

Royal Road Minerals

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Royal Road Minerals on the hunt for Tier 1 gold and copper mines in Nicaragua and Colombia

- Seeking a Tier 1 discovery
- The largest exploration title and application holder in Colombia, a well-known gold address
- De-risking assets steadily via social and environmental work

What Royal Road Minerals does:

Royal Road Minerals Limited (CVE:RZR) (OTCMKTS:RRDMF) is a mining company with an experienced management team and assets in Colombia and Nicaragua.

In its corporate presentation, the company says its aim is to find so-called 'Tier 1' gold and copper mines in areas they are most likely and also most needed.

While there is no official definition of such a deposit, the term has become part of the language of mining since titan BHP PLC (LON:BHP) vowed to invest only in "tier one" assets that were 'large, long-life, low cost and expandable'.

To give an idea of a resource figure for such a deposit, refer perhaps to Ecuador-focused SolGold, which said late in 2018 that its Alpala resource was Tier 1 and now estimated to contain 13.1 million tonnes of copper equivalent.

For Royal Road, it is worth highlighting that in the last 15 years, more than 50 million ounces of new gold has been discovered in Colombia, a country where all major mining groups have a presence.

How is it doing:

The firm has been in Nicaragua since 2017 where it has a 50:50 joint venture with a local gold producer Hemco Mineros Nicaragua. Three projects are permitted and drill ready. They are the Los Andes porphyry copper and gold project, the Luna Roja gold project, and the Caribe gold project.

The firm holds a large package of land, which includes 200,000 hectares in the so-called resource rich Golden Triangle.

In Colombia, with its acquisition in May of a portfolio of exploration assets from mining major AngloGold Ashanti (JSE:ANG), Royal Road became the largest exploration holder of claims in the country - at around 600,000 hectares. The Anglo assets are contained within a northern block grouping and a southern block.

The Southern Block lies contiguous with Royal Road's existing 3,500 sq km of exploration rights in Nariño Province, while the Northern Block covers the well-known Middle Cauca Belt, a region hosting over 50 million ounces of recently discovered gold resources.

Price: 0.37

Market Cap: \$96.46 m

1 Year Share Price Graph



Share Information

Code: RZR

Listing: TSX-V

52 week High Low
0.48 0.125

Sector: General mining & base metals

Website: www.royalroadminerals.com

Company Synopsis:

Royal Road Minerals was founded in 2010. The Company is focused on the discovery of Tier 1 gold and copper deposits where they are most likely and most needed. Our team has made several major discoveries and is unique in its approach as first-movers in post-conflict and transitioning environments.

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The overall acquisition cost of the Anglo assets is spread over several payments related to certain targets and the achievement of production, and could come to a total of US\$40mln.

Royal Road paid around US\$4.6 million in cash on completing the deal, with further payments amounting to some US\$35 million in total if milestones are reached.

There are 16 currently identified individual gold project areas located within the title package and numerous underexplored areas that are believed to host significant geologic potential. The titles are the result of 10 years of exploration and work by Anglo, which sold them to focus on more near-term development projects.

In May, Royal Road said the deal "significantly" increased its portfolio of high-potential exploration assets and provided numerous options for joint venture and cash-generating transactions in Colombia.

One project, the Guinter-Niverengo project, is drill-ready potentially for this year and permitted target, defined in two drill holes and thought to have Tier-1 potential.

What the boss said:

Commenting on the AngloGold Ashanti deal in July this year, Royal Road CEO Timothy Coughlin said: "This is a portfolio that has been refined so it's had a lot of work done on it - it's not big blocks of ground that are no longer of any particular interest to Anglo. They made a strategic decision to focus on their assets that are closer to production in Colombia and to divest their exploration assets, so it was a quality portfolio."

Read: Royal Road Minerals leveraging a vast portfolio in Colombia and Nicaragua

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