

Chakana Acquires 1.0% NSR Royalty on Soledad Project, Peru

19.03.2019 | [GlobeNewswire](#)

- Chakana acquiring 1.0% NSR royalty at a significant discount to existing purchase option agreement.
- Condor's future NSR is reduced from 2.0% to 1.0%.
- Chakana has right to buy-down an additional 0.5% NSR royalty if purchase option agreement is exercised.
- Chakana pre-royalty payments are eliminated if purchase option agreement is exercised.

VANCOUVER, March 19, 2019 - [Chakana Copper Corp.](#) (TSX-V: PERU; OTC: CHKKF; FWB: 1ZX) (the "Company" or "Chakana"), announces that it has purchased a 1.0% Net Smelter Returns (NSR) royalty (the "Royalty") on the Soledad project from Minera Vertiente Del Sol S.A.C, the registered owner of the Soledad Property and a subsidiary of [Condor Resources Inc.](#) The Royalty is independent of the Company's 100% option agreement with Condor (see Condor news release dated April 25, 2017). Exploration by Chakana has highlighted the property's gold, copper and silver potential, and the royalty acquisition is in anticipation of continuing success, simplifying the royalty structure and unburdening the Company's ultimate financial obligations.

Map showing land position, known breccia pipes and altered areas interpreted as blind breccia pipes on the Soledad project. The Royalty applies to the Condor concessions (blue) and a 2 km area of interest. The Royalty does not affect the portion of the Barrick claim within the 2 km area of interest if Barrick exercises their back-in rights (see Chakana news release dated July 16, 2018 at [www.sedar.com](#)).

Some highlights of previously released drill intercepts from Bx 1, Bx 5, and Bx 6

The purchase price for the Royalty is US\$565,000 comprised of US\$275,000 in cash and 900,000 Chakana shares. The Royalty covers Condor's mining concessions and a 2-kilometer area of interest.

Chakana previously had the right to re-purchase 50% of the 2% NSR royalty (or a 1% NSR) that would be granted to Condor (the "Condor NSR") for US\$2,000,000 if Chakana exercises its option to purchase Condor's Soledad concessions. As a result of Chakana purchasing the Royalty now, the option agreement between the parties will be amended to reflect a reduction of the Condor NSR royalty from 2% to 1%, with Chakana having the right to re-purchase 50% of the Condor NSR royalty (or 0.5% NSR) for US\$1,000,000 subsequent to exercising the option agreement. If Chakana does not exercise the option agreement to acquire Condor's Soledad concessions, Condor has the right to purchase 50% of the Royalty (or 0.5% NSR) for US\$1,000,000. The amendment to the option agreement also eliminates Chakana's pre-royalty payment obligations. Chakana's purchase of the Royalty is subject to TSX Venture Exchange approval.

"The purchase of a 1% NSR royalty on a large portion of the Soledad project where twelve of seventeen confirmed breccia pipes occur captures significant value for Chakana shareholders at a 70% discount to the original option agreement. Purchasing the Royalty also increases Chakana's flexibility to raise future capital and reduces a financial burden on the project that should enhance the project economics if mineral resources are defined. The Royalty purchase affirms our confidence in the Soledad project based on the initial drilling of four breccia pipes and the extensive surface sampling and geophysical work completed to date," stated President and CEO David Kelley.

About the Soledad Project

The Soledad project is located in the Ancash Province of central Peru, 35 kilometers south of Barrick's Pierina mine. The project has been subject to an aggressive exploration program by Chakana since an initial 100% purchase option agreement was established with Condor in April, 2017. Two subsequent agreements expanded the land position to 3,085 hectares (see news releases dated May 23, 2018 and July 16, 2018 on www.sedar.com). The focus of exploration has been on high grade copper-gold-silver mineralized tourmaline breccia pipes that crop out at surface. A total of 25,211m of diamond drilling has been completed to date on four of the seventeen known breccia pipes. Over sixty targets have been defined on the property that have yet to be tested. A 20,000m drill program planned for 2019 will commence immediately upon approval of drill permits.

A table accompanying this announcement is available at

<http://www.globenewswire.com/NewsRoom/AttachmentNg/fdd4edd1-1a61-4a7e-8711-6e194c499b72>

* Reported mineralized intervals are not true widths given the vertical nature of the breccia pipe and the steep inclination of the holes. Cu_{eq} and Au_{eq} values were calculated using copper, gold, and silver. Metal prices utilized for the calculations are Cu – US\$2.90/lb, Au – US\$1,300/oz, and Ag – US\$17/oz. No adjustments were made for recovery as the project is an early stage exploration project and metallurgical data to allow for estimation of recoveries are not yet available. The formulas utilized to calculate equivalent values are Cu_{eq} (%) = Cu% + (Au g/t * 0.6556) + (Ag g/t * 0.00857) and Au_{eq} (g/t) = Au g/t + (Cu% * 1.5296) + (Ag g/t * 0.01307).

Sampling and Analytical Procedures

Chakana follows rigorous sampling and analytical protocols that meet or exceed industry standards. Core samples are stored in a secured area until transport in batches to the ALS facility in Callao, Lima, Peru. Sample batches include certified reference materials, blank, and duplicate samples that are then processed under the control of ALS. All samples are analyzed using the ME-MS41 (ICP technique that provides a comprehensive multi-element overview of the rock geochemistry), while gold is analyzed by AA24 and GRA22 when values exceed 10 g/t. Over limit silver, copper, lead and zinc are analyzed using the OG-46 procedure. Soil samples are analyzed by 4-acid (ME-MS61) and for gold by Fire Assay on a 30g sample (Au-ICP21).

Qualified Person

David Kelley, an officer and a director of Chakana, and a Qualified Person as defined by NI 43-101, reviewed and approved the technical information in this news release.

ON BEHALF OF THE BOARD

(signed) “David Kelley”
David Kelley
President and CEO

For further information contact:

Michelle Borromeo, Manager – Corporate Communications

Phone: 604-715-6845

Email: mborromeo@chakanacopper.com

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the Exchange) accepts responsibility for the adequacy or accuracy of this release.

Forward-looking Statement Advisory: This release may contain forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties, and other factors which may cause the actual results, performance, or achievements of Chakana to be materially different from any future results, performance, or achievements expressed or implied by the forward-looking statements. Forward looking statements or information relates to, among other things, the interpretation of the nature of the mineralization at the Soledad copper-gold-silver project (the “Project”), the potential to expand the

mineralization, and to develop and grow a resource within the Project, the planning for further exploration work, the ability to de-risk the potential exploration targets, and our belief in the potential for mineralization within unexplored parts of the Project. These forward-looking statements are based on management's current expectations and beliefs but given the uncertainties, assumptions and risks, readers are cautioned not to place undue reliance on such forward-looking statements or information. The Company disclaims any obligation to update, or to publicly announce, any such statements, events or developments except as required by law.

A photo accompanying this announcement is available at
<http://www.globenewswire.com/NewsRoom/AttachmentNg/ff092d05-897e-466e-869b-d0c2d3af37ed>

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

Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/321890--Chakana-Acquires-1.0Prozent-NSR-Royalty-on-Soledad-Project-Peru.html>

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](#).