# MAS Gold Corp. and Eros Resources Corp. Execute Option Agreement

written by Raj Shah | December 21, 2021

**MAS GOLD TO GRANT EROS RIGHT TO EARN A 17.5% INTEREST IN LA RONGE GOLD BELT PROPERTIES IN SASKATCHEWAN**

December 21, 2021 (Source) – **MAS Gold Corp.** ("**MAS Gold**") (TSXV: MAS) and Eros Resources Corp. ("**Eros**") (TSXV: ERC) announce the signing of a formal agreement (the "**Agreement**") granting Eros the exclusive right to earn a 17.5% interest in all of MAS Gold's current properties in the prospective La Ronge Gold Belt of northeastern Saskatchewan by funding $3,500,000 in exploration expenditures over a six month period (the "**Transaction**").

MAS Gold CEO Jim Engdahl comments, "We would first like to thank Eros for this transaction in funding our 2022 winter drill program. It sets MAS off on good footing to further enhance our key assets in 2022. 2021 has been a very successful year for MAS achieving all our milestones that we had set with the last piece being the signing of an LOI with Comstock announced on December 14, 2021. With the completion of this agreement in the first Quarter of 2022, MAS will be closer to exceeding its milestone of having an estimated 1,000,000 oz. gold resources under its ownership.

Jim added, "I would also like to take this opportunity to thank our whole team for accomplishing what you have done this past year. Furthermore, I would like to thank our existing shareholders for the strong support shown this year and like to welcome our new group of shareholders that will be joining us

via the transaction with Comstock. All the best to you all this winter season and enjoy a safe, joyful holiday with your family and friends as best you can during this difficult time.

## Details of the Option Agreement

The Option Agreement with Eros gives Eros the option to acquire a 17.5% interest in MAS Gold's Preview-North, Greywacke Lake, Elizabeth Lake and Henry Lake properties, totaling an area of approximately 33,860 hectares which are owned 100% by MAS Gold, subject to certain existing royalties held by third parties. The Agreement also provides Eros the right to earn a 17.5% interest in the Contact Lake property that MAS Gold has agreed to acquired from the Government of Saskatchewan, being approximately 463 hectares, if and when the Contact Lake property is transferred to MAS Gold. Please see MAS Gold's September 13, 2021, press release for more information on the acquisition of the Contact Lake property. MAS Gold expects to complete the acquisition of the Contact Lake property early in 2022, and has recently reached an agreement in principle with the Government of Saskatchewan to extend the deadline to complete the transfer of the property to December 31, 2022. The Agreement does not provide Eros with a right to earn an interest in the Preview SW gold deposit and property that MAS Gold recently announced it has entered into a letter of intent to acquire from Comstock Metals Ltd. Please see MAS Gold's December 14, 2021, press release for more information on the acquisition of the Preview SW gold deposit and property.

MAS Gold and Eros have agreed to conduct a winter 2022 exploration program and summer exploration program (the "**Program**") commencing in January 2022. The work planned will focus primarily on the Preview-North property and include: infill holes within the North Lake deposit, as well as step out drilling to the northeast and to the southwest; and drilling

exploration holes at the Point deposit. The Program also anticipates compilation work leading to drilling testing of select areas where gold mineralization was previously outlined but not developed at the Contact Lake property. Plans have also been outlined in the Program for a regional structural geological mapping and analysis program at both the Preview-North and Greywacke Lake properties.

For MAS Gold, the Transaction is a "related party transaction" as defined in Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**") and TSXV Policy 5.9. Eros holds more than 10% of the voting rights attached to all MAS Gold's outstanding voting securities and the parties have common officers and directors. The Transaction is not a "related party transaction" for Eros. MAS Gold is relying on Section 5.5(a) of MI 61-101 for an exemption from the formal valuation requirement and Section 5.7(1)(a) of MI 61-101 for an exemption from the minority shareholder approval requirement of MI 61-101 as the fair market value of the transaction does not exceed 25% of MAS Gold's market capitalization. As required by MI 61-101, MAS Gold advises that it expects to file a material change report relating to the Transaction less than 21 days before completion of the Transaction, which MAS Gold deems reasonable in the circumstances in order to complete the Transaction in an expeditious manner. The Transaction is subject to acceptance by the TSX Venture Exchange from the perspective of both MAS Gold and Eros.

**About MAS Gold Corp.**

MAS Gold is a Canadian mineral exploration company focused on gold exploration projects in the prospective La Ronge Gold Belt of Saskatchewan. In the belt, MAS Gold operates four properties including the Preview-North, Greywacke Lake, Elizabeth

Lake and Henry Lake properties that extend along segments totaling roughly 60 kilometres of the geologically prospective La Ronge, Kisseynew and Glennie Domains that make up the La Ronge Gold Belt. MAS Gold has also an agreement with the Province of Saskatchewan to acquire a 100% interest in the Contact Lake property located within the boundaries of the Preview-North property.

MAS Gold's holdings include the North Lake, Greywacke North, Bakos and Point gold deposits and the historically defined Elizabeth Lake copper-gold volcanic-hosted massive sulphide deposit within four properties totaling approximately 34,323 hectares.

The North Lake deposit located at the Preview-North property is estimated to contain an Inferred Mineral Resource of 18,100,000 t grading 0.85 g/t Au, hence 494,000 contained ounces of gold. The Technical Report about the updated Mineral Resource estimate will be filed in January 2022 (see MAS Gold news release dated December 9, 2021).

The Greywacke North deposit located at the Greywacke Lake property hosts multiple known stratabound, high-grade gold-bearing zones, has an updated, combined openpit and underground Indicated Mineral Resource of 645,000 t averaging 4.90 g/t Au for 101,000 insitu ounces of gold (600,000 t at 4.89 g/t Au, and 45,000t at 5.03 g/t Au, respectively), plus a combined openpit and underground Inferred Mineral Resource of 410,000 t averaging 4.12 g/t Au for 55,000 insitu ounces of gold (35,000 t at 1.97 g/t Au, and 375,000 t at 4.33 g/t Au, respectively). The Indicated and Inferred Mineral Resources were estimated using openpit and underground cut-off grades of 0.65 g/t Au and 1.75 g/t Au, respectively. The Technical Report about the updated Mineral Resource estimate will be filed in January 2022 (see MAS Gold news release dated December 6, 2021).

The Bakos deposit, located on the Contact Lake property that MAS Gold has an agreement to acquire (see MAS Gold news release of September 13, 2021), was first identified by Saskatchewan Mining Development Corporation (SMDC; later Cameco Corporation) exploration field crews in 1984. Operations were conducted from December 1994 until closure in December 1998. Historical production and recovery values for the entire operation included 188,185 ounces gold produced from 1,006,673 tonnes processed with a head grade of 6.16 g/t Au at a recovery rate o 95% (Leniuk, G., B. Bharadwaj, G. Alderman & R. Wyka: *Cameco Corporation Contact Lake Operation, Final Report, January 1999*). The mine was shut down during low metals prices.

The Point deposit located at the Preview North property has been the subject of multiple drill campaigns dating to the 1980's when Saskatchewan Mining and Development Corporation (SMDC; later Cameco Corporation) drilled 43 core holes. MAS Gold completed 13 additional holes in 2019, intersecting multiple high-grade intercepts including 7.0 metres grading 14.99 g/t Au from 20.0 to 27.0 metres (see MAS Gold news release dated June 25, 2019).

## About Eros Resources Corp.

Eros is a Canadian public company listed on the TSX Venture Exchange. The company's business objective is the identification, acquisition, and exploration of advanced-stage projects with a North American focus. In addition, Eros plans to make strategic investments with a global focus on a diverse commodity base. Eros managements' expertise supports this strategy.

## Qualified Person (QP)

The scientific and technical information contained in this news release has been prepared, reviewed, verified, and approved

by David Tupper, P.Geo. (British Columbia), MAS Gold's VP Exploration and a Qualified Person within the context of Canadian Securities Administrators' National Instrument 43-101 – *Standards of Disclosure for Mineral Projects.*

## Caution Regarding Forward Looking Information and Statements

This news release includes certain forward-looking statements or information that could cause actual results to differ materially from MAS Gold's and Eros' plans or expectations. All statements other than statements of historical fact included in this release, including, without limitation, completion of the planned exploration and development programs, the incurring of expenditures, the exercise of the option by Eros, statements regarding metallurgical results and outcomes, any updated technical report, are forward-looking statements that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements are subject to a variety of risks and uncertainties, which could cause actual events, level of activity, performance or results to differ materially from those reflected in the forward-looking statements, including, without limitation: risks relating to failure of MAS Gold or Eros to satisfy the requirement in the Agreement, a breach of the Agreement by Eros or MAS Gold, the actual results of current and future exploration activities, fluctuating gold prices, possibility of equipment breakdowns and delays, cost overruns, that MAS Gold may lose or abandon its property interests or may fail to receive necessary licences and permits, availability of capital and financing and general economic, market or business conditions. The forward-looking statements included in this news release are made as of the date hereof and MAS Gold and Eros disclaim any intention or obligation to update or revise any forward-looking statements,

whether as a result of new information, future events or otherwise, except as expressly required by applicable securities legislation.

***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 news release.***

SOURCE MAS Gold Corp

For further information: MAS Gold Corp., Jim Engdahl, CEO & Director, t: 306-986-5722, c: 306-262-4964; EROS Resources Corp., Ron Netolitzky, President and Chief Executive Officer, Phone: 604-688-8115