

# Euro Sun Provides Corporate Update

written by Raj Shah | September 14, 2020

September 14, 2020 ([Source](#)) – **Attending Precious Metal Beaver Creek Summit (virtual) September 15 – 17, 2020**

**Euro Sun Mining Inc. (TSX: ESM)** (“Euro Sun” or the “Company”) is pleased to provide a corporate update and comment on the current strategy regarding development of the ten million gold equivalent ounce Rovina Valley Project.

In response to many questions from shareholders, we would like to provide an update on recent developments at the Rovina Valley Project so that all investors have a clear understanding of the ultimate value of this world class gold development project.

The last two quarters have seen significant progress towards a construction decision for the Rovina Valley Project with ongoing work on the construction permit and related activities around the process. In addition, the definitive feasibility study, being completed by Senet Pty, continues to progress. In June, the Company closed a \$22.3 million bought deal equity financing led by Sprott Capital Partners with BMO Capital Markets. It is expected that the funds raised from the financing will provide the Company with the capital required to obtain a construction decision.

The Company also made significant changes in its governance and corporate structure with the termination of its relationship with former chairman Stan Bharti and his merchant bank, Forbes and Manhattan Inc. The Company also completed a relocation of its registered head office and added of two new independent directors to its board. The board is now comprised of six

independent directors and non-independent director.

The Company continues to make progress on our key development catalysts with the two targeted deliverables being the construction permit and the definitive feasibility study. While the Company does not currently anticipate, the current global COVID-19 crisis may have an impact on timing that is hard to predict. Both deliverables are significant risk reduction events for Euro Sun and should have a materially positive effect on the Company.

Scott Moore, Chairman and CEO stated; "The last two quarters have come with significant change for the company; operationally with the addition of senior management personnel to advance the permitting and engineering at Rovina Valley; financially with a significant investment by global institutional precious metal funds; and governance wise through the addition of key independent directors and a re-location of our corporate head office. All of these milestones paired with a rising gold price should serve to highlight the tremendous potential for a re-valuation of Euro Sun."

The Company will be attending the Precious Metal Summit normally held in Beavercreek Colorado but this year being held virtually between September 15-17<sup>th</sup>, 2020. Beaver Creek is usually one of the best attended mining conferences specifically tailored to the junior mining sector with strong support by institutional investors, private family offices and larger mining companies.

### **Construction Permit Process**

The Company would like to remind investors that the Exploitation License ratified by the Romanian Government allows the Company to make official requests to the County Council of Hunedoara for Certificates of Urbanism. To advance to the construction phase

there are two certificates required, the Area Land Use Plan and the Project Technical Design.

The Certificate of Urbanism for Plan (Land Use) is a documentary process that results in a change of land assignment by the county to permit utility and future development for a category change for economic activities. In essence, a re-zoning is required from the current land use being pastoral and/or state forest to zoning for commercial activities.

In order to complete this process, Euro Sun has engaged MetricSpace, an architectural and urban planning firm based in Cluj-Napoca, Romania to provide all the necessary documentation and support to the chief architect of the county. The Company received the re-zoning (PUZ) urbanization certificate on June 11 2020 from Hunedoara County. The Company has delivered all documentation to the county technical committee to approve the opportunity agreement which forms part of the certificate. The public consultation on the zoning plan is expected to occur in mid October 2020.

The second Certificate of Urbanism is for the Project Technical Design. This includes the Environmental Impact Assessment (EIA) of the Rovina Valley Project, along with other documentation. International consultancy firm ERM, based in Bucharest Romania has been contracted to complete the EIA and Environmental Social Impact Assessment process for the Rovina Valley Project. Multiple sub-studies forming part of the Project Technical Design are well underway or completed including climate and weather conditions criteria, traffic baseline study, limited vibration survey and blasting study, landscape baseline and modelling study. Other technical work is also well underway such as water modelling including the geochemistry, surface and groundwater, and water supply to the project, air quality and air modeling, noise modeling and biodiversity & forestry

studies.

We continue to progress the certificates of Urbanism in conjunction with all Romanian laws with the goal of having these certificates completed or substantially complete by end of 2020 so the Company can begin construction in early 2021.

### **Definitive Feasibility Study**

The second key deliverable for 2020 is the completion of a definitive feasibility study for the Rovina Valley Project. The Company has awarded the feasibility to Senet Pty, based in Johannesburg South Africa.

The National Instrument 43-101 compliant definitive feasibility study will include analysis of: geology & resources, mining & reserves, geochemistry, hydrogeology, geotechnical, process plant, waste management facility, infrastructure, schedule, manpower, capital cost, operating cost, revenue, and financial analysis.

After internal model evaluations the DFS will now include the Rovina open pit sequentially to the Colnic pit in the Life of Mine plan. This will result in significantly more production of both gold and copper due to a longer mine life without affecting initial capital expenditures.

In support of the feasibility, the Company has appointed Klohn Crippen Berger (KCB), Canada as geotechnical contractor. KCB will provide all geotechnical input for both open pits including characterizing pit wall stability and de-watering requirements. Additionally, geotech engineering for the plant site, crusher, truck shop, fuel depot, process facilities, rope conveyor foundations. diversion tunnel around Colnic pit, low grade stockpile, office buildings/warehouse, and the waste co-deposition area drilling program and all geotechnical

interpretation and reports. KCB will also design the co-depositional facility including geotechnical characteristics of the filter cake and waste rock mixture, detailed stacking plan and general arrangement, detailed design of the internal drainage systems, perimeter berms and runoff/drainage solution management.

## **DFS Progress Update:**

### **Mining and Geology**

- Gap analysis Report provided
- Mining Design Trade-off's studies completed, options presented and selected
- Whittle Optimization completed
- Geology review completed

### **Process and Metallurgy**

- Gap analysis Report provided
- Bloc Flow Diagram (BFL) for process and waste completed
- Process Flow Diagrams (PFD's) completed
- Process Description completed
- Process Design Criteria (PDC) completed
- Process test work requirements finalized
- Mass and Water Balance completed
- HAZOP 1 completed
- Mechanical Equipment List (MEL) developed

### **Discipline Engineering (Infrastructure, Civil, Mechanical, Electrical)**

- Overall layout (General Infrastructure Location Plan) reflecting infrastructure and plant locations finalised
- Rope conveyor options and Railveyor options trade off to be completed
- Tunnel vs water diversion study completed

- Site Infrastructure layout issued
- Road access and raw water pipeline layouts completed
- Power supply to site and connections – trade off study ongoing with local contractor
- Plant terraces started and it's ongoing
- General Site conditions and Site Design Criteria document completed
- Fuel Depot – Scope of Study issued for client review

The Company still expects the DFS to be completed by the end of 2020 with the filing of NI 43-101 technical report early in 2021. Unexpected delays due to the Covid-19 pandemic may have an impact to this schedule.

### **About Euro Sun Mining Inc.**

Euro Sun is a Toronto Stock Exchange listed mining company focused on the exploration and development of its 100%-owned Rovina Valley gold and copper project located in west-central Romania, which hosts the second largest gold deposit in Europe.

For further information about Euro Sun Mining, or the contents of this press release, please contact Investor Relations at [info@eurosunmining.com](mailto:info@eurosunmining.com)

### **Caution regarding forward-looking information:**

*This press release contains “forward-looking information” within the meaning of applicable Canadian securities legislation. Forward-looking information includes, without limitation, the Company’s expectation that the funds raised from the June financing will be sufficient to provide the Company with a construction decision; the delivery of the Construction Permit and Definitive Feasibility Study being risk reduction events for Euro Sun; timing for public consultation on the Urbanization Zoning Plan; expected timing for the delivery of the*

certificates of Urbanism; timing for the commencement of construction; timing for the completion of the Definitive Feasibility Study. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including risks inherent in the mining industry and risks described in the public disclosure of the Company which is available under the profile of the Company on SEDAR at [www.sedar.com](http://www.sedar.com) and on the Company's website at [www.eurosunmining.com](http://www.eurosunmining.com). Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

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