

# Sage Signs Letter of Intent to Purchase Premier Gold Northern Empire Mine, Mill, Related Properties

25.04.2014 | [Marketwire](#)

TORONTO, ONTARIO--(Marketwired - Apr 25, 2014) - [Sage Gold Inc.](#) (TSX VENTURE:SGX) ("the Company") has executed a non-binding letter of intent with [Premier Gold Mines Ltd.](#) (TSX:PG) ("Premier") to purchase the Northern Empire Mill, Mine and other exploration properties from Premier in Ontario (the "Transaction").

Sage Gold President and CEO Nigel Lees commented: "This proposed Transaction represents a significant milestone for Sage and will place the Company in a very strong strategic position in the historic Beardmore Geraldton gold camp. On closing, Sage will double its' land position in this camp to approximately 15,578 hectares and add historic gold resources to its portfolio. The Northern Empire mill is a key asset which when it is upgraded will enable the Company to process material from the Sage Lynx copper, gold and silver property as well as gold and other minerals from existing properties and future properties. We are also pleased that Premier, the dominant resource company in the camp, will become a significant shareholder. The Transaction is subject to the availability of funding and the company is in discussion with financing groups to fund the acquisition and development of these properties."

The terms of the letter of intent for the proposed purchase of the Northern Empire ("NE") Mill and Mine include:

1. **NE Mill and Mine:** SGX will purchase from Premier a 100% interest in the NE Mill and Mine for the aggregate purchase price payable on closing of:
  - a. \$1,000,000 cash;
  - b. the assumption of all obligations and liabilities relating to the NE Mill and Mine
  - c. the issuance to Premier of that number of common shares of SGX (the "Consideration Shares") equal to 9.9% of the common shares of SGX issued and outstanding as of the closing date of the Transaction after giving effect to the issuance of the Consideration Shares, at a deemed price per share based on the volume weighted average closing price of the common shares of SGX on the TSX Venture Exchange (the "TSX.V") for the 10 day period up to the closing date; and
  - d. the granting to Premier of a 0.75% net smelter return royalty on all ore and other minerals and materials processed at the Northern Empire Mill subject to a maximum of aggregate royalty payments equal to the difference between (a) the total dollar amount paid by Premier in relation to funding the Financial Assurance related to the NE Mill and Mine and other properties and the sum of (b) \$1,000,000, and (c) the deemed value of the Consideration Shares (Maximum Aggregate Royalty Payments = (a - (b + c))).

2. **Exploration Properties:** SGX will purchase from Premier a 100% interest in certain related exploration properties for the aggregate purchase price payable on closing of:
- a. \$500,000 cash payable on closing; and
  - b. b) the granting to Premier of a right to acquire a 51% interest (the "Back-in Right") in any one or more of the Greenstone Area Properties (which comprise part of the exploration properties by incurring expenditures equal to 250% of those expenditures incurred on the particular Greenstone Area Properties by SGX, including the \$500,000 cash purchase price paid by SGX. If Premier elects not to exercise its Back-In Right within the allotted 90 day period, then the Back-in Right will be extinguished and Premier shall be granted a 2.0% net smelter return royalty on all minerals and other materials produced from the Greenstone Area Properties, provided that if any of the Greenstone Area Properties are subject to an existing net smelter return royalty in favour of a third party, the aggregate maximum net smelter return royalty granted on such property shall not exceed 2.0%.

The Northern Empire property includes a 200 tonnes per day mineral processing plant that was built and commissioned in 1982 and upgraded in 2005, 2006 and 2007. The mill was designed to be expandable to 500 tonnes per day. The Northern Empire Mine was operated successfully by Newmont Mines from 1934 to 1941 and produced 149,000 ounces of gold (at a recovered grade of 0.35 oz Au/ton) from the 426,000 tons processed. P.A. Bevan (P.Eng) completed a Qualifying Report for Roxmark Mines in 2008. The report is available on SEDAR under [Roxmark Mines Ltd.](#) and includes an estimate of historic resources in the Northern Empire Mine. This historical estimate includes:

- 86,652 tonnes grading 10.70 g Au/t - Indicated Resources
- 64,748 tonnes grading 9.95 g Au/t - Inferred Resources

This would result in contained ounces of gold of 29,807 (Indicated) and 20,719 (Inferred).

This historic estimate was prepared pursuant to NI43-101 and is considered to be both relevant and reliable. The key assumptions, parameters and methods used to prepare the historical estimate are defined on page 35 of the report. The historical resource estimate uses resources categories consistent with section 1.2 of NI43-101. There are no more recent resource estimates available to the issuer. Upon completion of the Transaction, Sage will compile and verify the historic data and decide on additional drilling to upgrade the resource. A qualified person has not done sufficient work to classify the historical estimate as current mineral resources or mineral reserves and the Company is not treating the historical estimate as current mineral resources or mineral reserves.

Sage intends to use the NE mill to process tonnage both from this mine and from its' wholly owned Cu-Ag-Au Lynx project subject to determining the commercial viability of both projects.

The Exploration Properties include:

- Leitch - Sand River - Historic producers in the Beardmore camp. Leitch produced 862,000 ounces of gold at an average grade of 32.5 g/t. Sand River produced 50,065 ounces at an average grade of 12 g/t. The combined properties represent 4,666 hectares of patented and unpatented claims and leases
- Nortoba Tyson - Gold and Molybdenite occurrences - 12 kilometres northwest of Beardmore - 815 hectares of leased and unpatented hectares
- Pifher - 399 hectares of leased ground - Beardmore area
- Ozone Creek - 77 hectares - Patience township - North of Lake Superior
- Eva Summers - Northern extension of the Leitch- Sand River property - 85 hectares of leased ground
- Faymar - Located in Deloro Township south of Timmins, Ontario. Limited historic gold production, Current potential for gold and nickel mineralization. Property encompasses 1,487 hectares of patented and unpatented claims.
- Geisler - six patented claims in the Confederation Lake area, Kenora district, Northwestern Ontario, West and adjacent to the former gold producer Utchi Gold Mine - 116 hectares of patented mining claims
- Bartec - Gold property located in Barraute Township, Val D'Or area, Quebec - 81 hectares of unpatented mining claims.

The parties shall use their best efforts to close the Transaction on a date which is on or before August 31st,

2014. The terms of the transaction include a no shop provision and a break fee in the amount of \$20,000 payable in shares of Sage subject to regulatory approval. Closing of the Transaction is subject to the satisfaction of certain conditions, including the execution of a definitive agreement, completion of due diligence by the parties, TSXV approval of the Transaction and Sage obtaining financing of at least \$500,000.

## **SAGE LYNX PROJECT**

Sage has an extensive portfolio of properties in the Beardmore Geraldton Gold camp. These include the Lynx copper, gold, silver project and the Jacobus copper nickel and gold property. The NI43-101 Resource on the Lynx project was announced on March 31, 2009 and the resource study is available on SEDAR and on [www.sagegoldinc.com](http://www.sagegoldinc.com).

The NI43-101 Inferred Resource at the Lynx project comprises 1,936,000 tonnes at an average grade of 1.44% Cu, 39.6 g Ag/T and 0.58 g Au/T and contains 61.3 million pounds of copper, 2.24 million troy oz. of silver and 33,000 troy oz. of gold. These resources are reported at a cut-off grade of 0.5% copper. Lersch-Grossman Pit Optimization techniques were utilized to evaluate the near surface potential of the resource that could be amenable to mining by open pit methods. The results indicate the potential for one pit located in the Lynx North area. Using cut-off grade sensitivity scenarios of 1% Cu and 0.5% inferred resources ranging from 485,000 tonnes at 2.1% Cu, 45.3 g Ag/T and 0.70 g Au/T to 845,000 tonnes at 1.55% Cu, 34.6 g Ag/T and 0.51 g Au/T could potentially be mined from two tonnage blocks determined by the cut-off grades.

Sage intends to complete a PEA on the Lynx project, complete additional infill drilling, conduct a metallurgical test and begin the process of permitting advance exploration and ultimately production on the Lynx project.

### **Qualified Person**

R. Ritchie, P.Eng, an Independent Qualified Person as defined by NI 43-101. Mr. Ritchie visited the Northern Empire Mill and Mine in 2013 and provides overall responsibility for the technical content of this Press Release. Mr. Ritchie has read and consents to the disclosure of the technical content of this press release.

Sage is a mineral exploration and development company which has primary interests in near-term production and exploration properties in Ontario. Its main properties are the Clavos Gold deposit in Timmins and the Lynx deposit and other exploration properties in the Beardmore-Geraldton Gold Camp. Technical reports and information relating to the properties can be obtained from the System for Electronic Document Analysis and Retrieval (SEDAR) website at [www.sedar.com](http://www.sedar.com) and [www.sagegoldinc.com](http://www.sagegoldinc.com).

This release was prepared by management of the Company who takes full responsibility for its contents. Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

This news release contains certain "Forward-Looking Statements" within the meaning of Section 21E of the United States Securities Exchange Act of 1934, as amended and "Forward Looking Information" within the meaning of applicable Canadian securities legislation. Some forward looking statements and forward looking information contained in this release are forward-looking and, therefore, involve uncertainties or risks that could cause actual results to differ materially. Such forward-looking statements include comments regarding mining and milling operations, mineral resource statements and exploration program performance. Factors that could cause actual results to differ materially include metal price volatility, economic and political events affecting metal supply and demand, fluctuations in mineralization grade, geological, technical, mining or processing problems, exploration programs and future results of exploration programs, future profitability and production. The Company disclaims any obligation to update forward-looking statements.

## Contact

[Sage Gold Inc.](#)

Nigel Lees  
President and CEO

416-204-3170

416-260-2243

[www.sagegoldinc.com](http://www.sagegoldinc.com)

---

Dieser Artikel stammt von [Minenportal.de](#)

Die URL für diesen Artikel lautet:

<https://www.minenportal.de/artikel/127203--Sage-Signs-Letter-of-Intent-to-Purchase-Premier-Gold-Northern-Empire-Mine-Mill-Related-Properties.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 Minenportal.de 2007-2025. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).