

Gowest Gold Announces \$10 Million Loan Agreement, New Exploration Program, and Completion of Phase 1 Diamond Drill Program at Bradshaw

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Gowest Adds New Member to Board of Directors

Toronto, December 27, 2023 - [Gowest Gold Ltd.](#) ("Gowest" or the "Corporation") (TSXV: GWA) is pleased to report that it has completed its previously announced 5,000-metre Phase 1 surface diamond drill program, and has entered into a loan agreement for an aggregate principal amount of up to \$10,000,000 to fund additional exploration at its North Timmins Gold Project ("NTGP"). The additional exploration will be focused on the Corporation's 100% owned Bradshaw Gold Mine (Bradshaw). This newly funded program is part of a larger planned program aimed at expanding the mineable resource at Bradshaw, as well as to further test other parts of the Corporation's NTGP area where notable gold has also previously been intercepted (see Gowest news releases dated November 14, 2023, September 15, 2023, June 26, 2023, June 1, 2020, and June 27, 2019).

Loan Agreement

On December 22, 2023, the Corporation entered into a loan agreement (the "Loan Agreement") with Greenwater Investment Hong Kong Limited (the "Lender"), an investment company incorporated under the laws of Hong Kong, pursuant to which the Lender has agreed to advance to the Corporation an aggregate principal amount of up to \$10,000,000.

The loan will be funded in tranches on a monthly basis from the date of the Loan Agreement until October 2024, in accordance with a funding schedule set out in the Loan Agreement. Each tranche is conditional on Gowest achieving certain milestones set out in an exploration plan, and budget agreed to with the Lender. The loan is unsecured, and funds advanced under the Loan Agreement will bear interest at a rate of 12% per annum. The outstanding principal balance, together with accrued and unpaid interest thereon, will be due and payable on December 31, 2025. The outstanding principal balance and accrued interest may be prepaid by the Corporation at any time during the term of the loan without penalty.

The proceeds of the loan are to be used to continue the Corporation's previously noted exploration program at Bradshaw as well as on previously identified areas of the NTGP with the objective of increasing Gowest's gold resources.

As the Lender is a significant shareholder of the Corporation, holding approximately 26.02% of the issued and outstanding common shares of the Corporation, the entering into of the Loan Agreement constitutes a "related party transaction" pursuant to Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("MI 61-101"). Additional disclosure required by MI 61-101 concerning the related party transaction is set out below under the heading "Additional Related Party Disclosure".

The Loan Agreement remains subject to the final approval of the TSX Venture Exchange.

Dan Gagnon, President and Chief Executive Officer of Gowest, said, "This significant loan from one of our major shareholders clearly demonstrates their faith in our team's ability to expand our current mineable resources and reserves at the deposit. As we continue to prepare to return to mining at Bradshaw, we are progressing our exploration work both at Bradshaw and to further test other parts of the NTGP, where we have already intercepted gold mineralization. Our entire team is looking forward to a very exciting upcoming

year for us and our shareholders."

Overview-Phase 2:

Plans for this new \$10 million exploration program on the NTGP include evenly splitting the funds between underground drilling and surface exploration. The surface drilling program, budgeted at \$5 million, mainly entails diamond drilling. A total of 16,500 m is planned for the central to western portion and the depth extension of the Bradshaw deposit (10,000 m), the Sheridan Zone (2,500 m), the Roussain Zone (2,500 m), as well as Induced Polarization (IP) targets (1,500 m). An IP geophysical survey is also planned for the surface exploration program to generate new targets on the NTGP area.

Phase 1 Diamond Drilling Update

- A total of 5,055 m of drilling was completed as of November 30. This consists of 16 holes completed on the eastern to central portion of the Bradshaw deposit (Table 1).
- The 5,000-metre Phase 1 drill program was finished with the completion of hole GW23-335, and additional exploration drilling is underway, funded through the above-noted loan agreement.
- Highest intercept: 8.12 grams per tonne (g/t) gold (Au) over 2.5 m in hole GW23-332 from the HW4 zone within 2.95 g/t Au over 15 m.
- Several new hanging wall (HW) zones were cut, with the highest being 6.53 g/t Au over 1.6 m in hole GW23-332.

The 5,000-metre Phase 1 drill program was finished in November with the completion of hole GW23-335. A total of 16 drill holes (5,055 m) were drilled in the program (Table 2), from which all gold results have been received.

Ten significant gold intersections were encountered in three recent holes: GW23-332, GW23-334 and GW23-335 (Table 1). The highest intersection received was 8.12 g/t Au over 2.5 m in hole GW23-332 from the HW4 zone. Encouragingly, several new hanging wall zones were encountered in the holes with the highest being 6.53 g/t Au over 1.6 m, 6.08 g/t Au over 1.9 m, and 6.03 g/t Au over 1.7 m. Two holes also intersected the HW4 Zone, returning 2.95 g/t Au over 15 m, including 8.12 g/t Au over 2.5 m (GW23-332) and 4.62 g/t Au over 1.5 m (GW23-334). Other significant zones encountered were the YDA zone in hole GW23-332, which returned 5.5 g/t Au over 1.4 m, the HW1 zone in hole GW23-335, which returned 5.26 g/t Au over 1.8 m, and the HW2 zone in hole GW23-334, which returned 4.42 g/t Au over 1.80 m.

Table 1: Drill Hole Gold Intersections

HOLE ID	From (m)	To (m)	Length (m)	Au (g/t)	Zone ID	
GW23-332	159.00	160.00	1.00	1.31	New HW Zone	
	196.30	198.00	1.70	6.03	New HW Zone	
	199.50	200.5	1.00	1.93	New HW Zone	
	299.40	301.00	1.60	6.53	New HW Zone	
	405.00	408.70	3.70	2.02	MZ2	
	includes	408.00	408.70	0.70	5.89	MZ2
GW23-332	411.00	412.20	1.20	5.50	YDA	
	424.00	439.00	15.00	2.95	HW4	
	includes	424.50	427.00	2.50	8.12	HW4
	includes	430.50	433.00	2.50	3.14	HW4
	includes	437.00	439.00	2.00	3.50	HW4
		445.00	449.00	4.00	2.78	HW1
GW23-334	430.10	432.00	1.90	6.08	New HW zone	
	452.00	453.00	1.00	1.12	New HW Zone	
	544.20	546.00	1.80	4.42	YDA	
	567.00	568.00	1.00	1.39	MZ2	
	573.00	574.30	1.30	2.35	MZ2	
	597.50	599.00	1.50	2.39	HW4	
	603.70	605.20	1.50	4.62	HW4	
	620.00	622.00	2.00	1.49	HW1	

	631.00	635.50	4.50	2.29	HW1
GW23-335	440.60	442.10	1.50	1.99	New HW zone
	459.00	460.00	1.00	3.17	New HW zone
	489.30	491.00	1.70	3.28	MZ2
	513.40	515.00	1.60	1.64	MZ2
	536.00	537.00	1.00	1.40	YDA
	558.00	574.00	16.00	1.92	HW2
includes	562.00	563.00	1.00	5.92	HW2
includes	570.60	574.00	3.40	2.94	HW2
includes	570.60	571.20	0.60	10.40	HW2
	589.20	591.00	1.80	5.26	HW1
	594.00	595.00	1.00	1.54	HW1

Note: This table lists intersections > 1 Au (g/t) over 1 m core length

Table 2: Drill Hole Details

Drill Hole (No.)	Easting (Nad 83 m)	Northing (Nad 83 m)	Elevation (masl)	Azimuth (°)	Dip (°)	Length (m)
GW23-320	486975	5398769	291	204.2	-49.1	230
GW23-321	486975	5398769	291	190.0	-53.0	185
GW23-322	486983	5398768	291	176.5	-54.2	174
GW23-323A	486983	5398769	291	186.1	-60.4	197
GW23-323	486983	5398768	291	186.1	-60.4	15
GW23-324	487020	5398765	291	180.0	-46.2	133
GW23-325	487020	5398765	290	178.0	-54.0	152
GW23-326	487075	5398719	290	180.0	-55.0	58
GW23-327	486791	5398841	290	165.0	-62.5	331
GW23-328	486736	5398798	290	171.7	-59.6	300
GW23-329	486794	5398891	290	176.5	-58.5	378
GW23-330	486668	5398784	290	154.0	-59.9	312
GW23-331	486638	5398805	290	182.5	-57.0	321
GW23-332	486648	5398945	290	159.0	-56.8	459
GW23-333	486648	5398945	290	179.1	-66.9	537
GW23-334	486654	5399065	290	162.0	-69.0	664
GW23-335	486723	5399020	290	175.0	-68.0	609

Figure 1. Longitudinal Section Looking North-East showing the completed 5,000m phase of Diamond Drilling Program at Bradshaw Gold Deposit and current Bradshaw Reserves. *(Mine Grid)

To view an enhanced version of this graphic, please visit:

https://images.newsfilecorp.com/files/4591/192381_a27b408794d419b4_001full.jpg

Quality Control Procedures

NQ drill core is oriented and cut with half sent to Activation Laboratories Timmins (Actlabs) for drying and crushing to -2 mm, with a riffle split 250g and pulverized (mild steel) to 95% passing 105µm (150 mesh). Actlabs is an ISO 17025-accredited laboratory. A 30g charge is Fire Assayed and analyzed using an AAS finish for gold. Samples above 10.00 g/t Au are analyzed by Fire Assay with a gravimetric finish and selected samples with visible gold by Metallic Screen Fire Assay on a 1.00 kg sample. Gowest inserts independent certified reference material and blanks with the samples and assays routine pulp repeats, as well as completing routine third-party check assays at a third-party laboratory.

Board of Directors Appointment

Gowest is also pleased to announce the appointment of Mr. Fuhua Zhou to the Corporation's Board of

Directors. A Professor-Level Senior Engineer in Geology and Mineral Resources, Mr. Zhou has worked in China in progressive positions in the mining industry for over 30 years. He has worked on mining operations as a mine manager and technical director, as well as a senior executive in large investment and development organizations in roles including general manager and chairman. He is currently the General Manager of Inner Mongolia Yinshi Industrial Co., Ltd.

Additional Related Party Disclosure

As the Lender is a significant shareholder of the Corporation, holding approximately 26.02% of the issued and outstanding common shares of the Corporation, the entering into of the Loan Agreement constitutes a "related party transaction" pursuant to MI 61-101.

The loan transaction under the Loan Agreement is exempt from the valuation requirement under MI 61-101 by virtue of the exemptions contained in Sections 5.5(a) and (b) of MI 61-101, as the maximum principal amount of the loan represents less than 25% of the Corporation's market capitalization, and the common shares of the Corporation are listed only on the TSX Venture Exchange and not on any other stock exchange. The transaction is exempt from the minority shareholder approval requirement under MI 61-101 by virtue of the exemptions contained in Sections 5.7(1)(a) and 5.7(1)(f) of MI 61-101, as the maximum principal amount of the loan represents less than 25% of the Corporation's market capitalization, and the transaction has been obtained on reasonable commercial terms that are not less advantageous to the Corporation than if the loan were obtained from a person dealing at arm's length with the Corporation. The loan is not convertible into common shares of the Corporation or repayable in common shares of the Corporation pursuant to its terms.

The Loan Agreement has been approved by the disinterested members of the board of directors of the Corporation. In connection with the approval of the Loan Agreement, Mr. Meirong Yuan, a director of the Corporation who is also a director of the Lender, abstained from voting in respect of the transaction. All other directors consented to the entering into of the Loan Agreement and the consummation of the loan transaction thereunder.

A material change report is not being filed more than 21 days prior to entering into of the Loan Agreement in order that the Corporation may close the transaction as expeditiously as possible, and gain access to the initial funds to be advanced under the Loan Agreement, such that the Corporation may commence the execution of its exploration plan and achieve the schedule set out therein, and such shorter period was considered reasonable in the circumstances.

About Gowest

Gowest is a Canadian gold exploration and development company focused on the delineation and development of its 100% owned Bradshaw Gold Deposit (Bradshaw) on the Frankfield Property, part of the Corporation's North Timmins Gold Project (NTGP). Gowest is exploring additional gold targets on its +100‐square‐kilometre NTGP land package and continues to evaluate the area, which is part of the prolific Timmins, Ontario gold camp. Currently, Bradshaw contains a National Instrument 43‐101 Indicated Resource estimated at 2.1 million tonnes ("t") grading 6.19 grams per tonne gold (g/t Au) containing 422 thousand ounces (oz) Au and an Inferred Resource of 3.6 million t grading 6.47 g/t Au containing 755 thousand oz Au. Further, based on the Pre‐Feasibility Study produced by Stantec Mining and announced on June 9, 2015, Bradshaw contains Mineral Reserves (Mineral Resources are inclusive of Mineral Reserves) in the probable category, using a 3 g/t Au cut‐off and utilizing a gold price of US\$1,200 / oz, totaling 1.8 million t grading 4.82 g/t Au for 277 thousand oz Au.

Qualified Person

The technical information in this news release has been reviewed and approved by Even Stavre, P.Geo., Gowest's Chief Geologist, who is the Qualified Person for the technical information in this news release under National Instrument 43-101 standards.

Forward-Looking Statements

Certain statements in this release constitute forward-looking statements within the meaning of applicable securities laws. Forward-looking statements in this press release include, without limitation, statements relating to future advances of funds under the Loan Agreement, the use of the proceeds of the Loan Agreement, the details concerning the new \$10,000,000 exploration program on Brashaw and other areas of the NTGP, and the proposed activities of the Corporation at Bradshaw. Words such as "may", "would", "could", "should", "will", "anticipate", "believe", "plan", "expect", "intend", "potential" and similar expressions may be used to identify these forward-looking statements although not all forward-looking statements contain such words.

Forward-looking statements involve significant risks, uncertainties and assumptions. Many factors could cause actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including those risk factors set forth in the Corporation's management's discussion and analysis and other filings available via the System for Electronic Document Analysis and Retrieval (SEDAR) under the Corporation's profile at www.sedar.com. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results, performance or achievements may vary materially from those expressed or implied by this press release. These factors should be considered carefully, and readers should not place undue reliance on the forward-looking statements. These forward-looking statements are made as of the date of this press release and, other than as required by law, the Corporation does not intend to or assume any obligation to update or revise these forward-looking statements, whether as a result of new information, future events or otherwise.

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