

Panther Metals PLC: Purchase of Shear Gold Project

written by Raj Shah | April 7, 2022

April 7, 2022 ([Source](#)) – Panther Metals PLC (LSE:PALM) the company focused on mineral exploration in Canada, is pleased to announce the company has entered into an option and sale and purchase agreement (the “Agreement”) with Shear Gold Exploration Corporation (“Shear Gold”) to purchase a substantial claim holding (the “Shear Gold Project” or “Project”) including the West Limb and Glass Reef gold properties, on the Eagle – Manitou Lakes Greenstone Belt.

The Shear Gold Project covers a total area of approximately 98km² and is located within the gold endowed Kenora Mining District, approximately 300km east of Thunder Bay and equidistant between the towns of Fort Frances and Dryden in north-western Ontario, Canada.

The terms of the Agreement are set out below.

Darren Hazelwood, Chief Executive Officer, Panther Metals plc commented:

“The gold potential of the Manitou Lakes area and the wider Kenora Mining District of Ontario has been on Panther’s radar for some time. The opportunity to take a substantial new stake in this exciting belt has greatly enhanced the Company’s exploration portfolio and widened our exposure to potential gold and base metal discoveries.

It was paramount to Panther that we had the organisational structure in place to support an entry into the Manitou Lakes area and it’s great that the

experienced Ontario geologist, Ryan Hrkac, will be working with us on a package he diligently put together through Shear Gold.

The recent sale of an immediately adjacent project, announced in March by Manitou Gold Inc, for CAN\$7 million to the private company Dryden Gold underpins the value attributed to the Manitou exploration address. Dryden Gold is backed by the founders and management of Ely Gold Royalties Inc., which sold for approximately CAN\$300 million in 2021.

It is paramount that a successful explorer should have the time, expertise and capital to invest in its project portfolio. The Big Bear Project disposal which Panther announced today, enables Panther to take up new opportunities in a third Ontario greenstone belt, under a controlled and well managed structure, whilst retaining and building our upside on the Schreiber-Hemlo Greenstone Belt through the Company's planned major shareholding in Fulcrum.

The exploration sector is entering a gradual growth phase following a long period of underinvestment and it's my belief Panther Metals Plc is one of the best placed explorers to take advantage of the growing mineral supply chain appetite and the significant shift in the global risk landscape."

Agreement Terms

A cash consideration of \$11,325 Canadian dollars ("CAD\$") has been paid to Shear Gold Exploration Corporation in order to secure the option and sale and purchase agreement, under which Panther has committed to:

- a minimum spend commitment of:
 - CAD\$325,000 to be expended over years one and two; and
 - a further CAD\$400,000 to be expended between the

second and fourth annual anniversaries of the Agreement. Any excess spend in years one and two can be offset against expenditure in years three and four.

- grant Shear Gold a net smelter return ("NSR") royalty of 2% over the 32 multicell mining claims (the "Claims") covered in the Agreement. Panther can elect to purchase 50% of the NSR (reducing the remaining royalty to 1%) for the sum CAD\$1M at any time.
- Panther Metals Plc can elect at any time to purchase the Claims outright through a payment of CAN\$250,000 to Shear Gold.

Background Information

There are over 200 known gold occurrences in the Manitou Lakes area and numerous historic gold producers in the Eagle – Manitou Lakes Greenstone Belt which is prospective for Archean age orogenic gold and associated base metal deposits.

Exploration work conducted by Shear Gold on the Project to date has identified numerous gold bearing structures and favourable geological host rocks through early stage mapping and surface sampling. The work has focussed on two target areas, being the West Limb Gold Property and the Glass Reef Gold Property, both of which host historic gold mines which have never been systematically explored using modern techniques or drill tested.

Further details will be announced as Panther works with Shear Gold to plan and schedule follow-on work programmes.

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Notes to Editors

Panther Metals PLC is an exploration company listed on the main market of the London Stock Exchange. Panther is focussed on the discovery of commercially viable mineral deposits. The Company's operational focus is on established mining jurisdictions with the capacity for project scalability. Drill targets are assessed rapidly utilising a combination of advanced technologies and extensive geological data to decipher potential commercial viability and act accordingly. Panther's current geological portfolio comprises of three highly prospective properties in Ontario, Canada while the developing investment wing focuses on the targeting of nickel and gold in Australia.

Obonga Project

Panther Metals acquired the Obonga Greenstone Belt in July 2021 and have already identified four prospective primary targets: Wishbone, Awkward, Survey and Ottertooth. A successful Phase 1 drilling campaign at Wishbone in Autumn 2021 revealed the presence of significant VMS-style mineralised systems on the property – the first such discovery across the entire greenstone belt. Intercepts include 27.3m of massive sulphide in hole one, and 51m of sulphide-dominated mineralisation in hole two. Both

drill holes contained multiple lenses. Anomalous high-grade copper in lake sediment close to the target area has also been identified, increasing confidence in the prospectivity of the location.

Awkward is a highly anomalous magnetic target, interpreted to be a layered mafic intrusion and magmatic conduit based on mapped geology and airborne geophysics. Historic sampling in the area returned anomalous platinum and palladium (Pt, Pd) values, while historic drilling on the periphery of the target intersected non-assayed massive sulphide and copper (assumed to be chalcopyrite), non-assayed disseminated pyrite and chalcopyrite in coarse gabbro, and non-assayed 'marble cake' gabbro (matching the description of the Lac des Iles Mine varitexture gabbro ore zone).

Two additional named targets, Survey and Ottertooth, both displays further coincident magnetic and electromagnetic anomalies and are adjacent to the contact between intrusive and extrusive mafic rocks. Historic drilling at Survey intersected several meters of massive sulphides in multiple intersections (main parts of the anomaly remain untested) while Ottertooth remains untested in its entirety.

Dotted Lake Project

Panther Metals acquired the Dotted Lake Project in July 2020, it is situated approximately 16km from Barrick Gold's renowned Hemlo Gold Mine. An extensive soil programme conducted in 2021 identified numerous gold and base metal targets, all within the same geological footprint. Following the installation of a new trail providing direct access to the target location, an initial drilling programme in Autumn 2021 confirmed the presence of gold mineralisation within this system with anomalous gold continuing along strike and present within the

surrounding area.

Big Bear Project

The acquisition of various prospects in 2018 and 2019 consolidated previously fragmented areas into the wider Big Bear umbrella project, priming Panther Metals for extensive and comprehensive exploration in the area. A total of 253 geophysical anomalies have been identified, with 39 designated for priority investigation. Gold in soil anomalies have been identified in five areas, ranging up to 0.71g/t, extending up to 250m wide and open along strike. Gold bearing quartz veins have been outlined within seven separate areas (two with rock and vein samples grading 1 to 5 g/t Au, four with quartz vein sample assays above 5g/t Au, and two quartz samples collected at 50m separation on an E-W trending vein open in both directions returning 105.5g/t Au and 112g/t Au respectively).

The Little Bear Lake and Schreiber prospects are of particular interest to the company: historic work programmes in 2010 and 2011 targeted an intense magnetic response from both. Assays yielded from the 1.6km long gold trend included 6m at 1.5g/t Au, up to 53.7g/t Au and 19.25 g/t Ag in rock chip and 18.2g/t Au and 1.03g/t Ag in soil. Historical bulk sampling reported 150t averaging 17.6g/t Au, while historical drill intersections include 0.55m at 19.2% Zn and 4.6% Cu from 15.2m depth.

Panther Metals Australia

Following the listing of Panther Metals' Australian assets on the Australian Securities Exchange ("ASX") in December 2021, the valuation of the Company's 36.6% holding in the business has risen by over 30% to a valuation of almost £3m. The ASX listing has provided the Australian projects with the necessary capital to advance drill-ready targets focused on nickel and gold (within the Tier 1 Mining Districts of Laverton WA and in the

NT). Through this spin-out Panther holds an attractive investment prospect, without any disruption to the Company's capital structure and without any financial obligations.

Conclusion

Panther Metals understand that the commercial realities of building an exploration company requires expertise in geology, finance, and the markets within which they operate. The Company's extensive network of industry leaders allows it to meet these objectives. Ultimately however, drilling success is the only route to discovery: the fundamental objective of any exploration company. Once Panther's world-class geological team identify the anomalies, they work hard to get drilling. The drill hole is the only place where substantial and sustained capital growth originates and it's with that operational focus Panther Metals will continue to advance.

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