

Evergold Options the Drill-Ready, High Potential DEM Gold-Silver Property in British Columbia

02.08.2023 | [GlobeNewswire](#)

TORONTO, Aug. 02, 2023 - [Evergold Corp.](#) (TSX-V: EVER, OTC: EVGUF, WKN: A2PTHZ) ("Evergold" or the "Company") is pleased to announce that it has entered into an option agreement (the "Option Agreement") with non-arms-length vendors Charles Greig and Alex Walcott ("the Optionors"), for the exclusive right and option to acquire a 100% interest in the drill-ready, highly prospective DEM gold-silver property (the "DEM Property"), located in central British Columbia (Figure 1). A NI 43-101 compliant technical report is being prepared for the DEM Property and is expected to be delivered by an independent Qualified Person in mid-August and prior to the closing of the Option Agreement.

The DEM Property hosts the newly developed, never drilled DEM prospect, a roughly 4km² target area exhibiting strong multi-element geochemical anomalism in soils, including highs to 2.1 ppm Au, 160 ppm Ag, 0.5% Pb, 0.41% Zn, 0.76% As, and 651 ppm Cu, directly associated with an underlying large scale donut-shaped magnetic anomaly and exceptionally strong, deep-running IP chargeability, suggesting high discovery potential. The exceptional merits of the DEM prospect may be viewed in a presentation available from the Company's website at www.evergoldcorp.ca, and in Figures 2 to 6, below.

"Our goal with the acquisition of the DEM Property has been to add to our portfolio a strong untested new exploration prospect with good access, offering the potential for high payoff at relatively low cost," said Kevin Keough, President & CEO. "In the past year, we have seen the market respond to new discoveries, and the DEM Property has all the positive geological, geochemical and geophysical attributes that we look for when searching for one. We are therefore happy to have secured DEM on reasonable terms, and are looking forward to getting it drilled at the earliest possible juncture."

About the DEM Property

The 10,451 hectare DEM Property is advantageously located in moderate terrain only 40 kms northwest of Fort St. James in central B.C. A forest service road provides drive-on access directly to the DEM target. The claims lie within and close to the western boundary of the Quesnel Terrane, a major B.C. porphyry belt hosting large deposits and long-life mines including Lorraine, Mount Milligan (50 kms to the northeast of DEM), Mount Polly, Highland Valley, Afton, and Copper Mountain (Figure 1).

Attention was first drawn to the DEM Property by strong, multi-element Au-Ag-Cu-Zn-Pb-As soil geochemical anomalies developed in 1991 by Noranda Exploration Company ("Noranda"), associated with a limited area of volcanic and sedimentary outcrop intruded by high-level porphyritic dykes, located on a local topographic high surrounded by swampy ground and thick cover. Noranda concluded at the time that *"the geochemical-geological setting suggests high level veins above a porphyry system at shallow depth"* (B.C. Assessment Report #22277) and recommended additional work. However, with gold and commodity prices in sharp decline, Noranda allowed the DEM claims to lapse. No further work of consequence occurred until the acquisition by the Optionors of claims overlying the DEM prospect in 2016.

In 2016 and 2017, the Optionors added to the historical geochemical data with high resolution magnetic and deep- looking Induced Polarization (IP) surveys, followed by a gridded soil sampling program in 2021. The results were impressive, revealing a large-scale magnetic anomaly and coincident broad, deep-running, exceptionally high intensity IP chargeability anomaly and flanking resistivity, underlying the strong soil geochemical anomalies.

The combined geochemical, geological, and geophysical datasets, coupled with knowledge of local geography and topography, provide an unusual degree of confidence in the high discovery potential of the

DEM target area.

Planned Work Program

A 5-year MYAB (Multi-Year, Area-Based) exploration permit allowing for as many as 50 drill sites is expected to be received for the DEM prospect in the very near future. The Company is planning an initial phase of drilling to test the coincident, very high-order IP chargeability and magnetic anomalies underlying the strong soil geochemical values. Details of the anticipated exploration program will be determined by the work recommendations laid out in the pending NI 43-101 technical report. However, conceptually, several pads with multiple holes from each, drilling to varying dips and a westerly or southwesterly azimuth, will be required for Phase 1. With success, the pending permit will allow for considerable program expansion, including additional drilling and geophysics. The site is drillable year-round, offering the potential for steady news flow.

Terms of the Option Agreement

The Company has the right to earn a 100% ownership interest in the DEM Property in exchange for staged cash payments to the Optionors over four years cumulatively totaling \$980,000, in addition to escalating work commitments totaling \$5,000,000 over the same time frame, as set out below. The Option Agreement does not require the issuance of any shares of the Company. In addition, the Optionors retain a 2% Net Smelter Returns royalty (the "Royalty"), subject to the right of the Company to buy back 1.5% of the Royalty for \$4.5 million, inflation adjusted to 2023. The Option Agreement requires the completion by the Company of a minimum \$750,000 financing (the "Financing"), on terms to be announced in the near future, and requires also the participation of the Optionors therein. No funds from the net proceeds of the Financing will be directed towards the DEM Property until the final approval of the TSX Venture Exchange (the "TSXV") has been obtained. The Option Agreement to acquire the DEM Property remains subject to receipt of all necessary regulatory and other approvals, including the final approval of the TSXV and the approval of disinterested shareholders of the Company.

The Option Agreement constitutes a related party transaction within the meaning of TSXV Policy 5.9 (which incorporates Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("MI 61-101")), as the Optionors are a "related party" of the Company by virtue of each Optionor being a director of the Company. The Company is relying on the exemptions from the valuation and minority shareholder approval requirements of MI 61-101 contained in sections 5.5(a) and 5.7(1) (a) of MI 61-101 for the Option Agreement as its fair market value does not exceed 25% of the market capitalization of the Company, as determined in accordance with MI 61-101. The Company did not file a material change report in respect of the related party transaction at least 21 days before the transaction, which the Company deems reasonable in the circumstances so as to be able to option the DEM Property as soon as practicable and move forward on the process of obtaining all necessary approvals on an expedited basis.

Schedule of Cash Payments:

Date	Payment
On signing	\$5,000
By the first anniversary or start-up of drilling, whichever comes first	\$125,000
On the first anniversary	\$100,000
On the second anniversary	\$150,000
On the third anniversary	\$100,000
On the fourth anniversary	\$500,000
TOTAL	\$980,000

Schedule of Work Commitments:

Date	Work Expenditures
By the first anniversary	at least \$250,000
By the second anniversary	an additional \$1,000,000
By the third anniversary	an additional \$1,750,000

By the fourth anniversary	an additional \$2,000,000
TOTAL	\$5,000,000

Figure 1: DEM Property Location in the Context of Major B.C. Porphyry Deposits and Geological Terranes

A photo accompanying this announcement is available at
<https://www.globenewswire.com/NewsRoom/AttachmentNg/5fc41ee1-ccfd-49db-8b64-3b0b091f1545>

Figure 2: DEM Soil Geochemistry on Topography

A photo accompanying this announcement is available at
<https://www.globenewswire.com/NewsRoom/AttachmentNg/ab093466-283e-4ce1-be03-b1fbf774d98c>

Figure 3: DEM Magnetic Anomaly

A photo accompanying this announcement is available at
<https://www.globenewswire.com/NewsRoom/AttachmentNg/db813bdd-7cbb-4945-99e8-8f578c4ea71f>

Figure 4: DEM Soil Geochemistry on Magnetic Anomaly

A photo accompanying this announcement is available at
<https://www.globenewswire.com/NewsRoom/AttachmentNg/4755cded-8197-4262-890d-8db1d5f8a524>

Figure 5: DEM IP Chargeability

A photo accompanying this announcement is available at
<https://www.globenewswire.com/NewsRoom/AttachmentNg/7b556b28-f839-42ad-b53a-3c12d702bf47>

Figure 6: DEM IP Resistivity

A photo accompanying this announcement is available at
<https://www.globenewswire.com/NewsRoom/AttachmentNg/a720a69f-b589-47f4-829e-2279449880a5>

Quality Assurance and Quality Control

Charles J. Greig, M.Sc. P.Geo., the Company's Chief Exploration Officer and a Qualified Person as defined by NI 43-101, has reviewed and approved the technical information in this news release.

About Evergold

[Evergold Corp.](#) is a TSX-V listed gold-silver exploration company with projects in B.C. and Nevada. The Evergold team has a track record of success in the junior mining space, most recently the establishment of [GT Gold Corp.](#) in 2016 and the discovery of the Saddle South epithermal vein and Saddle North porphyry copper-gold deposits near Iskut B.C., sold to Newmont in 2021 for a fully diluted value of \$456 million, representing a 1,136% (12.4 X) return on exploration outlays of \$36.9 million.

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Neither the 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 news release.

Cautionary Statement Regarding Forward-Looking Information

This news release includes certain "forward-looking statements" which are not comprised of historical facts. Forward-looking statements include estimates and statements that describe the Company's future plans, objectives or goals, including words to the effect that the Company or management expects a stated condition or result to occur. Forward-looking statements may be identified by such terms as "believes", "anticipates", "expects", "estimates", "may", "could", "would", "will", or "plan". Since forward-looking statements are based on assumptions and address future events and conditions, by their very nature they involve inherent risks and uncertainties. Although these statements are based on information currently available to the Company, the Company provides no assurance that actual results will meet management's expectations. Risks, uncertainties and other factors involved with forward-looking information could cause actual events, results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking information. Forward looking information in this news release includes, but is not limited to, the size and completion of the Financing, the potential for high payoff at relatively low cost of the DEM Property, drilling the DEM Property at the earliest possible juncture, the Company's planned drill program and IP surveying on DEM, the potential use of proceeds from the Financing for the Company's planned drill program, the expected receipt of drill permits, the Company's objectives, goals or future plans, statements, exploration results, potential mineralization, the estimation of mineral resources, exploration plans, timing of the commencement of operations and estimates of market conditions. Factors that could cause actual results to differ materially from such forward-looking information include, but are not limited to failure to identify mineral resources, delays in obtaining or failures to obtain required governmental, environmental or other project approvals, political risks, inability to fulfill the duty to accommodate First Nations, uncertainties relating to the availability and costs of financing needed in the future, changes in equity markets, inflation, changes in exchange rates, fluctuations in commodity prices, delays in the development of projects, capital and operating costs varying significantly from estimates and the other risks involved in the mineral exploration and development industry, and those risks set out in the Company's public documents filed on SEDAR. Although the Company believes that the assumptions and factors used in preparing the forward-looking information in this news release are reasonable, undue reliance should not be placed on such information, which only applies as of the date of this news release, and no assurance can be given that such events will occur in the disclosed time frames or at all. The Company disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, other than as required by law.

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