

# Mustang Minerals Corp. to Raise Funds to Complete Makwa Feasibility Study and Acquire Nickel Processing Plant Western Areas NL to Increase Equity in Mustang and Provide Technical Expertise to Progress Makwa Towards Production

13.12.2010 | [Marketwire](#)

## Western Areas NL to Increase Equity in Mustang and Provide Technical Expertise to Progress Makwa Towards Production

TORONTO, ONTARIO -- (Marketwire) -- 12/13/10 -- [Mustang Minerals Corp.](#) (TSX VENTURE: MUM) (FRANKFURT: NJF) ('Mustang' or the 'Company') today announced plans to complete a financing for the Makwa Nickel Project located near Lac du Bonnet, Manitoba. Mustang plans to raise \$6.5m through a combination of FlowThrough Shares (\$2.5m) and Common Shares (\$4.0m). The majority of funds to be raised are intended to be used to complete the Makwa open pit mine feasibility study and purchase a 2700 tonne per day capacity base metals concentrate plant for the Makwa Project.

Mustang is pleased to announce that [Western Areas NL](#) (TSX: WSA) (ASX: WSA) ('Western Areas') will subscribe for approximately 27% of the total funds to be raised and will thereby increase its equity in Mustang to a maximum of 19.9 %, subject to successful completion of the financing. Western Areas is currently the 3rd largest nickel producer in Australia with production from two of the world's highest grade and lowest cost underground and open pit nickel sulphide mines. Western Areas will provide Mustang with significant technical support to help bring the Makwa Project into production. This follows a comprehensive technical review of Makwa by Western Areas staff and consultants in the fall of 2010.

As part of Western Areas' increasing involvement with Mustang, Western Areas' Executive Director (Operations), Mr. Daniel Lougher, has been nominated to the Mustang board. He will join other Canadian directors and Mr. Julian Hanna, Managing Director of Western Areas, who is also on the Mustang board. Experienced mining consultant Mr. Tim Peters has been appointed as Project Manager for the Makwa Project.

Both Mustang and Western Areas believe that the Makwa Nickel Project has excellent potential to become a profitable, long life mining operation with strong exploration and production upside. The purchase of an existing concentrate plant in Canada and its planned relocation to the Makwa mine site should result in a significant saving in capital expenditure and time to bring the project into production. The main items of the feasibility study for the planned open pit mine at Makwa are well advanced and are targeted for completion in the third quarter 2011.

Mustang President Mr. Robin Dunbar commented that: 'the board of Mustang is very pleased to move forward with the Makwa Project with the commitment from Western Areas to significant financial and technical support. We believe that the timing to bring on a low capital cost, low cash cost nickel sulfide project is excellent. Western Areas is a proven mine developer and a significant nickel producer whose involvement will be a strong impetus for the project to succeed'.

Western Areas Managing Director Mr. Julian Hanna added; 'With Western Areas' technical support and increased ownership of Mustang, we believe we can assist in advancing Makwa towards early production and provide benefits for Mustang and Western Areas' shareholders. In addition to the Makwa and Mayville deposits, Mustang controls a high quality exploration portfolio in Manitoba and Ontario with significant upside. Western Areas already has a joint venture with Mustang in the East Bull Lake intrusive complex located west of Sudbury. We are planning a major step up in activity at East Bull Lake in 2011 to test a number of areas with known nickel, copper, PGM mineralization and recently identified ZTEM conductors'.

## Makwa and Mayville Deposits

A NI 43-101 reserve estimate for the Makwa Project completed in February 2010 by Micon International

Limited outlined 9.86 million tonnes in the Probable Ore Reserve category containing 0.541% nickel, 0.113% copper 0.433 g/t PGM at the Makwa Project. The project is expected to include relocation of a nickel concentrate plant to site and is expected to produce approximately 4,000 tonnes of nickel in concentrate per annum plus copper and platinum group metals credits. The Makwa deposit is open at depth.

In addition, Mustang has a second open pit resource in the Makwa Project area. The Mayville Project is located approximately 35 km by road from Makwa and has a NI 43-101 Indicated Resource of 9.23 million tonnes containing 0.61% copper, 0.23% nickel and 0.174 g/t palladium. Mustang is completing additional exploration at Mayville and the adjoining Tanco Property where a strong and previously undrilled VTEM conductor was announced on October 20, 2010. This new target is located in a similar geological setting to Mayville and is regarded as a high priority target for drilling in early 2011.

## Financing

Mustang plans to complete a concurrent private placement of non-flow-through Common Shares and FlowThrough Shares (the 'Offerings'). The Common Share Offering will be for up to \$4,000,000 of Common Shares of Mustang. The Common Share Offering will be priced at \$0.10 per share. Western Areas NL will subscribe for 17,822,218 Common Shares resulting in fully diluted shareholding of 19.9% in Mustang, subject to successful completion of the financing.

The Flow Through Offering will be for up to \$2,500,000 of common shares issued on a flow-through basis (the 'Flow-Through Shares') and will be priced at \$0.125 per share. The Offerings will be made pursuant to exemptions from the prospectus requirements of the applicable securities laws. Shares issued under the Offerings will be subject to a hold period of four months and one day from date of closing.

The net proceeds from the Offerings are intended to be utilized for completion of the feasibility study, purchase of the concentrate plant and for additional exploration. Exploration is likely to be focused on the recently announced VTEM anomaly located near the Mayville mineral resource and on other known mineralized occurrences and projected extensions to the existing Mayville Deposit.

The Offerings will be distributed by way of private placement in the provinces of Ontario, Alberta, British Columbia and other such jurisdictions as the directors may determine.

Mustang will pay a cash finder's fee equal to 6.5% of the number of Common Shares and Flow-Through Shares sold by qualified registrants who participate in the Offerings and will also grant, as additional compensation, warrants equal to 6.5% of the number of Common Shares and Flow-Through Shares sold by such finders under the Offerings. Each full warrant entitles the holder to subscribe for one (1) common share at the exercise price of \$0.20 for a period of 18 months after the closing date.

Completion of the Offerings are subject to regulatory approval.

Carey Galeschuk P.Geo is the Qualified Person for purposes of NI 43-101 for this press release.

To find out more about Mustang Minerals Corp. (TSX VENTURE: MUM) visit our website at [www.mustangminerals.com](http://www.mustangminerals.com).

*We seek safe harbour.*

*This news release contains forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995 and forward-looking information within the meaning of the Securities Act (Ontario) (together, 'forward-looking statements'). Such forward-looking statements may include the Company's plans for its mineral projects in Manitoba, the overall economic potential of its properties, the availability of adequate financing and involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements expressed or implied by such forward-looking statements to be materially different. Such factors include, among others, risks and uncertainties relating to potential political risk, uncertainty of production and capital costs estimates and the potential for unexpected costs and expenses, physical risks inherent in mining operations, currency fluctuations, fluctuations in the price of nickel and other metals, completion of economic evaluations, changes in project parameters as plans continue to be refined, the inability or failure to obtain adequate financing on a timely basis, and other risks and uncertainties, including those described in the Company's Management Discussion and Analysis for the most recent financial period and Material Change Reports filed with the Canadian Securities Administrators and available at [www.sedar.com](http://www.sedar.com).*

Shares Outstanding: 94,598,233

## Contacts:

Mustang Minerals Corp.  
David Black, Investor Relations  
416-955-4773  
info@mustangminerals.com  
[www.mustangminerals.com](http://www.mustangminerals.com)

---

Dieser Artikel stammt von [Minenportal.de](http://Minenportal.de)

Die URL für diesen Artikel lautet:

<https://www.minenportal.de/artikel/52669--Mustang-Minerals-Corp.-to-Raise-Funds-to-Complete-Makwa-Feasibility-Study-and-Acquire-Nickel-Processing-Plan>

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](http://Minenportal.de) 2007-2025. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).