

Essex Minerals Inc.

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Essex Minerals inks gold stream joint venture agreement with Zola Minerals

Essex Minerals Inc (CVE:ESX) told investors on Monday it has struck a joint venture deal with private royalty group Zola Minerals Inc, giving it the option to participate in gold streams.

Zola has the right to provide stream finance on a number of previously mined gold heap leach projects, with the potential to provide near term stream income.

Under the deal, Essex can participate for a 50% interest in any gold streams on project by paying Zola C\$300,000 in cash and financing the upfront payment of up to US\$4.5 million on the first project.

Gross Profits generated will be shared 50:50 with Zola, subject to a minimum internal rate of return (IRR) to Essex of 15% on funds invested.

Final engineering studies are already underway on the first project, with a decision to proceed expected to be made before the end of 2020, Essex said.

The company noted that it also has the option to acquire Zola, its subsidiaries or its business based on an independent valuation should the directors of Zola decide to sell any time before July 9, 2021. This option remains in place, even if no gold streams on initial projects go ahead.

Essex also unveiled a number of board changes in Monday's statement.

It said mining analyst and finance executive Meghan Lewis has become an independent director of Essex. She has strong links into the Canadian mining corporate finance sector and was previously vice president of corporate development for Aura Minerals Inc. Prior to that, she was a senior mining analyst for eight years with the Dundee Group of Toronto.

Meanwhile, it noted that Yuying Liang has resigned as director of the company.

Essex Minerals is focused on mineral exploration and development opportunities where it can adopt an option earn-in and joint venture model.

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Price: 0.2

Market Cap: \$5.79 m

1 Year Share Price Graph



February 2020 October 2020 February 2021

Share Information

Code: ESX

Listing: TSX-V

52 week	High	Low
	0.92	0.1

Sector: Mining

Website: essexminerals.com

Company Synopsis:

Utilizing management's contacts and professional network from more than 35 years of experience in mining corporate finance structuring and arrangement, Essex Minerals is a mineral exploration and development company focused on opportunities where it can adopt an option earn-in and joint venture model, with a particular emphasis gold projects in Tier 1 jurisdictions.

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