C3 Metals Enters into 50/50 Joint Venture Agreement with Geophysx Jamaica to Combine Past Producing Pennants Gold Mine and Main Ridge Project to Create Super Block Project

written by Raj Shah | March 1, 2024

March 1, 2024 (Source) – **C3 Metals Inc.** (TSXV: CCCM) (OTCQB: CUAUF) ("C3 Metals" or the "Company") is pleased to announce it and its subsidiaries have entered into a joint venture agreement (the "JV Agreement") with Geophysx Jamaica Limited ("Geophysx") to combine the past producing Pennants Gold Mine with its Main Ridge Project to create the Super Block Project. C3 Metals will act as the operator of the joint venture ("JV").

Super Block Project[1] JV Highlights and Benefits for C3 Metals' shareholders:

- **JV Property:** Exposure to the past producing Pennants Gold Mine and other highly prospective copper and gold exploration targets that appear to overlap C3 Metals' and Geophysx's mineral concessions.
    - **Past producing Pennants Gold Mine:**
        - Operated as an open pit between 2002 and 2004 with estimated production of approximately 16,000 gold ounces (Source: Jamaica Mines and Geology Division).
        - Reported non-compliant NI 43-101 historical

mineral resource of **75,500 tonnes at 20.4 g/t gold**[1,2].

- Historical high-grade drill intersections[3] from the mine property (drill results are historical in nature and have not been independently confirmed):
    - **1.7m at 430.0 g/t gold;**
    - **3.8m at 56.4 g/t gold;**
    - **4.6m at 25.6 g/t gold;**
    - **9.2m at 18.4 g/t gold;** and
    - **3.1m at 17.0 g/t gold.**

- **The Main Ridge project:**
    - Rock and soil sampling defined a coherent gold anomaly extending 4km southeast and northwest of the former Pennants Gold Mine along the Bennett Fault.
        - Rock chip samples assayed **up to 35.8 g/t gold at surface**.

    - The Rio Minho Fault, a parallel fault to the north of the Bennett Fault, is host to strong copper-silver mineralization defined over a 4km strike length. Channel sample results include:
        - **16.0m at 1.22% copper and 7.8 g/t silver.**
        - **2.0m at 6.07% copper and 19.4 g/t silver.**

Geophysx is a known brand in Jamaica with considerable financial bandwidth. Geophysx is a private mineral exploration company that has explored the whole island of Jamaica and is the dominant mineral exploration license holder in the nation. It is managed by its founder, Robert “Bobby” Stewart. The Stewart family is a hospitality and industrial powerhouse in the island. The JV gives C3 Metals leverage to Geophysx’s relationships and acumen in Jamaica. Conversely, the JV gives Geophysx leverage to C3 Metals’ technical team.

Dan Symons, President and CEO of C3 Metals, stated*, “We are very excited to enter into this JV with Geophysx. The Pennants mine was a small, high-grade producer of some 16,000 ounces of gold. We believe the potential for additional discovery to be very high. Historical data, surface sampling, and geophysical data suggest that mineralization at Pennants potentially extends over 4km. C3 Metals’ will maintain its primary focus on copper-gold along a cluster of porphyries within our Bellas Gate project. We see this JV as an excellent opportunity to add unrealized value to our Company. The synergies of putting these properties together are very clear.*

“We would also like to take the opportunity to welcome Mr. Stewart as a strategic, 5% shareholder of C3 Metals through our November 2023 private placement. Bobby and I share a vision of the stakeholder value that can be created through the systematic exploration of the Super Block Project.”

Bobby Stewart, President of Geophysx, commented: *“We’re very happy to be partnering with C3 Metals on the Main Ridge Super Block Project. As fellow explorers, we’ve come to know the company, their team, their skill set, and their values. We have always been an advocate of combining our two halves of the mineral system around Main Ridge, as a necessity to build value and create a potentially very successful project here. Geophysx*

Jamaica is passionate about realizing a new and exciting industry here in Jamaica which can bring tremendous social and economic benefit through sustainable and environmentally sound mineral exploration and development. We truly believe that this partnership will be good for Jamaica, and are excited to begin the planned work program with our new partners."

Under the terms of the JV Agreement, C3 Metals will contribute approximately 4,400 hectares and Geophysx will contribute 5,470 hectares, with a total of 9,870 hectares forming the Super Block Project JV area (Figure 1). C3 Metals will continue to hold a 100% interest in 17,855 hectares, including the Bellas Gate project where the Company is actively drilling with two rigs. The Bellas Gate project remains C3 Metals' primary focus.

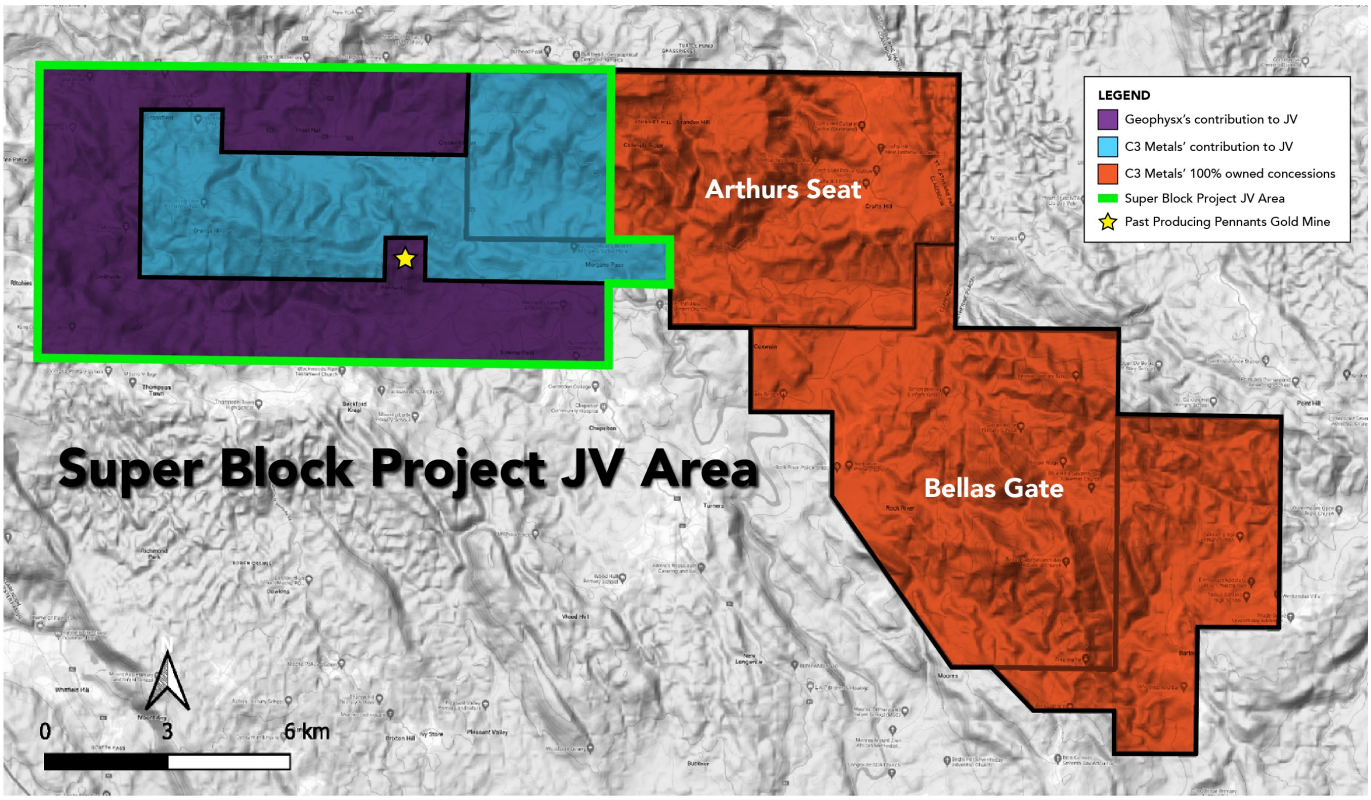


Figure 1: Map showing the Super Block Project JV area and C3 Metals' 100% owned Arthurs Seat and Bellas Gate concessions.

To view an enhanced version of this graphic, please visit:

https://images.newsfilecorp.com/files/2661/199988_aab4bff3140a3b08_001full.jpg

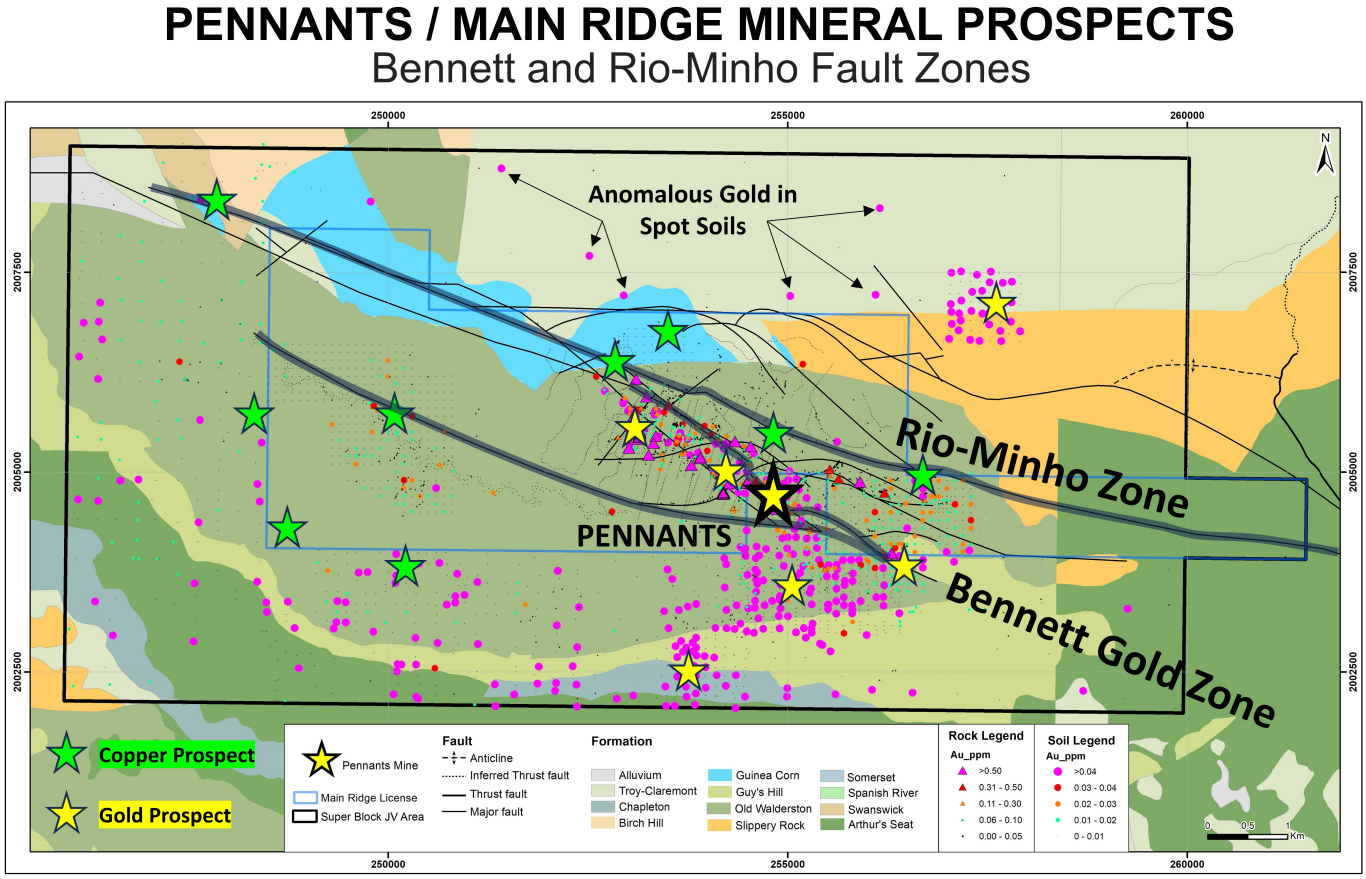


Figure 2: Map of Super Block Project JV showing gold and copper prospects.

To view an enhanced version of this graphic, please visit: https://images.newsfilecorp.com/files/2661/199988_aab4bff3140a3b08_002full.jpg

Next Steps for the Super Block Project JV

C3 Metals, as the operator of the JV, intends to conduct immediate field work to prepare for a drill program that is anticipated to commence during the second half of 2024. Work for the initial program includes:

- Merging historical drilling, geochemical and geophysical

datasets to create a geologic model for the Super Block Project;
- A boots-on-the-ground mapping and sampling campaign across the Super Block Project, focused across the two main splay faults known to host gold and copper-silver mineralization (the Bennett and Rio Minho faults, respectively);
- In addition to the past producing Pennants Gold Mine, nine intermediate to low sulphidation epithermal prospects have been identified to date;
    - Five gold prospects
    - Four copper-silver prospects

- Prospects will be ranked and prioritized following this work, with drilling anticipated to commence during the second half of 2024.

Key JV Agreement Terms

Under the terms of the JV:

- Each party has an initial 50% interest in the Super Block Project.
- Each party will elect two members to a Management Committee, which will include the President from each party and one additional member.
- C3 Metals will act as the operator of the Super Block Project.
    - In this role, C3 Metals will be responsible for proposing annual work plans and budgets to be approved by the Management Committee.
    - C3 Metals will receive a 5% operator administrative fee until such time a production decision is made on the Super Block Project.

- The Management Committee has approved a 2024 work program and budget of approximately US$950,000 or approximately US$475,000 per party.
- Both parties must contribute to funding further development at the Super Block Project on a pro rata basis or have their interest diluted as per the standard formula outlined by the Rocky Mountain Mineral Law Foundation.
- Should either party of the JV be diluted to a 5% interest, such interest will be converted to a 3% net smelter royalty on the Super Block Project of which 2% can be repurchased for US$2,000,000.

The JV Agreement was executed on February 24, 2024 and is subject to termination in the event certain conditions subsequent are not satisfied on or before July 15, 2024, including the subdivision of existing mineral tenures by the Ministry of Agriculture, Fisheries and Mines (Jamaica) to form the Super Block Project.

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ABOUT C3 METALS INC.

C3 Metals Inc. is a mineral exploration company focused on creating substantive value for its shareholders through the discovery and development of large copper and gold deposits. The Company is actively exploring in Jamaica where it has identified 16 porphyry and 40 epithermal prospects over a 30km strike extent. The Company holds an 100% interest in 17,855 hectares of exploration licenses and a 50% interest in 9,870 hectares in a

joint venture with Geophsyx Jamaica Ltd, the largest mineral tenure holder in the country. Mining is currently the second largest industry in Jamaica, and historical mining dates back to the colonial eras of the 1500s (Spanish) and 1800s (British). The Company also holds approximately 24,000 hectares located in the prolific high-grade Andahuaylas-Yauri Porphyry-Skarn belt of Southern Peru. Mineralization at Jasperoide is hosted in a similar geological setting to the nearby major mining operations at Las Bambas (MMG), Constancia (Hudbay) and Antapaccay (Glencore). At Jasperoide, the Company has identified over 15 skarn prospects and an outcropping porphyry system over two parallel 28km belts. The Company has published a maiden resource estimate on the first of these skarn targets, which contained Measured & Indicated Resources of 52Mt at 0.5% copper and 0.2 g/t gold.

Related Link: www.c3metals.com

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QP Statement

Stephen Hughes, P.Geo. is Vice President Exploration and a Director for C3 Metals and is a Qualified Person as defined by National Instrument 43-101. Mr. Hughes has reviewed the technical information in this news release and approves the written disclosure contained herein.

Caution Regarding Forward-Looking Statements

Certain statements contained in this press release constitute forward-looking information. These statements relate to future events or future performance. The use of any of the words

“could”, “intend”, “expect”, “believe”, “will”, “projected”, “estimated” and similar expressions and statements relating to matters that are not historical facts are intended to identify forward-looking information and are based on the Company’s current belief or assumptions as to the outcome and timing of such future events. Actual future results may differ materially. Those assumptions and factors are based on information currently available to the Company. Although such statements are based on reasonable assumptions of the Company’s management, there can be no assurance that any conclusions or forecasts will prove to be accurate.

While the Company considers these assumptions to be reasonable based on information currently available, they may prove to be incorrect. Forward looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Such factors include risks inherent in the exploration and development of mineral deposits, including risks relating to changes in project parameters as plans continue to be redefined, risks relating to variations in grade or recovery rates, risks relating to changes in mineral prices and the worldwide demand for and supply of minerals, risks related to increased competition and current global financial conditions and the COVID-19 pandemic, access and supply risks, reliance on key personnel, operational risks, and regulatory risks, including risks relating to the acquisition of the necessary licenses and permits, financing, capitalization and liquidity risks.

The forward-looking information contained in this release is made as of the date hereof, and the Company is not obligated to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as

required by applicable securities laws. Because of the risks, uncertainties and assumptions contained herein, investors should not place undue reliance on forward-looking information. The foregoing statements expressly qualify any forward-looking information contained herein.

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[1] The mineral resource cited above is presented as a historical estimate and uses historical terminology which does not conform to current National Instrument 43-101 (“NI 43-101”) standards. A qualified person has not done sufficient work to classify the historical estimate as current mineral resources or mineral reserves. Although the historical estimates are believed to be based on reasonable assumptions, these estimates were calculated prior to the implementation of NI 43-101. As these historical estimates do not meet current standards as defined under sections 1.2 and 1.3 of NI 43-101, C3 Metals is not treating the historical estimate as current mineral resources or mineral reserves.

[2] Published report, Geochemical exploration for gold in Jamaica: A comparison of stream sediment and soil surveys, Geochemistry: Exploration, Environment, Analysis, 4, 161-170, 1 May 2004, authored by Robert G. Garrett, Gerald C. Lalor and Mitko Vutchkov.

[3] Data from the above drill results are reported historical results and it is unknown what type of quality-control programs were performed at the time. C3 Metals’ QP also advises that true width of the above results cannot be determined at this time.