

Ely Gold Royalties Announces Closing of Trenton Canyon Royalty Interest

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Vancouver, Dec. 23, 2020 - [Ely Gold Royalties Inc.](#) (TSXV: ELY) (OTCQX: ELYGF) ("Ely Gold" or the "Company") through its wholly owned subsidiary, Nevada Select Royalty, Inc. ("Nevada Select") has signed a definitive agreement to purchase from a private individual (the "Seller"), a 0.3% gross royalty, representing the Seller's 50% interest (the "Seller's Interest") in a total 0.6% gross royalty (the "Trenton Canyon Royalty"). The terms provided in the definitive agreements have been amended from the terms the Company announced in a press release dated October 13, 2020 (the "Amended Transaction"). The Amended Transaction is subject to the final approval of the Toronto Venture Exchange ("TSXV") (the "Closing").

The Amended Transaction

Ely Gold will pay the Seller total consideration of US\$325,000 (originally US\$300,000) to be comprised of US\$175,000 in cash at signing and US\$150,000 in cash to be paid on January 15, 2021 (the "Deferred Payment"). Ely Gold will also issue 1,000,000 common stock warrants (the "Ely Warrants"). The Ely Warrants have a two-year term and will have an exercise price of CDN\$1.36. Securities issued under the Ely Warrants will be subject to a four-month hold period. The deferred payment will accrue simple interest at 5%.

While the original transaction called for only the purchase of the Seller's Interest in the Trenton Canyon Royalty, under the terms of the Amended Transaction, Ely Gold has been assigned the Stock Purchase Agreement, dated October 13, 2005 (the "2005 Agreement"), between the Seller and Nevada Mine Properties II, a Nevada corporation ("NMP II"). The 2005 Agreement provides for the Seller to receive 50% of all royalties generated on certain properties, including the Trenton Canyon Royalty. NMP II received the deeded Trenton Canyon Royalty in 2019 and has failed to deliver a deeded assignment of Seller's Interest. NMP II is contending that the Seller's Interest only provides for 50% of future royalty payments from the Trenton Canyon Royalty subject to expenses and other deductions by NMP II.

Rather than terminate the original agreement, the Seller has assigned, and Ely Gold has assumed 100% of the Seller's rights and title under the 2005 Agreement. Ely Gold can now aggressively pursue its rights to a fully deeded assignment to 50% of the Trenton Canyon Royalty from NMP II.

The 2005 Agreement also provides for a 0.5% net smelter returns royalty to the Seller on several other properties in Nevada. Ely Gold has agreed to pay an additional US\$25,000 as added compensation to the Seller for these additional royalties.

Trey Wasser, President & CEO of Ely Gold commented, "We are pleased to announce the terms of the Amended Transaction. This assignment of the 2005 Agreement will allow us the time and avenues to receive a fully deeded interest in the Trenton Canyon Royalty rather than a payment interest subject to expenses and deductions by NMP II. The 2005 Agreement is a very clear and straightforward document. We are confident in our position as an assignee, and we believe NMP II will ultimately understand our position and provide the deeded 0.3% gross royalty."

Qualified Person

Stephen Kenwood, P. Geo, is 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 Royalties Inc.](#) is a Nevada focused gold royalty company. Its current portfolio includes royalties at

Jerritt Canyon, Goldstrike and Marigold, three of Nevada's largest gold mines, as well as the Fenelon mine in Quebec, operated by Wallbridge Mining. The Company continues to actively seek opportunities to purchase producing or near-term producing royalties. Ely Gold also generates development royalties through property sales on projects that are located at or near producing mines. Management believes that due to the Company's ability to locate and purchase third-party royalties, its strategy of organically creating royalties and its gold focus, Ely Gold offers shareholders a favorable leverage to gold prices and low-cost access to long-term gold royalties in safe mining jurisdictions.

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

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FORWARD-LOOKING CAUTIONS: This press release contains certain "forward-looking statements" within the meaning of Canadian securities legislation, including, but not limited to, statements regarding completion of the Transaction. 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 TSX Venture 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 the Company's inability to control whether the buy-down right will ever be exercised, and whether the right of first refusal will ever be triggered, uncertainty as to whether any mining will occur on the property covered by the Probe Royalty such that the Company will receive any payment therefrom, and the general risks and uncertainties relating to the mineral exploration, development and production business. 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 accepts responsibility for the adequacy or accuracy of this release.

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