

# Regency Gold enters into definitive agreement to acquire Vanadium North Resources

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VANCOUVER, Feb. 13, 2019 - [Regency Gold Corp](#) ("Regency" or the "Company") (NEX: RAU.H) is pleased to announce that it has entered into a definitive agreement (the "DA") dated February 8, 2019, with Vanadium North Resources Inc. ("Vanadium North"), pursuant to which the Company has agreed to acquire all of the issued and outstanding common shares of Vanadium North (the "Acquisition").

Vanadium North is a privately-owned Canadian mining company, which holds the Valley of Vanadium project (the "Valley of Vanadium") in the Northwest Territories. The 9,600 hectare project is comprised of wholly-owned claims in addition to an option to acquire 100% of mining claims owned by [Strategic Metals Ltd.](#) ("Strategic Metals"), previously known as the Van project. Strategic Metals and Vanadium North are arm's length parties from each other.

## Valley of Vanadium

The Valley of Vanadium project is a major sediment-hosted vanadium prospect that has not seen focused exploration since 1985. The project encompasses 19 road accessible mineral claims (96 km<sup>2</sup>) that are located in southwestern Northwest Territories. It is immediately northwest of the former Cantung Mine.

Vanadium mineralization is principally developed in a moderately to steeply dipping, sooty black, carbonaceous, siliceous mudstone unit. Historical geological mapping done in conjunction with chip sampling and diamond drilling indicates that this unit is at least 50 m thick and extends over a considerable strike length. Two lines of continuous chip samples collected 600 m apart across the prospective horizon returned weighted averages of 0.58% and 0.61% V<sub>2</sub>O<sub>5</sub> over true widths of 56.1 m and 60.2 m, respectively. A diamond drill hole completed between the chip sample lines yielded a weighted average of 0.42% V<sub>2</sub>O<sub>5</sub> over 52.5 m, within a broader zone averaging 0.3% V<sub>2</sub>O<sub>5</sub> over 110 m. Bedrock exposure is very limited on the property and the length of the mineralized zone is probably much greater than 600 m since this type of deposit tends to have a high aspect ratio (depositional area vs. thickness).

Strategic Metals will retain a 2% net smelter return royalty on any commercial production from the property, one-half of which may be purchased for a payment of \$1,000,000 any time prior to the commencement of commercial production.

Technical information in this news release has been approved by Galen McNamara P. Geo., President & CEO of Vanadium North and a qualified person for the purpose of National Instrument 43-101. All technical results were obtained from work completed historically on the Valley of Vanadium.

## Management and Directors

The board of directors and management team of the company will include the following professionals upon completion of the Acquisition.

### Michael Konnert – President, CEO and Director

Mr. Konnert is co-founder and Partner of Inventa Capital Corp., a private natural resource investment company and President and CEO of [Vizsla Resources Corp](#) (TSX-V: VZLA). Previously, he was co-founder and CEO of Cobalt One Energy Corp. which was acquired by Blackstone Minerals Ltd. (ASX: BSX) in 2017. He has nearly a decade of experience in the natural resources industry, specifically in executing successful corporate strategies for mineral exploration companies. Mr. Konnert started his career with [Pretium Resources Inc.](#) (TSX: PVG) shortly after their \$265M IPO. Following that, he spent three years with [Riverside Resources Inc.](#) (TSXV: RRI). Mr. Konnert holds a BCom from Royal Roads University and a Diploma in Entrepreneurship from the British Columbia Institute of Technology.

### Galen McNamara – COO and Director

Mr. McNamara is an entrepreneur and geologist who has been involved in the resource industry since 2007. He is a co-founder of Vanadium North Resources Inc. Previously he was Senior Project Manager at NexGen Energy Ltd. (TSX: NXE) where he led field exploration activities. For his work, he shared the 2018 PDAC Bill Dennis Award and 2016 Mines and Money Exploration of the Year Award. In 2014, Mr. McNamara co-founded Pioneer Exploration Consultants Ltd., a successful exploration consulting business, and Pioneer Aerial Surveys Ltd, a company focused on developing UAV-borne geophysical surveys. Prior to that, he managed surface exploration at what is now SSR Mining's Seabee Gold Operation where he worked on the early drill development of the currently producing Santoy Gap gold deposit. He has extensive experience managing the rapid advancement of mineral projects beginning from discovery.

#### **Garret Ainsworth – Director and Technical Advisor**

Mr. Ainsworth is an accomplished geologist and mining executive. He was Vice President Exploration & Development at [NexGen Energy Ltd.](#) (TSX: NXE) where he led the technical team and all exploration activities. For his work at NexGen, Garrett was co-recipient of the 2018 PDAC Bill Dennis Award and the 2016 Mines and Money Exploration Award. Prior to that, he was the Vice President Exploration at Alpha Minerals Inc., and project managed the discovery of the Patterson Lake South high-grade uranium boulder field and drill discovery of the Triple R Uranium deposit. He was named co-recipient of the AMEBC Colin Spence Award in 2013 for his lead role in the discovery of Triple R.

#### **Bill Radvak – Director**

Bill Radvak has 30 years of experience as senior manager and/or director of junior public companies with business including high tech, biotech and mining. Bill Radvak received a Mining and Mineral Processing Engineering Degree (1986) from the University of British Columbia. Bill Radvak joined Monitor Ventures as President & CEO in 2010. Previously he was a Founder and CEO of Response Biomedical Corp., a publicly listed medical device company. Mr. Radvak led Response Biomedical from inception to a 90-employee sales and manufacturing company.

#### **Terms of Acquisition**

Upon completion of the Acquisition, (a) Regency will own 100% of Vanadium North in consideration for the issuance to Vanadium North shareholders of an aggregate of 13,995,985 common shares in the capital of the Company ("Common Shares"); and (b) Regency will issue 7,500,000 Common Shares to Strategic Metals. The common shares of the Company to be issued to the shareholders of Vanadium North as consideration for the Acquisition, as well as the common shares of the Company to be issued to Strategic Metals, will be subject to a voluntary escrow with releases occurring on the terms contained in the DA which will be filed on SEDAR, in addition to any mandatory escrow that may be imposed by the TSX Venture Exchange (TSX-V)

The Company will not be seeking shareholder approval of the Transaction, as the Transaction is not a Related Party Transaction (as defined in the policies of the TSXV) and no other circumstances exist which may compromise the independence of the Company with respect to the transaction. Additionally, the Company is without active operations and is listed on NEX and the Company is not and does not anticipate being subject to a cease trade order or be suspended from trading on completion of the Transaction. The Company is not required by corporate law or applicable securities laws from seeking shareholder approval.

The Acquisition is considered a Change of Business under the policies of the TSXV. At the time of listing on NEX, the Company was not in the business of mineral exploration, though it currently holds certain mineral assets. On completion of the Acquisition, the business of the Company will be the business of Vanadium North, and it will be a mineral issuer engaged in the vanadium exploration space.

#### **Financing**

Regency also intends to complete a concurrent private placement financing (the "Financing"), to raise up to \$2,000,000 through the issuance of up to 8,000,000 common shares of the Company at a price of \$0.25 per share. In the event the Private Placement is over-subscribed, the Company will make provision for an over-allotment option (the "Over-Allotment Option") to allow the Company to increase the size of the Private Placement by up to 20% and issue an additional 2,000,000 common shares for additional gross proceeds of \$500,000. The pricing of the Financing was determined in the context of the market. The Common Shares to be issued pursuant to the Financing will be subject to a four-month hold period.

The net proceeds from the Financing are expected to be used to fund exploration activities at the Company's

properties and for working capital purposes.

The parties to the Acquisition are at Arm's Length. Completion of the Acquisition and the Financing are subject to a number of conditions, including the receipt of all required regulatory and third-party consents, including the approval of the TSXV, and the satisfaction of other customary closing conditions. Neither the Acquisition nor the Financing can be completed until the required approvals are obtained. There can be no assurance that the Acquisition or the Financing will be completed as proposed or at all.

#### **About Vanadium North Resources Corp.**

Vanadium North is a British Columbia corporation that holds an option to acquire 100% of the Valley of Vanadium, and such project, combined with surrounding claims that have been staked by Vanadium North, comprises its sole asset. In order to exercise the option, it is anticipated that the Company will be required to (a) issue 7,500,000 common shares to Strategic Metals, (b) incur expenditures of at least \$90,000 prior to November 1, 2018 (complete), and (c) maintain all mining claims comprising the Valley of Vanadium project in good standing until December 31, 2019 (complete). Strategic Metals will retain a 2% net smelter return royalty on any commercial production from the property, one-half of which may be purchased for a payment of \$1,000,000 any time prior to the commencement of commercial production.

The company was incorporated in July 2018 and has unaudited assets of approximately \$430,000 and no liabilities. Vanadium North is currently completing audited financial statements in conjunction with the Acquisition.

#### **About Regency Gold Corp.**

[Regency Gold Corp](#) is a mineral exploration company based in Canada. It is engaged in the identification, acquisition, exploration and, development of exploration and evaluation assets.

Completion of the transaction is subject to a number of conditions, including Exchange acceptance and disinterested Shareholder approval. The transaction cannot close until the required Shareholder approval is obtained. There can be no assurance that the transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the disclosure document to be prepared in connection with the transaction, any information released or received with respect to the change of business may not be accurate or complete and should not be relied upon. Trading in the securities of the Company should be considered highly speculative.

The TSX Venture Exchange has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.

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 release.

ON BEHALF OF THE BOARD OF DIRECTORS

"Bill Radvak"  
Bill Radvak, Chief Executive and Director

#### **Forward-Looking Information**

*This news release contains forward-looking statements and information that are based on the beliefs of management and reflect the Company's current expectations. When used in this news release, the words "estimate", "project", "belief", "anticipate", "intend", "expect", "plan", "predict", "may" or "should" and the negative of these words, or such variations thereon or comparable terminology, are intended to identify forward-looking statements and information. The forward-looking statements and information in this news release include but are not limited to any statements concerning the expected results of the Acquisition; completion of the transactions contemplated by the DA and the anticipated timing thereof; completion of the Financing and the anticipated timing thereof and the expected use of proceeds from the Financing.*

*By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or other future events, to be materially*

*different from any future results, performance or achievements expressed or implied by such forward-looking statements.*

*The forward-looking information contained in this news release represents the expectations of the Company as of the date of this news release and, accordingly, is subject to change after such date. Readers should not place undue importance on forward-looking information and should not rely upon this information as of any other date. While the Company may elect to, it does not undertake to update this information at any particular time except as required in accordance with applicable laws.*

SOURCE Regency Gold Corp.

**For further information:**

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