

# Global Energy Metals Signs Binding Agreement for Royalty Sale on Norway Based Rana Nickel-Copper-Cobalt Project; Increases Equity Holdings in Electric Royalties

written by Raj Shah | December 16, 2021

December 16, 2021 ([Source](#)) – Global Energy Metals Corporation (TSXV:GEMC) | (OTCQB:GBLEF) | (FSE:5GE1) (“Global Energy Metals”, the “Company” and/or “GEMC”), a company involved in the investment exposure to the battery metals supply chain, is pleased to announce the signing of the definitive purchase agreement for the previously announced Rana Nickel Royalty acquisition by Electric Royalties Ltd. (“Electric Royalties” and/or “ELEC”). As announced, Scandinavian Resource Holdings (“SRH”) and GEMC created and agreed to sell to ELEC a new 1% Net Smelter Royalty (the “1% NSR”) on four exploration licenses totaling 25 square kilometers in the Råna mafic-ultramafic intrusion in Northern Norway and includes the past producing Bruvann Nickel mine (the “Råna Project” or “Råna”).

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.

## **Rana Nickel Project Royalty Highlights**

- Includes the past producing Bruvann Ni-Cu-Co mine which has significant historical resources remaining after production shut down in 2002 due to low nickel prices;
  - The Rana Nickel Project is located on the Ofoten Fjord in Northern Norway and is ice-free year-round. The project includes the past producing Bruvann Ni-Cu-Co mine which was in production from 1989 until 2002 and processed 8.2 million tonnes of ore at an average grade of 0.52% Ni, 0.1% Cu and 0.02% Co;
  - The historical estimate of the remaining resource is 9.15 million tonnes at grades of 0.36% Ni, 0.09% Cu and 0.01% Co above a cut-off of 0.3% Ni1;

No classification of the estimate was reported. The estimate is historical in nature and does not qualify as mineral resources under CIM Definition standards and NI 43-101. A qualified person under has not done sufficient work to classify the estimates as current mineral resources and the Company is not treating them as current.

- Located in an area with a long history of mining and skilled workforce with available mine infrastructure including power, roads, and conveyor from mine site to existing port facilities;
- Large historical drill database demonstrating compelling near mine exploration potential;
- Under-explored property with demonstrated exploration potential and re-start potential;
- U.K. based Metals One plc to acquire a 90% interest in the Project with plans to go public on AIM and commit to a £1 million work program within the first 12 months;
- GEMC to receive cash and share equity in Electric Royalties further increasing its exposure to the company

and its growing portfolio of technology enabling metal projects.

The past production and historical estimate for the Råna Project is reported in Carl Olaf Mathiesen and Rognvald Boyd, 2017: History of exploration of the nickel resources of the Råna Intrusion, Nordland, Norway, NGU Report 2017.31, available at [https://www.ngu.no/upload/Publikasjoner/Rapporter/2017/2017\\_031.pdf](https://www.ngu.no/upload/Publikasjoner/Rapporter/2017/2017_031.pdf)

**Mitchell Smith, President and CEO commented:**

“This transaction with Electric Royalties is another example of GEMC executing on strategy and providing shareholders with increased exposure to the raw materials that are powering an electrified future. The added benefit of having Metals One plc transact with SRH and commit to a healthy exploration budget aimed at advancing this class-1 nickel sulphide project is also very encouraging. We look forward to working alongside all parties in developing this exciting project at a time when downstream users race to control more supply of raw materials that are key to transitioning to low-carbon energy sources, with nickel one of the key metals used in lithium-ion batteries for electric vehicles.”

**Brendan Yurik, CEO of Electric Royalties commented:**

“Under-explored, historically producing nickel mines like Rana in tier 1 jurisdictions are an excellent place to search for future nickel supply to fill the looming supply / demand gap in an ESG friendly way and with less risk than greenfield projects. We released an asset update last week capping off more than \$150 million raised in 2021 by operators of our royalty assets. Now with Metals One plc coming in to commit to advance Rana in 2022, we’re expecting major updates on more than 60% of our portfolio next year. We’re very excited to see how this modern exploration

work proceeds as there is lots of upside and value remaining to be unlocked at the Rana Nickel Project.”

### **Rana Nickel Royalty Development Update**

After signing the letter of intent and prior to closing of this transaction, Global Energy Metals is also pleased to announce that Metals One Plc. (“Metals One”) has signed a definitive term sheet with SRH to acquire 90% of the Rana Nickel project held by SRH through a share, cash and project level expenditure transaction. Metals One, a private U.K. registered company, plans to complete an AIM listing in Q1 2022. GEMC will maintain a 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>.

### **Rana Nickel Project Exploration Upside**

All of the mineral occurrences within the 4 mining licenses at Råna are hosted in the 70km<sup>2</sup> Råna mafic-ultramafic intrusion.

The most significant of these occurrences is the formerly producing Bruvann Nickel Mine which was operated from 1989 to 2002 by Nickel og Olivin AS in association with Outokumpu OY.

Significant underground resources remain at Bruvann and it is the most important asset on the property. Recent exploration work guided primarily by geophysics elsewhere within the licenses has shown good potential to discover additional nickel-copper deposits.

## **Rana Project Overview**

The [Råna Nickel-Copper-Cobalt project](#) is jointly held by GEMC and SRH and located on the Ofoten Fjord in Northern Norway and is ice-free year-round. The project includes the past producing Bruvann Ni-Cu-Co mine which was in production from 1989 until 2002 and processed 8.2 million tonnes of ore at an average grade of 0.52% Ni, 0.1% Cu and 0.02% Co.

The historical estimate of the remaining resource is 9.15 million tonnes at approximate grades of 0.36% Ni, 0.09% Cu and 0.01% Co above a cut-off of 0.3% Ni. The mineralization is reported to be open in several directions.

The estimate was obtained from a report prepared by the Norwegian Geological Survey (NGU). No classification of the estimate was reported. The estimate is historical in nature and does not qualify as mineral resources under CIM Definition standards and NI 43-101. A qualified person under has not done sufficient work to classify the estimates as current mineral resources and the Company is not treating them as current.

Bruvann is located 2 km away from a shipping dock with an existing conveyor connecting dock facilities from the mine site.

Mine roads and power facilities as well as some of the mine buildings have been maintained and the main North-South highway in the region crosses the property.

For more information on the Rana Project please refer to GEMC's website [linked here](#).

## **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](http://www.sedar.com).

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