Global Energy Metals to Acquire Monument Peak Copper-Silver-Gold Project in Idaho; Takes Strategic Interest in Battery Metal Exploration Portfolio in Quebec

written by Raj Shah | March 2, 2021

March 2, 2021 (Source) – Global Energy Metals Corporation (TSXV:GEMC) | (OTC:GBLEF) | (FSE:5GE1) ("Global Energy Metals", the "Company" and/or "GEMC") is pleased to announce that it has entered into a Letter of Intent (the "LOI") with DG Resource Management ("DGRM" and/or the "Vendor") for the acquisition (the "Acquisition") of a fifty percent (50%) interest in a portfolio of battery metal projects, which include:

- Monument Peak, Idaho (Copper, Silver, Gold)
- Chance Lake, Quebec (Nickel, Copper, Cobalt)
- Amiral, Quebec (Nickel, Copper, PGE's)

The Acquisition is part of an ongoing effort by the Company to assemble battery metals-rich projects in top-tier mining jurisdictions with exploration & development upside.

Mitchell Smith, President & CEO, Director comments:

"The ongoing consolidation of strategically located battery metals projects, has allowed Global Energy Metals to establish itself as a dominant holder of highly prospective critical metals projects with strong exploration and development upside.

The addition of Idaho, U.S. based Monument Peak, and the Quebec based Chance Lake and Amiral properties complement our current portfolio and provides the Company with added exposure to North American copper, cobalt, silver and nickel at a time when quality resource projects are needed to supply an apparent decades long growth cycle in demand of vehicle electrification and stationary energy storage."

Monument Peak Copper-Silver-Gold Project, Idaho, USA

The Monument Peak Project consists of 69 claims covering approximately 1,380 acres (~558.5 hectares). It is an exploration-staged, high-grade, copper-silver-gold project, which covers two small past producing copper mines: Jackson and Hungry Hill. Sporadic development and production in the area occurred primarily during the early 1900's, with some additional development in the 1950's. The most recent exploration occurred during the 1970's and 1980's.

Mitchel (1972) described the Cu-Ag-Au mineralization at Monument as having "unusual continuity" in association with structural zones within sericitic quartzites, which can be traced along 3,200 m strike that vary from 3 to 6 m width.

The mineralization is described (Lavery, 1988) as "syngenetic and fits a volcanic-hosted (massive) sulfide model … where … the copper-mineralized section might be as much as 175 feet thick".

Project highlights follow (from North to South):

- North Showing: grab samples to 0.57% Cu, 248 g/t Ag, 57.5 g/t Au;
- Jackson Adit: grab samples to 13.6% Cu, 2,589 g/t Ag, 17.1 g/t Au;
    - Chip Sample: 3.0 m of 7.03% Cu, 109 g/t Ag
    - Chip Sample: 1.8 m of 3.11% Cu, 101 g/t Ag

        - Chip Sample: 6.1 m of 4.32% Cu, 99 g/t Ag
    - Anderson Occurrence: grab samples to 3.9% Cu, 89 g/t Ag, 2.5 g/t Au.
    - Hungry Hill Mine (2 km east of main trend): 2.4 m of 17% Cu.

The company intends to complete a brief field program during the spring of 2021 and thence prepare a NI 43-101 Technical Report documenting all historical and recent exploration on the property.

Chance Lake Nickel-Copper-Cobalt Property, Quebec, Canada

The Chance Lake Property is situated within the Labrador Trough, approximately 100 km north of Schefferville in the Nunavik Territory of Quebec. The Property consists of 16 contiguous claims covering approximately 777.7 hectares.

Mineralization at the Property was first discovered in 1942-1943 at Chance Lake and at Glance Lake. The primary occurrence is at Chance Lake, where mineralization consists of ultramafic lenses of massive sulphide (pyrrhotite, chalcopyrite, pentlandite, and sphalerite) surrounded by halos of disseminated sulphide (pyrrhotite and chalcopyrite). In 1959, Hollinger North Shore Exploration Company Limited completed a series of drill holes targeting the Chance Lake occurrence. The program was successful in intersecting both disseminated and massive sulphide mineralization with vertical **drill hole L9 returning 27.2 ft (8.29 m) of 0.87% Ni and 0.90% Cu from 119.6 ft to 146.8 ft depth (~35.5 m to 44.7 m)**. Analysis for platinum and palladium was not completed on the core samples.

In 1959, a “tonnage estimate” was completed on the Chance Lake occurrence by the Hollinger North Shore Exploration Company Limited (Nicholson 1959, GM09855). The historical estimate outlined 716,031 tons at 0.66% Cu, 0.89% Ni, 0.10% Co for the

massive sulfide zone, or 967,393 tons at 0.49% Cu and 0.73% Ni for the combined massive sulphide and disseminated sulfide zones.

The Company cautions that the historical estimates (i.e. tonnage and grade estimates) documented for the Chance Lake occurrence have not been independently verified by a Qualified Person and were not completed in accordance with NI 43-101 Standards of Disclosure for Mineral Projects, and therefore, should not be relied upon. The historical estimates are not mineral resources, and therefore, should not be treated as such.

Amiral Nickel-Copper-PGE Property, Quebec, Canada

The Amiral Property is an early-stage magmatic Ni-Cu-PGE project located within the Grenville Geological Province, approximately 120 Km northwest of Sept-Îles, Quebec. The Property consists of 40 contiguous mineral claims covering an area of approximately 2,162.5 hectares and is easily accessible via a network of old logging roads transecting the area, and a rail line passing within 3 km of the Property.

In 1999, a peridotite rock unit was discovered on the Property, hosting 1% to 30% sulphides including pentlandite and chalcopyrite (the “Amiral Showing”). In 2002, an IP geophysical survey was completed and detected numerous conductive horizons on the Property, including some coincident with the Amiral Showing.

To date, two zones of mineralization have been identified on the Property – Amiral and Trench 4 – and are separated by approximately two (2) kilometres. Historical sampling of the Amiral Showing returned 1.07% Ni and 0.35% Cu over 6.5 m, including 1.54% Ni and 0.29% Cu over 2.1 m (GM59166). At the Trench 4 Showing, historical sampling returned 0.63% Ni and 0.89% Cu (GM62800).

Terms of the Acquisition:

In consideration of the Acquisition, and subject to TSX Venture Exchange (the "TSXV") acceptance, as applicable, the Company has agreed to make, cash payments in the aggregate amount of CAD$200,000 and issue 1,750,000 common shares of GEMC and 1,750,000 common share purchase warrants ("Warrants") with each Warrant being exercisable at $0.30, subject to acceleration, for a period of two years for a common share in GEMC. $100,000 of the cash payment will be applied to project advancement initiatives including the completion of a technical report on the Monument Peak project.

The Payment Shares will be subject to resale restrictions of 4 months plus one day in accordance with applicable securities legislation and will also be subject to a voluntary pooling arrangement, pursuant to which the shares will be endorsed with applicable legends and released as follows:

- 25% of the Payment Shares shall be released on that day that is four months and one day following the date of issuance thereof;
- 25% of the Payment Shares shall be released on the day that is eight months and one day following the date of issuance thereof; and
- 50% of the Payment Shares shall be released on the day that is twelve months and one day following the date of issuance thereof.

Global Energy Metals intends to work alongside the DGRM team to attract strategic partners to fund future project development at the projects while leveraging its interest to create shareholder value through exploration success.

Amongst other matters, the agreement is subject to receipt of all approvals and third-party consents of the boards of

directors of Global and the Vendor, and regulatory authorities, including but not limited to the Exchange TSX Venture Exchange and the completion of an equity financing in the context of the market.

Private Placement:

The private placement offering is for a minimum 2,000,000 units (the “Units”) of the Company at a price of $0.25 per Unit (the “Offering”), with each Unit comprised of one share and one transferrable share purchase warrant (a “Warrant”). Each transferrable warrant will be exercisable to purchase an additional share of the Company for a period of 24 months from the closing date at a price of CAD$0.30.

The net proceeds of the Offering will be used to fund the Acquisition as well as for business development and working capital purposes.

The Company has agreed to and may pay a finder’s fee of 8% cash and 8% broker warrants for Units sold to certain investors (“Broker Warrants”). Each Broker Warrant entitles the holder to acquire one common share of the Company at a strike price of $0.30 for a period of one year from the date of issuance. Warrants are subject to an acceleration clause whereby if on any 10 consecutive trading days occurring after four months and one day has elapsed from the closing date, the daily volume weighted average trading price of the common shares of the Company is at least $0.50 per share, the Company may accelerate the expiry date of the warrants to the 30th day after the date on which the Company gives notice to the subscriber in accordance with the warrant of such acceleration.

All securities to be issued pursuant to the Offering will be subject to a four month hold period from the closing date under applicable securities laws in Canada and among other things,

receipt by Global Energy Metals of all necessary regulatory approvals, including the TSX Venture Exchange.

The securities issued in connection with the Offering have not been nor will they be registered under the United States Securities Act of 1933, as amended, or state securities laws, and may not be offered or sold in the United States or to an account for the benefit of US persons, absent such registration or an exemption from registration. This press release shall not constitute an offer to sell or the solicitation of an offer to buy the securities in the United States or in any jurisdiction in which such offer, sale, or solicitation would be unlawful.

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.

Darren L. Smith, M.Sc, P.Geo, Dahrouge Geological Consulting Ltd., a registered permit holder with the Ordre des Géologues du Québec and a qualified person as defined by NI 43-101, supervised the preparation of the technical information in this news release with respect to the Chance Lake and Amiral proprieties.

Global Energy Metals Corporation

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Global Energy Metals is focused on offering investment exposure to the raw materials deemed critical for the growing rechargeable battery market, by building a diversified global portfolio of battery mineral assets including project stakes and sector specific equity positions. GEMC anticipates growing its business through the acquisition and development of battery

mineral projects alongside key strategic partners. The Company holds 100% of the Millennium Cobalt Project and two neighbouring discovery stage exploration-stage cobalt assets in Mount Isa, Australia positioning it as a leading cobalt-copper explorer and developer in the famed mining district in Queensland, Australia. The Company holds an 85% interest in two battery mineral projects, the Lovelock Cobalt Mine and Treasure Box Project, located on the doorstep of the world's largest lithium-ion battery production plant, GigaNevada that Tesla Motors Ltd. and partner Panasonic Corp. have built in Nevada, USA. Additionally, the Company holds a 70% interest in the past-producing Werner Lake Cobalt Mine project in Ontario, Canada.

For Further Information:

Global Energy Metals Corporation

#1501-128 West Pender Street

Vancouver, BC, V6B 1R8

Email: info@globalenergymetals.com

t. + 1 (604) 688-4219

www.globalenergymetals.com

Twitter: @EnergyMetals | @USBatteryMetals | @ElementMinerals

Cautionary Statement on Forward-Looking Information:

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.

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