Global Energy Metals Closes Sale of New 1% NSR Royalty on Norway-Based Rana Nickel Project; Provides Update on Lovelock Drill Program

written by Raj Shah | January 27, 2022

January 27, 2022 (Source) – Global Energy Metals Corporation (TSXV:GEMC) (OTCQB:GBLEF)(FSE:5GE1) ("Global Energy Metals", the "Company" and/or "GEMC"), a company involved in investment exposure to the battery metals supply chain, is pleased to announce the closing of the previously announced Rana Nickel Royalty acquisition by Electric Royalties Ltd. ("Electric Royalties" and/or "ELEC"). As announced in the Company's news releases dated October 19, 2021 and December 16, 2021, Scandinavian Resource Holdings ("SRH") and GEMC created and agreed to sell to Electric Royalties a new 1% net smelter return royalty (the "1% NSR") on four exploration licenses totaling 25 square kilometers in the Råna mafic-ultramafic intrusion in Northern Norway, including the past producing Bruvann Nickel mine (the "Råna Project" or "Råna"), jointly held by GEMC and SRH.

For more information on the Råna Project please visit the corresponding page on the GEMC website linked here.

Mitchell Smith, President & CEO, Director commented:

"With bullish implications for battery metals from ESG friendly, safe mining jurisdictions, we believe that our shareholders are well positioned to realize additional value from the strategic

investments we've made to date. Råna is just one example of monetizing our current portfolio, as demonstrated by the creation and sale of this royalty to Electric Royalties and also by the proposed non-dilutive project advancement by incoming partner Metals One plc while we maintain a carried interest and 1% NSR of our own. In addition, through increased activity directed towards our strong, multi-jurisdictional asset base by our various partners as well as from our own internal efforts, we plan to advance our high-quality portfolio and further grow the Company rapidly."

In connection with closing, ELEC will issue total consideration of 2,000,000 common shares of the company ("Consideration Shares") and $100,000 cash payable to GEMC and SRH in proportion to project ownership. The Consideration Shares will be subject to a voluntary escrow lock-up agreement which provides that 50% of the common shares will be subject to a hold period of 4 months and one day, 25% for 8 months and the remaining 25% for 12 months.

The transaction remains subject to customary closing conditions including final TSX-V approval.

Global Energy Metals holds a strategic 10% project level interest and 1% NSR royalty on the Råna Project. Including Råna, GEMC holds project level interests in 10 battery metal projects in 4 countries across 3 continents, 1 net smelter return royalty and significant equity positions in 3 publicly traded companies.

As previously announced, the majority owner of Råna, SRH, recently entered into a definitive term sheet with Metals One plc ("Metals One"), a private U.K. registered company that is in the process of completing an AIM listing with targeted close this quarter. Metals One is acquiring the 90% interest in Råna

that is held by SRH through a share, cash and project level expenditure transaction. GEMC will maintain its 10% interest in the project and be carried on project level expenditures of up to $1.5 million. As part of the agreement Metals One will be committing to a £1 million exploration work program within the first 12 months with plans to release an updated resource within the next 12 to 24 months.

Metals One is an exciting new battery minerals exploration company focused on assets in the Scandinavian region and on the doorstep of the burgeoning European EV market.

More detail on Metals One plc can be found at https://metals-one.com.

Lovelock Update:

The Company is also pleased to announce the completion of the Phase 1 drilling at the Lovelock Mine project in Nevada, USA. As previously noted, samples have been submitted to the American Assay lab in Sparks, Nevada. Analytical laboratories in the industry continue to be constrained, which has dramatically impacted turn-around times on the order of several weeks to months. The Company is in close contact with the lab and expects results to be released in batches as they are received in the near future.

The Company believes that Lovelock displays potential for near-surface cobalt, nickel and copper mineralisation and could become a significant discovery opportunity in the highly prospective Stillwater IOCG region.

Timothy Strong, Project Development Manager commented:

“The ability to efficiently execute our first-ever drill program at Lovelock is an important milestone for Global Energy Metals.

As we await drill results, planning has already begun for the next phase of exploration. 2022 will be an important year for the Company as we look forward to the continued advancement of Lovelock and our entire battery metals rich project portfolio."

Qualified Person

Mr. Paul Sarjeant, P. Geo., is the qualified person for this release as defined by National Instrument 43-101 – Standards of Disclosure for Mineral Projects.

Global Energy Metals Corporation

(TSXV:GEMC | OTCQB:GBLEF | FSE:5GE1)

Global Energy Metals Corp. offers investment exposure to the growing rechargeable battery and electric vehicle market by building a diversified global portfolio of exploration and growth-stage battery mineral assets.

Global Energy Metals recognizes that the proliferation and growth of the electrified economy in the coming decades is underpinned by the availability of battery metals, including cobalt, nickel, copper, lithium and other raw materials. To be part of the solution and respond to this electrification movement, Global Energy Metals has taken a 'consolidate, partner and invest' approach and in doing so have assembled and are advancing a portfolio of strategically significant investments in battery metal resources.

As demonstrated with the Company's current copper, nickel and cobalt projects in Canada, Australia, Norway and the United States, GEMC is investing-in, exploring and developing prospective, scaleable assets in established mining and processing jurisdictions in close proximity to end-use markets. Global Energy Metals is targeting projects with low logistics

and processing risks, so that they can be fast tracked to enter the supply chain in this cycle. The Company is also collaborating with industry peers to strengthen its exposure to these critical commodities and the associated technologies required for a cleaner future.

Securing exposure to these critical minerals powering the eMobility revolution is a generational investment opportunity. Global Energy Metals believe the the time to be part of this electrification movement.

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Certain information in this release may constitute forward-looking statements under applicable securities laws and necessarily involve risks associated with regulatory approvals and timelines. Although Global Energy Metals believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or

developments may differ materially from those in the forward-looking statements. Except as required by law, the Company undertakes no obligation to update these forward-looking statements in the event that management's beliefs, estimates or opinions, or other factors, should change.

GEMC's operations could be significantly adversely affected by the effects of a widespread global outbreak of a contagious disease, including the recent outbreak of illness caused by COVID-19. It is not possible to accurately predict the impact COVID-19 will have on operations and the ability of others to meet their obligations, including uncertainties relating to the ultimate geographic spread of the virus, the severity of the disease, the duration of the outbreak, and the length of travel and quarantine restrictions imposed by governments of affected countries. In addition, a significant outbreak of contagious diseases in the human population could result in a widespread health crisis that could adversely affect the economies and financial markets of many countries, resulting in an economic downturn that could further affect operations and the ability to finance its operations.

For more information on Global Energy and the risks and challenges of their businesses, investors should review the filings that are available at www.sedar.com.

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We seek safe harbour.