Imperial and SOQUEM Sign LOI to Exchange Quebec Base Metal and Gold Property Interests

written by Raj Shah | March 10, 2021

March 10, 2021 (Source) – **Imperial Mining Group Ltd. ("Imperial")** (**TSX VENTURE: IPG; OTCQB: IMPNF**) is pleased to announce that it has executed a Letter of Intent ("LOI") with SOQUEM Inc., a Quebec Crown Corporation ("SOQUEM"), to vend its 100% interest in the Carheil-Brouillan copper-zinc-silver property. In exchange, Imperial will reacquire the remaining interest it does not currently possess in the La Roncière gold property. A formal property agreement for this arrangement is anticipated to be executed on or before April 12, 2021.

Under the terms of the LOI, Imperial Mining will sell its 100% undivided interest in the Carheil-Brouillan copper-zinc-silver property in Quebec to SOQUEM in exchange for a cash payment of $450,000. Imperial will retain a two per cent (2%) Net Smelter Royalty ("NSR") on the property, which can be acquired by SOQUEM for an additional cash payment of $2.0 million. In addition, SOQUEM will transfer its 50% Joint Venture interest in the La Roncière gold property, giving Imperial a 100% interest, in exchange for a one and one quarter per cent (1.25%) NSR, which can be acquired by Imperial for $1.25 million in cash at any future date.

"Imperial continues to focus on its core Crater Lake scandium and rare earth project asset," said Peter J. Cashin, Imperial's President & CEO. "This transaction with SOQUEM also adds the La Roncière gold project to our 100%-owned Opawica gold property in the developing Bachelor Lake-Windfall Lake gold camp area, which gives Imperial greater optionality moving forward."

Carheil-Brouillan Property

Imperial is vending its 100% interest in the Carheil-Brouillan Project, located 120 km north of the town of La Sarre, Quebec and 5 km southwest of the former Selbaie Mine and consisting of 114 contiguous mining claims covering 5,425.2 ha. The Project can be accessed via Highway 393 going from La Sarre to Villebois and then north to the former Selbaie Mine.

On August 25th, 2017, an option agreement for the property was executed with SOQUEM Inc. Under the terms of this agreement, SOQUEM made a cash payment of $250,000 and can acquire a 50% interest in the Project by carrying out exploration work totaling $3,750,000 over an option period of four (4) years. Imperial retains a 2.0 % NSR royalty on the property after SOQUEM has vested for their 50% interest. To date, SOQUEM has expended $2.75 million in exploration on the property.

The Carheil property lies in Brouillan and Carheil townships, 5 km southwest of the past-producing Selbaie Mine (**historical open pit production of 53.0 Mt @ 1.9% Zn, 1.0% Cu, 40.7 g/t Ag 0.6 g/t Au**). The property straddles a major geological contact interpreted to be the western strike equivalent to SOQUEM's B26 Cu-Zn-Ag deposit geology, situated east of Imperial's ground (SOQUEM 43-101 Mineral Resource 2018 – Indicated Resource of 6.97Mt @ 1.32% Cu, 1.80% Zn, 43 g/t Ag and 0.60 g/t Au and an Inferred Resource of 4.4Mt @ 2.03% Cu, 0.22% Zn, 9 g/t Ag and 1.07 g/t Au). Previous work carried out by NQ Exploration identified the silver Nordest Deposit (NQ Exploration N43-101 **: Indicated Resources of 379 000 tons @ 120g/t Ag and Inferred Resources of 1.5Mt @ 95g/t)**. Little prior exploration was undertaken on Imperial's ground to follow up the western extension of this favourable Cu-Zn-Ag-Au horizon.

La Roncière Gold Property

Under the terms of the LOI, SOQUEM will transfer its 50% JV interest to Imperial in the La Roncière gold property to give Imperial a 100% undivided interest in the property. The project is located 35 km east of Desmaraisville, Quebec and consists of 45 contiguous claims covering 2,509.95 ha and is accessible via Highway 113 going from Val d'Or to Chibougamau, Quebec.

The property lies within a major regional NE-SW deformation corridor that hosts several gold occurrences and some former gold producers, like the Joe Mann mine (**historical past-production of 4.8Mt @ 7.56 g/t Au**) and the Bachelor Lake mine **(historical past-production of 870,000t @ 4.66 g/t Au**) located 75km to the east and 35km to the west, respectively. The property also lies north of the Windfall Lake gold camp where Osisko Mining Inc. reported a 43-101 Resource Estimate (November 30, 2020; **Measured & Indicated – 6.02Mt @ 9.56 g/t Au and Inferred – 16.4 Mt @ 8.0 g/t Au**). The rocks consist of the mafic volcanics of the Obatogamau Formation, the felsic volcanics of the Wachigabau Member and the sediments of the Dalime Creek Formation and are stratigraphic equivalents to the Joe Mann South Zone. The contact between these two major units is straddled by a 40m wide deformation zone consisting of strongly sheared pervasively carbonate, sericite, and fuchsite altered rocks mineralized with disseminated pyrite and quartz veinlets containing gold and silver.

Previous work carried out by Lake Opawica Mines, Consolidated Mining and Smelting, La Ronciere Gold Mines, Camchib Resources and Minnova identified the gold Mariposite Deposit (historical resource of 518**,000t at 2.7 g/t Au and 232,600t at 4.1 g/t Au**), the Espoir, Track, Relique and SEREM gold showings. Recent exploration work conducted by INMET Mining, SEREM, SOQUEM and NQ Exploration tested the extensions of some of the known gold occurrences north and east of the Mariposite Deposit. Best drill results from this work returned **6.3 g/t Au over 8.3 m, 6.1 g/t**

Au over 4.1 m, 3.1 g/t Au over 5.7 m and 50.5 g/t Au over 2.1m.

QUALIFIED PERSON

The technical content in this press release was reviewed and certified by Pierre Guay, P. Geo., Imperial's Vice-President, Exploration, a Qualified Person as defined by National Instrument 43-101.

ABOUT IMPERIAL MINING GROUP LTD.

Imperial is a Canadian mineral exploration and development company focused on the advancement of its technology metals projects in Québec. Imperial is publicly listed on the TSX Venture Exchange as "IPG" and on the OTCQB Exchange as "IMPNF" and is led by an experienced team of mineral exploration and development professionals with a strong track record of mineral deposit discovery in numerous metal commodities.

ABOUT SOQUEM

SOQUEM, a subsidiary of Investissement Québec, is dedicated to promoting the exploration, discovery and development of mining properties in Quebec. SOQUEM also contributes to maintaining strong local economies. A proud partner and ambassador for the development of Quebec's mineral wealth, SOQUEM relies on innovation, research and strategic minerals to be well-positioned for the future.

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