

# Nomad Royalty

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## Nomad Royalty strikes US\$7.6M deal to acquire all outstanding shares of Valkyrie Royalty, which owns a royalty on Moss Gold mine in Arizona

Nomad Royalty Company Ltd (TSX:NSR) (OTCQX:NSRXF) announced Monday it entered into a definitive agreement to acquire for about US\$7.6 million all of the outstanding shares of Valkyrie Royalty Inc, a private royalty company that owns a net smelter return royalty on the Moss Gold mine in Arizona.

"The Moss mine is generating strong gold & silver cash flows, holds considerable exploration upside on a district-scale and is located in a stable jurisdiction," Nomad CEO Vincent Metcalfe said in a statement.

"In adding this royalty, Nomad further diversifies its portfolio and again strengthens its global presence by adding Arizona to its list of jurisdictions."

### READ: Nomad Royalty Company to buy Coral Gold Resources for US\$45.8M

Northern Vertex Mining Corp is the operator of the Moss Mine, which is targeting production of 55,000 to 65,000 gold equivalent ounces per year. Northern Vertex is currently conducting a 60,000 foot-drilling program and is aiming to increase the mine life past 10 years.

The acquisition of the royalty provides Nomad with a royalty on a producing gold mine; immediate cash flow from a low-cost, conventional open pit and heap leach gold mine; excellent resource expansion potential through strong district-scale exploration; and increased gold and silver exposure.

Nomad said the royalty consists of a 0.5-3% net smelter return royalty (NSR) on all metals and minerals produced from specific claims within the property as follows:

- 1.0% NSR on certain patented lode claims with no other royalty within the property.
- 0.5% overriding NSR on all production within the property derived from certain patented load claims with other royalty interests.
- 3% NSR on any and all production derived from 63 unpatented lode claims within the property and on public lands within 1 mile of property's outside perimeter of the present claim boundary.

The Moss mine has been producing since 2018 and is an open pit gold-silver operation, with a favorable strip ratio of approximately 1.85:1 (waste to ore) and minimal haul distances to the crushing plant.

The ore is processed through crushing, agglomeration and heap leaching followed by processing at the on-site Merrill Crowe metal recovery plant and refinery to produce gold and silver doré bars. According to the Feasibility Study published in 2015, throughput at the Moss Mine was expected to be 5,000 tonnes per day (tpd).

**Price:** 1.03

**Market Cap:** \$581.46 m

#### 1 Year Share Price Graph



#### Share Information

**Code:** NSR

**Listing:** TSX

**52 week High:** 1.89  
**52 week Low:** 0.99

**Sector:** Investments and investor services

**Website:** [nomadroyalty.com](http://nomadroyalty.com)

#### Company Synopsis:

*Invest in Fresh Thinking ~ New Generation Royalty & Streaming Company listed on the TSX under the ticker NSR.*

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However, Nomad said commissioning throughput has been significantly higher due to exceptional performance of the crushing plant and operational team, which established a one-day throughput record of 13,000 tonnes. Exploration upside potential at Moss is excellent as the deposit continues to remain open for resource expansion along strike (at both ends) and at depth.

Northern Vertex recently reported record monthly production of 4,218 gold ounces and 37,171 silver ounces produced, a fourth consecutive monthly production increase for the Moss Mine.

Under the agreement, Nomad will issue 7.4 million common shares to the shareholders of the Vendor in full satisfaction of the purchase price. The transaction is scheduled to close in September 2020.

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