

# Surge Exploration Enters into Option Agreement to Acquire a 60% Interest in Ontario Cobalt Properties from LiCo Energy Metals

08.05.2018 | [The Newswire](#)

Vancouver, May 8, 2018 - [Surge Exploration Inc.](#) (the "Company" or "Surge") (TSX-V: SUR, OTCQB:CKVLF) announces that it has entered into an option agreement with [LiCo Energy Metals Inc.](#) ("LiCo") dated May 7, 2018 (the "Agreement"), whereby the Company may earn an undivided 60% interest in the Glencore Buck Property and the Teledyne Cobalt Property, located in Cobalt, Ontario. The transaction is subject to TSX Venture Exchange (Exchange) approval.

## Terms of the Option:

**Purchase Price** - The Company will pay LiCo the sum of \$240,000 and issue 1,000,000 fully paid and non-assessable common shares in the capital of Surge upon Exchange Approval. In addition, Surge shall incur an aggregate of \$1,536,000 in Exploration Expenditures on the Property on or before two years from the date of the Agreement.

**Joint Venture** - Upon the Company having exercised the Option, Surge will have earned an undivided 60% interest in the Property, and the parties will enter into a Commercially Reasonable and Definitive Joint Venture Agreement.

Finder's fees will be paid on behalf of the transaction in accordance with Exchange policies.

Pursuant to TSXV Policy 5.9 and Multilateral Instrument 61-101 -- Protection of Minority Security Holders in Special Transactions ("MI 61-101"), the Option Agreement constitutes a "related party transaction" due to the fact that one of the directors of the Company is also President and CEO of LiCo. The Company relied on Section 5.5(a) of MI 61-101 for an exemption from the formal valuation requirement and Section 5.7(1)(a) of MI 61-101 for an exemption from the minority shareholder approval requirement of MI 61-101 as the fair market value of the transaction did not exceed 25% of the Company's market capitalization. The disinterested members of the board of directors have unanimously approved the transaction and have determined that the purchase price of the transaction is fair to the Company and its shareholders based on LiCo's previous positive drilling programs on the properties, two unsolicited expressions of interest from arm's length parties, combined with the purchase price that LiCo previously paid to acquire the properties.

## About the Ontario Cobalt Properties:

### Glencore Bucke Cobalt Project (Cobalt, Ontario):

LiCo Energy Metals Inc. purchased a 100% interest from Glencore Canada Corporation (subsidiary of [Glencore plc](#)) in the Glencore Bucke Property, situated in Bucke Township, 6 km east-northeast of Cobalt, Ontario, subject to a back-in provision, production royalty and off-take agreement. Strategically, the Glencore Bucke Property consists of 16.2 hectares and sits along the west boundary of LiCo's Teledyne Cobalt Project. The Property covers the southern extension of the #3 vein that was historically mined on the neighbouring Cobalt Contact Property located to the north of the Glencore Bucke Property. Diamond drilling in 1981 on the Glencore Bucke Property delineated two zones of mineralization measuring 150 m and 70 m in length. During the fall of 2017, LiCo completed 21 diamond drill holes totaling 1,900 m. This drill program, along with the Phase 1 diamond drilling program completed on the Teledyne Cobalt Property, satisfied LiCo's flow-through financing obligations. The exploration program at the Glencore Bucke Property also satisfied our contractual obligations to [Glencore plc](#) whereby LiCo was to incur \$250,000 of exploration expenditures on the Property within six months of the approval date (see News Release dated September 5th, 2017).

## Teledyne Cobalt Project (Cobalt, Ontario):

LiCo Energy Metals Inc. has recently exercised its option to earn 100% ownership, subject to a royalty, in the Teledyne Project located near Cobalt, Ontario. The Property adjoins the south and west boundaries of claims that hosted the Agaunico Mine. From 1905 through to 1961, the Agaunico Mine produced a total of 4,350,000 lbs. of cobalt and 980,000 oz. of silver. A significant portion of the cobalt that was produced at the Agaunico Mine located along structures that extended southward onto the Teledyne property. LiCo recently completed a total of 11 diamond drill holes totaling 2,200 m in the fall of 2017. The drilling has confirmed cobalt mineralization present on the Property which is consistent with historical grades as reported historically by Cunningham-Dunlop (1979) and Bressee (1981), disclosed in earlier news releases. These reports are available in the public domain through MNDM's AFRI database.

NI 43-101 Reports for both the Teledyne and Glencore Bucke Properties, are publicly available on [www.SEDAR.com](http://www.SEDAR.com) under LiCo's profile as well as LiCo's website. LiCo's recently completed diamond drilling program (September to December 2017) consisted of both twinning and infill drilling of the historical drill holes located on both the Teledyne Cobalt and Glencore Bucke Properties.

## Qualified Person

The technical content of this news release has been reviewed and approved Joerg Kleinboeck, P.Geo., an independent consulting geologist and a qualified person as defined in NI 43-101.

About Surge Exploration Inc. <https://surgeexploration.com/>

The Company is a Canadian-based mineral exploration company which has been active in the resource sector in British Columbia and elsewhere in Canada. The Company has an exploration office in Santiago, Chile to review mineral exploration opportunities in Chile and elsewhere in South America.

## Hedge Hog Property, British Columbia

The Company has an option to earn an undivided 60% interest seven mineral tenure covering 2,418 hectares (5,972 acres) located approximately 80 km northeast of the town of Quesnel, BC and 20 km north of the historic gold mining towns of Wells and Barkerville.

## On Behalf of the Board of Directors

"Gordon Jung"

Gordon Jung

CEO

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.

This news release may contain forward-looking statements which include, but are not limited to, comments that involve future events and conditions, which are subject to various risks and uncertainties. Except for statements of historical facts, comments that address resource potential, upcoming work programs, geological interpretations, receipt and security of mineral property titles, availability of funds, and others are forward-looking. Forward-looking statements are not guarantees of future performance and actual results may vary materially from those statements. General business conditions are factors that could cause actual results to vary materially from forward-looking statements.

Copyright (c) 2018 TheNewswire - All rights reserved.

---

Dieser Artikel stammt von [Rohstoff-Welt.de](https://www.rohstoff-welt.de)

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/298097--Surge-Exploration-Enters-into-Option-Agreement-to-Acquire-a-60Prozent-Interest-in-Ontario-Cobalt-Properties-from>

Für den Inhalt des Beitrages ist allein der Autor verantwortlich bzw. die aufgeführte Quelle. Bild- oder Filmrechte liegen beim Autor/Quelle bzw. bei der vom ihm benannten Quelle. Bei Übersetzungen können Fehler nicht ausgeschlossen werden. Der vertretene Standpunkt eines Autors spiegelt generell nicht die Meinung des Webseiten-Betreibers wieder. Mittels der Veröffentlichung will dieser lediglich ein pluralistisches Meinungsbild darstellen. Direkte oder indirekte Aussagen in einem Beitrag stellen keinerlei Aufforderung zum Kauf-/Verkauf von Wertpapieren dar. Wir wehren uns gegen jede Form von Hass, Diskriminierung und Verletzung der Menschenwürde. Beachten Sie bitte auch unsere [AGB/Disclaimer!](#)

---

Die Reproduktion, Modifikation oder Verwendung der Inhalte ganz oder teilweise ohne schriftliche Genehmigung ist untersagt!  
Alle Angaben ohne Gewähr! Copyright © by Rohstoff-Welt.de -1999-2025. Es gelten unsere [AGB](#) und [Datenschutzrichtlinien](#).