

Great Bear Resources

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Great Bear Resources unveils plans to create royalty-focused spin-out from the Dixie discovery story

Great Bear Resources Ltd (CVE:GBR) unveiled Thursday a plan for more value creation at its exciting Dixie gold project in Red Lake, Ontario.

In a statement, the group said it aimed to create, and subsequently spin-out, a 2% net smelter royalty (NSR) on any potential future production from Dixie.

The property has played host to several discoveries by Great Bear, and news flow has been dominated by high-grade gold drill results.

READ: Full interview: Great Bear Resources continues work on their much talked about Dixie Project

"Discoveries like those occurring at Dixie with the combination of multiple high-grade gold zones, shallow gold mineralization, and proximity to infrastructure within a major mining district, are globally very rare," said Chris Taylor, president at Great Bear.

"Our board of directors has reviewed the discovery, and transaction history of similar gold discoveries, and believes that a 2% NSR has excellent potential to benefit our shareholders.

"We also believe it is unlikely to impede potential positive developments that may be possible for the project and our company, as the majority of comparable gold projects that have been successfully developed have similar or larger royalties. We therefore believe we have a unique opportunity to create additional potential value for our shareholders through the creation of a royalty-focused company built on the future potential of this emerging, district-scale property."

The net smelter royalty will initially be placed in a wholly-owned subsidiary of Great Bear called Spinco.

It is expected that the distribution of shares in Spinco will be completed via a plan of arrangement, after which the board of SpinCo may pursue a listing of its shares on a stock exchange.

Price: 15.9

Market Cap: \$795.66 m

1 Year Share Price Graph



August 2019 February 2020 August 2020

Share Information

Code: GBR

Listing: TSX-V

52 week	High	Low
	19.83	3.68

Sector: General mining & base metals

Website: greatbearresources.ca

Company Synopsis:

Great Bear Resources Ltd is a precious metals exploration company. It explores for mineral properties in British Columbia and Quebec, Canada. Its property portfolio includes Great Bear's Red Lake Properties that consist of West Madsen gold project located in the Red Lake Gold District comprising of two claims blocks; and Dixie Lake Project located at the Red Lake Ontario.

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