TNR Gold Reports on Mariana Lithium Royalty Holding

written by Raj Shah | December 13, 2018

December 12, 2018 (Source) – **TNR Gold Corp. (TSXV: TNR)** ("**TNR**" or the "**Company**") advises that International Lithium Corp. (TSXV: ILC) ("ILC") has issued a news release dated December 6, 2018 announcing results of a Preliminary Economic Assessment (PEA) on the Mariana Lithium project in Salta Province, Argentina. TNR holds a 1.8% Net Smelter Returns ("NSR") Royalty on the Mariana project.

The Mariana Lithium project is owned 82.754% by Ganfeng Lithium and 17.246% by ILC. "The PEA technical report assesses the potential economic viability of developing the 14 exploration licences (Minas), that cover the Salar de Llullaillaco (the Salar) and surrounding area (23,560 hectares), for the purpose of extraction of lithium brine resources and processing of two products – Lithium Carbonate Equivalent and Sulphate of Potash."

Highlighted results of the PEA:

- 25-year mine life producing 10,000 tonnes per year ("TPY") Lithium Carbonate Equivalent ("LCE") plus 84,000 TPY Sulphate of Potash ("SOP").
- The estimated CAPEX and OPEX are for a conventional brine extraction facility, solar evaporation ponds and SOP processing with a level of accuracy of -30/+50%.
- CAPEX estimated at US $243 million for 25-year mine life.
- NPV = US $192 million after-tax at 10% discount rate, IRR = 20% post-tax.

- Project results remain positive, even with important negative variations on the driver variables, indicating project strength and resilience; thus, the PEA study indicates Mariana's proposed 10,000 TPY LCE concentrated brine and 84,000 TPY SOP fertilizer operation has the potential to generate strong economic returns.

The Canadian National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("NI 43-101") technical report containing the results of the PEA, with the effective date of November 15, 2018, is expected to be published by January 20, 2019. All information in this announcement is based on ILC's news release.

"The Mariana Lithium PEA study for ILC is the first preliminary economic study that provides a potential value for the total NSR Royalty from the project's life of mine cash flow. TNR's 1.8% NSR Royalty is an important part of TNR's portfolio," stated Kirill Klip, Executive Chairman of TNR. ""The essence of our business model is to have industry leaders like Ganfeng Lithium as operators on the projects that will potentially generate royalty cash flows to contribute significant value for our shareholders."

ILC's press releases and website material state that they have been prepared by Qualified Persons and the procedures, methodology and key assumptions disclosed therein are those adopted andconsistently applied in the mining industry, but no Qualified Person engaged by TNR Gold Corp. has done sufficient work to analyze, interpret, classify or verify ILC's information to determine the current mineral resource or other information referred to in their press releases. Accordingly, the reader is cautioned in placing any reliance on the disclosures therein.

Cautionary Note:

The preliminary economic assessment (PEA) is preliminary in nature, and it includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the preliminary economic assessment will be realized. The PEA includes the results of an economic analysis of mineral resources, and mineral resources that are not mineral reserves do not have demonstrated economic viability.

Details regarding the manner in which the PEA was calculated will be available under the profile of International Lithium Corp. on SEDAR at http://www.sedar.com.

Afzaal Pirzada, a consultant of the Company and a "Qualified Person" and for the purposes of National Instrument 43-101 – *Standards of Disclosure for Mineral Projects*, has reviewed and approved the scientific and technical information contained in this news release

ABOUT TNR GOLD CORP.

TNR Gold Corp. is working to become a green energy metals royalty company.

Over the past 22 years, TNR, through its lead generator business model, has been successful in generating high-quality exploration projects around the globe. With the Company's expertise, resources and industry network, it identified the potential of the Los Azules copper project in Argentina and now holds a 0.36% NSR royalty on the entire project, which is being developed by McEwen Mining Inc.

TNR holds a strategic stake in International Lithium Corp. ("ILC"), a green energy metals company that was created through the spin-out of TNR's energy metals portfolio in 2011. ILC holds

interests in lithium projects in Argentina, Ireland and Canada.

TNR retains a 1.8% NSR royalty on the Mariana Lithium Brine Property in Argentina. ILC has a right to repurchase 1.0% of the NSR royalty on the Mariana Lithium property of which 0.9% relates to the Company's NSR interest. The Company would receive $900,000 on the execution of the repurchase. The project is currently being advanced in a joint venture between ILC and Ganfeng Lithium International Co. Ltd.

At its core, TNR provides significant exposure to gold, copper and lithium through its holdings in Alaska (the Shotgun gold porphyry project) and Argentina, and is committed to the continued generation of in-demand projects, while diversifying its markets and building shareholder value.

On behalf of the Board of Directors,

Kirill Klip
Executive Chairman

www.tnrgoldcorp.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.

Cautionary Statement Regarding Forward-Looking Information

Except for statements of historical fact, this news release contains certain "forward-looking information" within the meaning of applicable securities law. Forward-looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate", "will", "could" and other similar words, or statements that certain events or conditions "may" or "could"

occur, although not all forward-looking statements contain these identifying words. Specifically, forward-looking statements in this news release include, but are not limited to, statements made in relation to: TNR's corporate objectives, changes in share capital, market conditions for energy commodities, the results of McEwen Mining's and ILC's PEAs, and improvements in the financial performance of the Company. Such forward-looking information is based on a number of assumptions and subject to a variety of risks and uncertainties, including but not limited to those discussed in the sections entitled "Risks" and "Forward-Looking Statements" in the Company's interim and annual Management's Discussion and Analysis which are available under the Company's profile on www.sedar.com. While management believes that the assumptions made and reflected in this news release are reasonable, should one or more of the risks, uncertainties or other factors materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking information. In particular, there can be no assurance that: TNR will be able to repay its loans or complete any further royalty acquisitions or sales; debt or other financing will be available to TNR; or that TNR will be able to achieve any of its corporate objectives. Given these uncertainties, readers are cautioned that forward-looking statements included herein are not guarantees of future performance, and such forward-looking statements should not be unduly relied on.

In formulating the forward-looking statements contained herein, management has assumed that business and economic conditions affecting TNR and its royalty partners, McEwen Mining Inc. and International Lithium Corp. will continue substantially in the ordinary course, including without limitation with respect to general industry conditions, general levels of economic activity and regulations. These assumptions, although considered

reasonable by management at the time of preparation, may prove to be incorrect.

Forward-looking information herein and all subsequent written and oral forward-looking information are based on estimates and opinions of management on the dates they are made and are expressly qualified in their entirety by this cautionary statement. Except as required by law, the Company assumes no obligation to update forward-looking information should circumstances or management's estimates or opinions change.