

Base case NPV<sub>7.5%</sub> remains positive for changes of 25% in revenue drivers (commodity prices, grade, and recovery), capital expenditure or operating costs. After-tax economic sensitivities to commodity prices are presented in Table 2 illustrating the effects of varying gold price as compared to the base-case. Additional Project sensitivities will be presented in the Technical Report.

Table 2: After-Tax NPV and IRR Sensitivities to Commodity Prices

	Lower Case	Base Case	Higher Case
Gold Price (US\$/oz)	\$1,400	\$1,561	\$1,700
After-Tax NPV (5.0%) (C\$M)	307	423	523
After-Tax NPV (7.5%) (C\$M)	242	345	433
After-Tax NPV (10.0%) (C\$M)	187	279	358
After-Tax IRR (%)	23.6	29.5	34.4
After-Tax Payback discounted at 7.5% (Years)	3.2	2.7	2.4
Average Annual After-Tax Free Cash Flow (Years 1-5) (C\$M)	140	160	177

## Revel Ridge Mineral Resource Estimate

The Company's current Mineral Resource Estimate ("MRE"); please refer to the technical report entitled "Updated Technical Report on the Revel Ridge Property (formerly J&L Property), Revelstoke Mining Division, British Columbia, Canada" dated February 25, 2020 with an effective date of January 29, 2020) completed by P&E Mining Consultants forms the basis for this PEA. The MRE does not include drilling results from the Company's recently initiated and ongoing 2020 exploration diamond drill program.

Table 3: Mineral Resources reported at CAD 110/t NSR cut-off (effective date: January 29, 2020):

Mineralized Zone	Classification	Tonnes (k)	Au (g/t)	Au (koz)	Ag (g/t)	Ag (koz)	Pb (%)	Zn (%)	Au Eq (g/t)	Au Eq (koz)
Main Zone	Measured	1,352	6.13	266	62.8	2,730	2.19	4.09	9.14	397
	Indicated	2,848	5.33	488	49	4,487	1.72	3.11	7.56	692
	Meas & Ind	4,200	5.59	755	53.4	7,216	1.87	3.43	8.07	1,089
	Inferred	4,562	4.36	639	61.8	9,064	1.88	2.59	6.55	961
HW Zone	Indicated	298	0.91	9	55.3	530	2.5	5.72	4.70	45
	Inferred	38	0.22	0	75	92	3.08	5.44	4.34	5
FW Zone	Inferred	341	3.91	43	25.3	277	0.53	0.48	4.20	46
Yellowjacket Zone	Indicated	771	0.09	2	62.6	1,552	2.6	9.93	NA	NA
	Inferred	23	0.11	0	55.4	41	2.65	7.68	NA	NA

- 1) Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.
  - 2) The Inferred Mineral Resource in this estimate has a lower level of confidence than that applied to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of the Inferred Mineral Resource could be upgraded to an Indicated Mineral Resource with continued exploration.
  - 3) The Mineral Resources in this estimate were calculated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions and Guidelines prepared by the CIM Standing Committee on Reserve Definitions and adopted by CIM Council.
  - 4) The following parameters were used to derive the NSR block model cut-off values used to define the Mineral Resource:
    - Dec 31, 2019 US\$ two-year trailing avg. metal prices:
      - Pb \$0.96/lb, Zn \$1.24/lb, Au \$1,331/oz, Ag \$15.95/oz
      - Exchange rate of US\$0.76 = CDN \$1.00
      - Process recoveries of Pb 74%, Zn 75%, Au 91%, Ag 80%
      - Smelter payables of Pb 95%, Zn 85%, Au 96%, Ag 91%
      - Refining charges of Au US\$10/oz, Ag US\$0.50/oz
      - Concentrate freight charges of C\$65/t and Smelter treatment charge of US\$185/t
      - Mass pull of 5% and 8% concentrate moisture content.
  - 5) NSR cut-off of CDN\$110 per tonne was derived from \$75/t mining, \$25/t processing, \$10/t G&A.
  - 6)  $AuEq = Au \text{ g/t} + (Ag \text{ g/t} \times 0.011) + (Pb \% \times 0.422) + (Zn \% \times 0.455)$
- Major parameters derived from 2012 PEA and other similar benchmarked projects.

An underground mining scenario is the basis for this PEA. The owner-operated and leased mining fleet will utilize conventional trackless haulage and long-hole stoping with backfill using process tailings (paste) and waste rock.

The mine designs and scheduling were engineered to provide 840 kt per year of mineralization to the 2,300 TPD process plant. A total of 10.04 Mt of diluted mill feed comprising of Main Zone mineralisation with 9.39 MT averaging 4.24 g/t Au, 49.8 g/t Ag, 2.62 % Zn, 1.63 % Pb (diluted) and Yellow Jacket Zone mineralisation of 0.65 MT averaging 7.47% Zn, 1.90% Pb, 43.0 g/t Ag and 0.06 g/t Au (diluted) is expected to be processed over the LOM. Mill feed will be trucked from underground to the process facility located proximal to the main portal. Waste rock that cannot be accommodated within the mine as backfill will be stored together with dry-stack tailings in a facility constructed adjacent to the process plant. Underground mining dilution has been accounted for in the minimum 2.5 m width of stope shapes, with an additional allowance for overbreak. Total dilution in the Main zone is estimated at 32.1% and in the Yellow Jacket Zone at 38.7%.

### Metallurgical Optimizations

To support this PEA, recent metallurgical test work was supervised by Canenco Consulting Corp. and flowsheet developmental test work was undertaken at Base Metallurgical Laboratories Ltd. using samples from the Main Zone, which represent a significant proportion of the mine plan. The 2020 metallurgical program has focused on optimizing sulphide flotation, resulting in similar recoveries but lower mass pulls than was indicated by earlier studies. Overall recoveries to payable product in the PEA are 83.5%, 52.0%, 70.0% and 69.2% for gold, silver, lead and zinc respectively.

### Processing Overview

Run-of-mine (ROM) material is crushed and screened before dense media separation (DMS) to remove gangue. The beneficiated material reports to the milling, gravity and flotation circuits where lead and zinc sulphide concentrates are separated and dewatered for sale while the refractory sulphides are collected and treated by pressure oxidation (POX) to facilitate extraction of gold and silver by conventional CIL, electrowinning and smelting to doré bars.

### Concentrate Marketing Studies

Multiple marketing assessments have been completed to support this PEA which confirm that Revel Ridge zinc and lead-silver-gold concentrates are readily saleable. At the same time, it became apparent that the economic returns from treating refractory material on site are significantly better, and reduces marketing risk, than those of entering into offtake agreements utilizing Asian smelters and third party POX plants.

### Capital Costs

Table 4: Project Capital Cost Estimates (C\$M) (totals may differ due to rounding):

	Initial	Sustaining	LOM Total
Mine			
Underground Development	\$29.18	\$104.37	\$133.55
Mining Equipment leases	\$4.62	\$89.38	\$94.00
Mine Infrastructure	-	\$0.50	\$0.50
Sub-Total Mine	\$33.79	\$194.25	\$228.05
Processing			
Crushing, grinding, DMS	\$13.19	-	\$13.19
Flotation	\$13.13	-	\$13.13
Dewatering, tailings, paste	\$7.68	-	\$7.68
POX/CIL/gold room	\$104.88	\$7.48	\$112.36
Installation costs	\$47.78	-	\$47.78
Site prep, buildings	14.50	-	\$14.50
Sub-Total Processing	\$201.16	\$7.48	\$208.64
Infrastructure			
Power	\$19.45	-	\$19.45
TSF, Water Supply & Treatment	\$16.14	\$63.14	\$79.28
Other infrastructure	\$5.57	-	\$5.57
Sub-Total Infrastructure	\$41.16	\$63.14	\$104.30
Total Direct	\$276.11	\$264.87	\$540.98
Indirect	\$49.53	-	\$49.53
Owner's Costs	\$7.93	-	\$7.93
Total excluding contingency	\$333.57	\$264.87	\$598.44
Project Contingency	\$62.39	\$8.95	\$71.34
Sub-total including contingency	\$395.96	\$273.82	\$669.78
Closure	-	\$6.50	\$6.50
Total	\$395.96	\$280.32	\$676.28

#### Environmental and Permitting Considerations

Revel Ridge represents an existing exploration site with existing permits for mine discharge and waste disposal. The site has been maintained in good standing and environmental monitoring has been ongoing

during operations and since the site was last active in 2012. There is a substantial database of environmental information for the site and region spanning almost 37 years. To accommodate the mine design contemplated by the PEA, updated environmental assessment and mine permits will be required. The Company is currently performing an analysis of existing environmental data to identify additional data needs with the intent of carrying out environmental baseline studies to advance the permitting process.

### Community Relations

Rokmaster team members have maintained a long-standing historical relationship with several local communities and First Nations during past exploration, development and mining operations in the region since 1986.

### Conclusion and Recommendations

The 2020 PEA clearly demonstrates that Revel Ridge has the potential to become a commercially viable project. Additional opportunities and next steps include:

- Continued exploration and infill drilling for conversion of inferred resources to the measured and indicated categories
- Potential for expansion and upgrading of the existing underground resources
- Mine scheduling investigations allowing for further optimization of blending scenarios
- Supplementary metallurgical optimizations including deposit-wide variability testing
- Analyses and environmental baseline studies to support expedited permitting
- Further optimization of water management infrastructure

### Qualified Persons

1. Eugene Puritch, P.Eng., FEC, CET
2. Fred Brown, P.Geo.
3. Alfred Hayden, P.Eng.
4. Jarita Barry, P.Geo.
5. Richard Routledge, P.Geo.
6. Nigel Fung, P.Eng.
7. Richard Gowans, P.Eng.

All Qualified Persons have contributed to their corresponding sections in Interpretation and Recommendations of the Technical Report, and have reviewed and approved the scientific, technical and economic information contained in this news release.

The Company strictly adheres to CIM Best Practices Guidelines in conducting, documenting, and reporting the exploration and development activities on its projects.

### About Rokmaster

Rokmaster's focus is on exploring for base and precious metals, and its flagship asset is its option to earn 100% of the Revel Ridge polymetallic precious metals project situated in the prolific Kootenay Arc. Please refer to the technical report titled "Updated Technical Report on the Revel Ridge Property (formerly J&L Property), Revelstoke Mining Division, British Columbia, Canada" dated February 25, 2020 with an effective date of January 29, 2020, which the Company has filed on SEDAR.

On behalf of the Board of Directors,

"John Mirko"

John Mirko, President and Chief Executive Officer.

Neither TSX Venture Exchange nor the Investment Industry Regulatory Organization of Canada accepts

responsibility for the adequacy or accuracy of this release.

### Forward-looking Information

This release contains "forward-looking information" within the meaning of applicable Canadian securities legislation, including predictions, projections and forecasts. Forward-looking information includes, but are not limited to, statements that address activities, events or developments that the Company expects or anticipates will or may occur in the future, including such things as the results of the PEA.

Often, but not always, forward-looking information can be identified by the use of words such as "plans", "planning", "planned", "expects" or "looking forward", "does not expect", "continues", "scheduled", "estimates", "forecasts", "intends", "potential", "anticipates", "does not anticipate" or "belief" or describes a "goal" or variation of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Forward-looking information is based on a number of material factors and assumptions, including, the result of drilling and exploration activities, that contracted parties provide goods and/or services on the agreed timeframes, that equipment necessary for exploration is available as scheduled and does not incur unforeseen breakdowns, that no labour shortages or delays are incurred, that plant and equipment function as specified, that no unusual geological or technical problems occur, and that laboratory and other related services are available and perform as contracted.

Forward-looking information involves known and unknown risks, future events, conditions, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, prediction, projection, forecast, performance or achievements expressed or implied by the forward-looking information. Such risks include, among others, risks related to the fluctuations in metal prices; changes in planned work resulting from weather, logistical, technical or other factors; the possibility that results of work will not fulfil expectations and realize the perceived potential of the Project; changes in project parameters as plans continue to be refined; risks related to the Armex litigation; risk of accidents, equipment breakdowns and labour disputes or other unanticipated difficulties or interruptions; the possibility of cost overruns or unanticipated expenses; the risk of environmental contamination or damage resulting from Rokmaster's operations and other risks and uncertainties; the failure of contracted parties to perform; labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of exploration, as well as those factors disclosed in the Company's publicly filed documents.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking information will prove to be accurate, as the results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. Except as required under applicable securities legislation, the Company undertakes no obligation to publicly update or revise forward-looking information.

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