

Melkior Resources Inc.

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Melkior Resources brings in Barrick Gold as partner to advance White Lake project, Ontario

Melkior Resources Inc (CVE:MKR) (OTCMKTS:MKRIF) (FRA:MEK1) has boosted its White Lake project in Ontario, by striking a milestone deal with mining titan Barrick Gold Corp (NYSE:GOLD) (TSE:ABX) (FRA:ABR), giving the latter the right to earn up to 75% of the property.

The project lies 20km east of Barrick's producing Hemlo mine, where the major wants to extend the mine-life.

READ: Melkior Resources starts high-resolution MAG survey on its Val d'Or property in Quebec to prep for 2021 drill program

Under the terms of the option and joint venture agreement, Barrick can earn 75% of the asset by spending C\$4 million on exploration over five years.

Barrick will become the operator of the project and must spend a minimum of C\$0.5 million during the first two years.

"We are proud to announce this option agreement with one of the world's largest gold mining companies," said Melkior CEO Jon Deluce.

"Barrick operates the Hemlo mine 20 kilometers west of the White Lake Project, which has been in production since 1989. With Barrick's plans to extend the life of the Hemlo gold mine by transitioning it to a modernized Tier Two asset, it is clear there is still a lot to come from this mining camp that has produced over 21 million ounces of gold."

Deluce highlighted that with Barrick as a partner, even a small discovery at White Lake had the potential to be economic because of its proximity to the major's processing facilities.

"This is another very exciting milestone for our shareholders as we add another world-class partner to our value proposition. We continue to be cautious of our equity structure by putting our assets in a position of discovery with full alignment with our shareholders," he said.

Upon Barrick earning 75%, the parties shall enter into a joint venture agreement to carry on operations.

Funds required for further development will be contributed by the joint venture parties based on their proportional joint venture interests (75%:25%).

Dilution of a shareholder's interest below 10% will result in the conversion of the interest to a net smelter return (NSR) royalty of either 1% or 2% on certain claims dependent upon pre-existing royalties.

In September this year, Melkior unveiled another landmark deal with Kirkland Lake Gold Ltd (TSE:KL), which will see the major advance Melkior's Carscallen project, also in Ontario, as operator and with the right to earn up to a 75%

Price: 0.85

Market Cap: \$18.1 m

1 Year Share Price Graph



January 2020 July 2020 January 2021

Share Information

Code: MKR

Listing: TSX-V

52 week High Low
1.25 0.06

Sector: Mining

Website: www.melkior.com

Company Synopsis:

Melkior Resources Inc. is a gold and base metal exploration company with a diverse portfolio of gold and base metal projects in major mining camps in Ontario and Quebec. Melkior is focused on delivering shareholder value through the acquisition, exploration and development of these properties which are approaching significant discovery.

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Melkior is looking to make the next major gold discovery in Canada. It has a diverse portfolio of gold and base metal projects in major mining camps in Ontario and Quebec.

Shares in Toronto added 3.33% to stand at C\$0.93.

---Updates for share price---

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