

Maritime Resources Corp Files Pre-Feasibility Study on the Hammerdown Gold Mine

13.04.2017 | [ACCESS Newswire](#)

VANCOUVER, April 13, 2017 - [Maritime Resources Corp.](#) (TSX-V: MAE) ("Maritime" or "the Company") announces the filing of a technical report, prepared in accordance with National Instrument 43-101 regarding a Prefeasibility Engineering Study and Economic Assessment ("PFS" or "Study") aimed to reopen the past producing Hammerdown gold project in Newfoundland and Labrador, Canada.

The study, entitled "Pre-Feasibility Technical Report, Greenbay Property" was evaluated on the Measured & Indicated NI43-101 mineral resource estimate for the past producing Hammerdown gold deposit. The study was completed by WSP Canada Inc. ("WSP"), an independent third party engineering firm, with the mandate to evaluate the potential of bringing the past producing gold mine back into commercial production.

This technical report can be accessed under Maritime's profile at www.sedar.com and on the Company's website at www.maritimeresources.com.

Doug Fulcher, President and CEO of Maritime commented:

"We are pleased to have completed and filed the Technical Report on the Company's Hammerdown gold deposit. The Study has successfully demonstrated that Hammerdown can be a viable mining operation with low upfront capital and short time line to the start of gold production. Its location within a centralized mining district provides all the necessary infrastructure, including roads, hydro power, mining labour and suppliers. We believe that this study, combined with Company expertise, demonstrates that Maritime has the potential to transform itself into a junior gold producer."

"With this study now in-hand we will continue our efforts into the permitting aspects of the project. The Company's immediate plans will be to begin re-opening the portal to establish a good understanding of the current condition and stability of the existing ramps. The PFS only utilized 25% of the existing underground infrastructure and there remains a significant opportunity to reduce both the upfront capital and predevelopment schedule with a better understanding of the current ground conditions."

"In addition, with access to the underground workings and a surface diamond drilling program, our understanding of the potential of the deposit will significantly increase. With approximately 400,000 ounces of inferred resources, not included in the mine plan but adjacent to planned development, we have only begun to evaluate the potential of this deposit."

"The combination of the deposits grade, low capital costs and location makes the Hammerdown mineral asset unique amongst its peers. We look forward to providing market updates on our progress over the coming months."

PRE-FEASIBILITY STUDY ('PFS') HIGHLIGHTS

The PFS is based on the measured and indicated mineral resources only within the Hammerdown deposit. The Orion deposit, located approximately 1.5 km from Hammerdown gold mine, was not considered a part of this study and remains an opportunity for the project.

Ore mined at Hammerdown will be trucked and processed, at approximately 400 mtpd, at the Nugget Pond mill through a toll milling arrangement with Rambler Metals and Mining Canada Limited with whom Maritime has a strategic alliance.

Ore will be mined by way of a combination of both Long Hole and Mechanized Cut and Fill, utilizing the

original access portal and a small portion of the existing underground workings.

Mine life in the PFS is approximately 5 years producing an average of approximately 35,000 ounces of gold per year with an all in pre-tax cost of approximately \$955 per ounce.

Maritime announced the results of this PFS on March 2, 2017, the highlights of which are as follows:

- Project Pre-tax net present value (NPV_{8%}) of \$71.2 million with an IRR of 46.8% per cent.
- Project after-tax net present value (NPV_{8%}) of \$44.2 million with an internal rate of return (IRR) of 34.8%
- Net pre-tax cash flow of \$104 million, undiscounted. Net after-tax cash flow of \$69 million, undiscounted.
- Total Development and Capital Cost Estimate for the five-year life of mine of \$67.8 million,
 - o Mine Development Capital of -\$16.8 million
 - o Equipment Capital of - \$10.6 million
 - o Infrastructure Capital of - \$13.0 million
 - o Sustaining Capital - \$12.9 million
 - o Indirect costs of - \$ 7.3 million
 - o Contingency of - \$7.2 million
- Mine life for the current plan at Hammerdown is five years, producing approximately 174,000 ounces at an average of approximately 35,000 ounces per year. Basic assumptions used for the compilation of this PFS:
 - o Gold Price of US\$ 1,250 per ounce
 - o Exchange Rate of 0.8 US\$: 1 CA\$ (or 1 US\$: 1.25 CA\$)
 - o Project discount rate of 8%
 - o Mill recovery of 97% based on the historic treatment of the ore at the nearby Nugget Pond Gold Mill from 2000 to 2004

(All currency is expressed in Canadian dollars (\$CA) unless otherwise noted.)

The Study was successful in demonstrating a viable mining operation with low upfront capital and short time line to the start of gold production. The engineering design optimizes a small foot print within the historical mine area as well as utilizing some of the existing underground infrastructure where possible. The operation is scheduled to run at a capacity of approximately 400 metric tons per day ('mtpd') over a five-year mine life.

The results show positive economics, strong internal rate of return, short payback period and significant cash flow under reasonable commodity price assumptions. The pre-tax operating cash cost to produce an ounce of gold is \$558 CDN with an all-in pre-tax-cost (including capital, sustaining capital and operating cost) of \$955 CDN per ounce of gold.

In addition, there remain numerous opportunities for improvement to reduce the planned development and capital costs. Maritime will continue to evaluate these opportunities with a goal to fully optimize the returns from the mining operation.

OPPORTUNITIES TO ENHANCE THE PFS STUDY

Additional opportunities exist to improve the low risk, low capital base case scenario, including:

- Additional resource growth through the exploration and development of the Inferred Resource at Hammerdown that sits within the existing mine plan and contains up to 377,000 oz. gold;
- The potential of open pit production from Orion, not included in this study, during the first few years of operations;
- Further studies on both mining method, to minimize dilution, as well as underground development. This work will be initiated once the portal has been reopened and refurbishing of the underground workings have begun.
- Integration of ore pre-concentration at the mine site. This could potentially allow for further optimization of mine production by reducing the amount of waste and improving the grade being delivered to the mill;

- • A detailed review will be completed of all surface infrastructure including, utilities, building and electrical etc. to determine the optimal use of and requirements for this equipment;
- • All mine and surface mobile equipment is purchased upfront as new. There may be opportunities to source some equipment in the used market or possible arrange equipment financing terms with a supplier. A review of both size and quantity of mobile equipment will be completed for optimization and potential reduction in up front capital.

MINERAL RESOURCE AND RESERVE UPDATE

As part of the PFS, a new geological resource and reserve has been estimated for the Hammerdown project. Tables 1 and 2 below outline the results of this updated estimate which will also be detailed in the technical report filed with SEDAR. No inferred mineralisation was included in the reserve estimate.

MINERAL RESERVE

Table 1 Mineral Reserve Estimate Summary for the Hammerdown Gold Project

CLASSIFICATION	QUANTITY GRADE CONTAINED METAL		
	tonnes	Au, g/t	Au, Koz
Proven Reserves (undiluted, unrecovered)	118,600	15.17	57.8
Probable Reserves (undiluted, unrecovered)	320,600	11.79	121.5
Total Proven and Probable Reserve(undiluted, unrecovered)	439,200	12.70	179.4
Dilution (all sources)	261,400	0	0
Reserve (diluted and recovered)	700,600	7.96	179.4

MINERAL RESOURCE

Table 2 Mineral Resource Estimate for the Hammerdown/Rumbullion/Muddy Shag Gold Deposits

CLASSIFICATION	QUANTITY GRADE CONTAINED METAL		
	tonnes	Au, g/t	Au, Koz
Measured	372,170	12.09	144.7
Indicated	553,500	9.60	170.9
Total Measured + Indicated	925,670	10.60	315.6
Inferred	1,557,000	7.53	376.8

The procedures used for the resource and reserve estimation processes are consistent with the Canadian Institute of Mining and Metallurgy ('CIMM') best practices and NI 43-101 guidelines. Generally, figures are rounded to reflect the accuracy of the estimate; numbers may not total due to this rounding.

ECONOMIC SUMMARY

Table 3 Project Economics

ITEM	VALUE
Production Life	5 Years
Recovered Gold	174,000 oz
Revenue	270 \$ M
Total Operating Cost Estimate	97.1 \$ M
Total Capital Cost Estimate (Over LOM)	67.8 \$ M
Before-Tax Cash Flow	104 \$ M
After-Tax Cash Flow	69 \$ M
Before-Tax Net Present Value (8% discount)	71.2 \$ M
After-Tax Net Present Value (8% discount)	44.2 \$ M
Internal Rate of Return, Before-Tax	46 %
Internal Rate of Return, After-Tax	34.8 %
Before-Tax Payback Period, from start of production	1.7 Years
After-Tax Payback Period, from start of production	1.9 Years

Table 4 Summary Project Parameters and Economics

ITEM	VALUE
Gold Price	1250 US\$/oz
Exchange Rate	0.8 US\$: 1 CA\$
Mill Feed	700,500 Tonnes
Head Grade	7.96 g/t
Gold Production	174,000 oz
LOM Capital Estimate	
Mine Development Capital	16.8 \$ M
Mine Development Sustaining Capital	5.5 \$ M
Mine Equipment Capital	7.2 \$ M
Mine Equipment Sustaining Capital	7.1 \$ M
Water Management	0.7 \$ M
Infrastructure	8.6 \$ M
Power, Electricity	3.9 \$ M
Reclamation, Closure, Post-Monitoring	1.0 \$ M
Royalty Buy Back	1.0 \$ M
Indirect Costs	7.3 \$ M
Contingency	8.7 \$ M
Total	67.8 \$ M
LOM Operating Cost Estimate	
Mining	52.3 \$ M
Crushing, Loading, Transport	14.6 \$ M
Processing	23.0 \$ M
General & Administrative	7.1 \$ M
Total	97.1 \$ M
Operating Cost Per Ton	139 \$/t
Operating Cost Per Oz/Au	558 \$/oz
Refining, Transportation Charges	1.0 \$ M
Royalties	2.7 \$ M
Other Costs	
Reclamation Bond & Associated Cost	0.2 \$ M
Salvage Value	(2.7) \$ M
Taxes	35.0 \$ M
Other Parameters	
Mining Dilution (Stopes, Drifts)	60 %
Mining Recovery (Stopes, Drifts)	100 %
Mill Recoveries (Au)	97 %

The table below summarises the sensitivities associated with metal pricing, project operating expenditures ('OPEX') and capital expenditures ('CAPEX').

Table 5 Summary of Sensitivities

VARIABLE	-20%	-10%	0%	+10%	+20%
Gold Price	28.4 \$M	49.8 \$M	71.2 \$M	92.6 \$M	114.0 \$M
Operating Cost	86.6 \$M	78.9 \$M	71.2 \$M	63.5 \$M	55.7 \$M
Capital Cost	84.4 \$M	77.8 \$M	71.2 \$M	64.6 \$M	58.0 \$M
Note: Before-Tax NPV at 8%					

ABOUT MARITIME RESOURCES CORP:

Maritime Resources holds 100% of the Green Bay Property, located near Springdale, Newfoundland and Labrador. The property hosts the past producing Hammerdown gold mine and the Orion gold deposit

separated by a 1.5 km distance, as well as the Lochinvar base metals/precious metals deposit.

The Hammerdown gold deposit was successfully mined by Richmond Mines between 2000 and 2004 while gold prices averaged \$325/oz. During its operation, a total of 291,400 tonnes of ore were mined and milled, at an average grade of 15.83 g/t Au, recovering a total of 143,000 ounces of gold at an 8 g/t cut-off. All of the ore was processed at the Nugget Pond mill, now owned and operated by Rambler Metals and Mining Canada Limited, with an average gold recovery of 97.1%. Mining terminated in 2004 due to low gold prices with extensive gold mineralization remaining, although uneconomic at that time.

The Orion gold deposit consists of two main vein systems, both of which are open along strike, and down plunge to the northeast.

Bernard H. Kahlert, P.Eng. is the Qualified Person as defined by National Instrument 43-101 and has reviewed and approved the technical disclosure contained in this release.

The NI43-101 technical report has been compiled by WSP:

• Todd McCracken, P. Geo.: Resource Estimation;
• William McBride, P. Eng.: Reserve Estimation and Mining Methodology;
• Joanne Robinson, P. Eng.: Project Economics;
• Marianne Utiger, Eng.: Metallurgical Processing;
• Sébastien Bertelegni, Eng.: Surface Infrastructure

On behalf of the Board of Directors,

Doug Fulcher
President, CEO

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recovery rates from those assumed in mining plans; reserves and/or resources; the ability to successfully integrate acquired assets; operational risks inherent in mining or development activities and legislative factors relating to prices, taxes, royalties, land use, title and permits, importing and exporting of minerals and environmental protection. Accordingly, undue reliance should not be placed on forward-looking statements and the forward-looking statements contained in this press release are expressly qualified in their entirety by this cautionary statement. The forward-looking statements contained herein are made as at the date hereof and the Company does not undertake any obligation to update publicly or revise any such forward-looking statements or any forward-looking statements contained in any other documents whether as a result of new information, future events or otherwise, except as required under applicable security law.

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