GFG Significantly Expands Presence East of the Prolific Timmins Gold District by Adding 13,300 Hectares

24.02.2022 | GlobeNewswire

SASKATOON, Feb. 24, 2022 - GFG Resources Inc. (TSXV: GFG) (OTCQB: GFGSF) ("GFG" or the "Company") is pleased to announce that it has entered into a definitive agreement (the "Agreement") with International Explorers and Prospectors Inc. ("IEP") to acquire a 100% interest in the 6,500-hectare WWCC property, subject to certain pre-existing encumbrances. In addition, the Company has staked a contiguous 6,800-hectare land package that is adjacent to the WWCC property, and collectively with the Montclerg Gold Project, will be referred to as the Goldarm Property (the "Property").

The consolidated Goldarm Property consists of approximately 15,000 hectares and covers over 30 kilometres ("km") of the prospective Pipestone and North Pipestone deformation zones which hosts multiple gold deposits and mines in one of the most prolific gold districts in the world (See Figures 1-2). The geological setting is analogous to many of the Timmins gold deposits however due to the lack of outcrop and complexity of land ownership, the Project has seen very little exploration. In addition, the Property encompasses other promising structural settings, including those associated with the Carr Porphyry, that host high-grade gold occurrences on adjacent properties.

Brian Skanderbeg, President and CEO of GFG, commented, "The consolidation of these properties reflects our vision to find the next Timmins gold mine. We are pleased to expand our partnership with IEP that supports our drive to consolidate a regional scale land position that leverages our skill set and our early success at the Montclerg Gold Project. Consolidation opportunities in a proven gold district are rare and despite the limited historic exploration efforts, we strongly believe this region is highly prospective. The Property is strategically located along major structural corridors, with four mills and multiple producing gold mines within a 30 km radius. With control of over 30 km of strike, we are well positioned to implement our regional exploration strategy and are well financed to execute aggressive exploration programs in 2022."

Terms of the Agreement

Under the terms of the Agreement, GFG has a right to earn 100% interest in the WWCC property, subject to a net smelter return royalty of up to maximum of 2% (the "IEP royalty") and other encumbrances on certain claims, by:

- Issuing common shares of GFG ("Consideration Shares") over a 4-year period, based on the volume weighted average pricing of the common shares of the Company on the TSX Venture Exchange (the "VWAP") for the five trading days immediately preceding the date of each anniversary date, as follows:
    - Upon receipt of final regulatory approvals of the Agreement (the "Effective Date"), valued at C$150,000
    - 12 months following the Effective Date, valued at C$150,000
    - 24 months following the Effective Date, valued at C$200,000
    - 36 months following the Effective Date, valued at C$250,000
    - 48 months following the Effective Date, valued at C$250,000;
- Spending a minimum of C$2.0 million in exploration expenditures over 4 years on the WWCC property following the close of the Agreement;
- Transferring C$400,000 in assessment credits to IEP within 48 months following the Effective Date;
- Should GFG make a public announcement of a National Instrument 43-101 compliant Mineral Resource of a minimum of 1,000,000 ounces of gold equivalent on certain claims comprising the WWCC property, GFG shall make a one-time payment of C$1.0 million in cash or common shares (based on the VWAP for the five trading days immediately preceding the announcement of such Mineral Resource), at the election of GFG; and

- Should GFG make a subsequent public announcement(s) of a further National Instrument 43-101 compliant Mineral Resource of a minimum of 1,000,000 ounces of gold equivalent on certain claims comprising the WWCC property and that reside outside a two km radius from any previous announcement, GFG shall make a one-time payment in respect of each such subsequent announcement in the amount of C$1.0 million, in either cash or common shares (based on the VWAP for the five trading days immediately preceding the announcement of such Mineral Resource), at the election of GFG.

Additional terms:

- GFG has the right to accelerate the time periods set forth in the Agreement to acquire the WWCC property.
- The Consideration Shares shall be subject to a voluntary lock-up pursuant to which a maximum of 5% of the aggregate number of Consideration Shares issued to IEP may be sold or transferred during any given fiscal quarter.
- GFG has the right to buy-back one-half of the IEP royalty for C$1.0 million.

Completion of the Agreement is subject to certain customary closing conditions, including approval of the TSX Venture Exchange. The Consideration Shares will be subject to a customary four month hold period.

Outlook

In 2022, the Company plans to complete approximately 10,000 m of drilling on its Timmins portfolio with an emphasis on the Montclerg Gold Project. Starting this week, the Company will initiate a 3-4,000 m Phase 1 drill program at the Montclerg Gold Project. In addition to the 2022 drill programs, GFG will continue additional regional exploration activities and drill target development across the Goldarm Property and the Pen Gold Project. The regional programs will include airborne geophysics, sonic till sampling program and data compilation. Meanwhile, assay results are pending for the remaining nine holes from the maiden 2021 drill program and the Company expects to report these results throughout the first quarter.

At the Rattlesnake Hills Gold Project, metallurgical test work remains on-going with the Company's joint venture partner Group 11 Technologies Inc. ("Group 11"). Initial metallurgical results from Group 11's Stage 1 program are pending and GFG anticipates being able to provide an update in the near future. As the results become available, Group 11 will confirm next steps on conducting further laboratory testing and potential field work. Group 11's goal is to demonstrate that the non-cyanide, water-based solution along with In-Situ Recovery technology can effectively recover gold and be applied to the gold mining industry.

Figure 1: Regional Map of GFG Gold Projects in the Timmins Gold District accompanying this announcement is available at
https://www.globenewswire.com/NewsRoom/AttachmentNg/0cefdb5c-2a6c-4b63-9133-ea1506e530e1

Figure 2: Timmins East Regional Map of the Goldarm Property accompanying this announcement is available at
https://www.globenewswire.com/NewsRoom/AttachmentNg/7dfcf3b6-dd9d-4e39-a8e3-543bb4d4ba55

About GFG Resources Inc.
GFG is a North American precious metals exploration company focused on district scale gold projects in tier one mining jurisdictions, Ontario and Wyoming. In Ontario, the Company operates three gold projects, each large and highly prospective gold properties within the prolific gold district of Timmins, Ontario, Canada. The projects have similar geological settings that host most of the gold deposits found in the Timmins Gold Camp which have produced over 70 million ounces of gold. The Company also owns 100% of the Rattlesnake Hills Gold Project, a district scale gold exploration project located approximately 100 kilometres southwest of Casper, Wyoming, U.S. In Wyoming, the Company has partnered with Group 11 through an option and earn-in agreement to advance the Company's Rattlesnake Hills Gold Project with a technology that could revolutionize the gold mining industry.

All scientific and technical information contained in this press release has been prepared under the supervision of Brian Skanderbeg, P.Geo. President, CEO and Director of GFG, a qualified person within the

meaning of National Instrument 43-101.

For further information, please contact:

Brian Skanderbeg, President & CEO
Phone: (306) 931-0930
or
Marc Lepage, Vice President, Business Development
Phone: (306) 931-0930
Email: info@gfgresources.com
Website: www.gfgresources.com

Stay Connected with Us
Twitter: @GFGResources
LinkedIn: https://www.linkedin.com/company/gfgresources/
Facebook: https://www.facebook.com/GFGResourcesInc/

CAUTION REGARDING FORWARD-LOOKING INFORMATION

All statements, other than statements of historical fact, contained in this news release constitute "forward-looking information" within the meaning of applicable Canadian securities laws and "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 (referred to herein as "forward-looking statements"). Forward-looking statements include, but are not limited to, the Company's future exploration plans with respect to its property interests and the timing thereof, the prospective nature of the Project, future price of gold, success of exploration activities and metallurgical test work, permitting time lines, currency exchange rate fluctuations, requirements for additional capital, government regulation of exploration work, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate" or "believes", or the negative connotation thereof or variations of such words and phrases or state that certain actions, events or results, "may", "could", "would", "will", "might" or "will be taken", "occur" or "be achieved" or the negative connotation thereof.

All forward-looking statements are based on various assumptions, including, without limitation, the expectations and beliefs of management, the assumed long-term price of gold, that the Company will receive required permits and access to surface rights, that the Company can access financing, appropriate equipment and sufficient labour, and that the political environment within Canada and the United States will continue to support the development of mining projects in Canada and the United States. In addition, the similarity or proximity of other gold deposits to the Company's projects is not necessary indicative of the geological setting, alteration and mineralization of the Rattlesnake Hills Gold Project, the Goldarm Property, the Pen Gold Project and the Dore Gold Project.

Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of GFG to be materially different from those expressed or implied by such forward-looking statements, including but not limited to: actual results of current exploration activities; environmental risks; future prices of gold; operating risks; accidents, labour issues and other risks of the mining industry; availability of capital, delays in obtaining government approvals or financing; and other risks and uncertainties. These risks and uncertainties are not, and should not be construed as being, exhaustive.

Although GFG has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. In addition, forward-looking statements are provided solely for the purpose of providing information about management's current expectations and plans and allowing investors and others to get a better understanding of our operating environment. Accordingly, readers should not place undue reliance on forward-looking statements.

Forward-looking statements in this news release are made as of the date hereof and GFG assumes no obligation to update any forward-looking statements, except as required by applicable laws.

Dieser Artikel stammt von Rohstoff-Welt.de
Die URL für diesen Artikel lautet:
https://www.rohstoff-welt.de/news/408021--GFG-Significantly-Expands-Presence-East-of-the-Prolific-Timmins-Gold-District-by-Adding-13300-Hectares.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 Datenschutzrichtlinen.