

Global Energy Metals Announces Strategic Investment in Advanced and Highly Prospective Rana Nickel Project in Norway

written by Raj Shah | February 17, 2021

February 17, 2021 ([Source](#)) – [Global Energy Metals Corporation](#) ([TSXV:GEMC](#)) | ([OTC:GBLEF](#)) | ([FSE:5GE1](#)) (“Global Energy Metals”, the “Company” and/or “GEMC”) is pleased to announce that the Company has entered into a Letter Of Intent (“LOI”), subject to final due diligence and negotiation of definitive agreements, to acquire an interest in a portfolio of four exploration licences from Scandinavian Resource Holdings Pty Ltd. (the “Vendor”) and to acquire a 1% royalty on the Net Smelter Returns from the Property (the “NSR”) from Chincherinchee Nominee Pty Ltd. (the “Royalty Holder”). The project portfolio includes three exploration licences including the past producing Bruvann Nickel Mine in the [Råna mafic-ultramafic intrusion](#) (Arnes, Bruavatnet and Rånbogen) and a fourth exploration licence (Krokelta), that lies outside the intrusion, west of the Bruvann Nickel mine (collectively “The Råna Nickel Project”).



Figure 1. View over the open pit part of the Bruvann Nickel mine, looking north-east, with the

shipping quay in the background.

The Råna Nickel Project licence area totals 25km² and is located on the south shore of Ofotfjord, which is ice-free year-round, 2km away from a shipping dock, with work force and infrastructure in place and in close proximity to a growing end-user market including [FREYR AS](#), a Norwegian incorporated company that is developing environmentally friendly lithium-ion based battery cell facilities in Mo i Rana, Northern Norway.

Mitchell Smith, President, CEO & Director comments:

“The electric vehicle revolution is steadily increasing demand for lithium-ion batteries, and nickel is a key component of these batteries. In an environment of robust battery demand, the pressure for nickel will grow proportionately. Having exposure to Class 1 nickel product suitable for battery manufacture through the Råna Nickel Project is a significant opportunity for Global Energy Metals and its shareholders.”

“As Norway continues to lead the charge in electric vehicle adoption it is leveraging its plentiful renewable green energy sources to establish a European presence as a sustainable battery hub. Projects such as this will be extremely important to the realization of increasing value creation for a regionalized, independent supply chain for key raw materials like nickel.”

The Vendor is a private company, primarily focused on the acquisition, exploration and development of advanced and highly prospective polymetallic nickel, copper, PGM deposits in Norway.

With a limited number of quality nickel sulphide projects available worldwide, the Råna Nickel Project represents one of the few drill-ready, low capex Class-1 nickel opportunities globally that has strong mining potential and exploration upside

and presents as an opportunity as a future source of material suitable for the rechargeable battery sector.

Project Highlights:

- The Råna intrusion hosts the Bruvann Nickel (copper and cobalt) mine with 9.15MT remaining resources (not including ore-grade pillars) in the underground mine;
- The mine is open-ended in three directions that have been under-explored;
- Bruvann mine was operated from 1989 to 2002 at an average nickel price below USD \$4/lb;
- Resemblance to the World Class Voisey's Bay deposit and other major nickel deposits;
- Excellent near-mine potential;
- Geochemistry points to a major nickel extraction from the magma;
- Re-interpretation of geophysical survey data (including newly derived geological model) confirms six new drill targets;
- Strong correlation between modelled conductors and surface mineralisation, including surface samples with up to 2.34% Ni, 0.27% Cu and 0.20% Co (2.98% Ni eq);
- Drill hole intersection of 13.5m at 0.62% Ni, 0.13% Cu and 0.06% Co (0.83% Ni eq) in the margins of large conductor;
- Channel sample with 6.5 m at 0.63% Ni, 0.19% Cu and 0.07% Co (0.90% Ni eq) in the margins of a second large conductor;
- The prospect lies on an ice-free fjord and Norway's main N-S highway; and
- Much of the mine infrastructure is still in place and maintained (roads, power lines, conveyor belt to the shipping dock just 2 km away).

Recent Exploration:

- Airborne TEM investigations in 2005 and 2006 – Penetration down to 300m;
- 16 drill holes totalling 3,982m during 2006 and 2007, intersecting both disseminated, vein type and massive sulphide mineralization;
- Sulphide isotopic study in 2008;
- Airborne EM and aeromagnetic survey conducted by the Geological Survey of Norway in 2015;
- >4,000 soil samples, >400 rock samples creating a geochemical map of Rånbogen;
- Modelling of gravity data;
- 3D computer modelling of the ore body in the mine; and
- A new derived geological model in 2019 has identified 6 new targets in addition to multiple high-priority targets previously identified proximal to anomalous nickel bearing rock samples grading up to 2.34% Ni.

Terms:

In consideration of the 10% interest (the “GEMC interest”) and 1% NSR on the Råna Nickel Project, GEMC will issue to the Vendor 3,300,000 common shares, subject to the approval of the TSX Venture Exchange, in the capital of Global (the “Payment Shares”), subject to statutory and voluntary escrow provisions.

GEMC shall have a carried interest on the Råna Nickel Project and will not be responsible for any project costs, including without limitation, construction costs, exploration costs, mine costs and operating costs on the property, until the Vendor, or an affiliate of the Vendor, incurs greater than Cdn. \$1,500,000 of project expenditures.

Either the Vendor or the Royalty Holder has the right to purchase one-half of the NSR, which is a 0.5% royalty on Net Smelter Returns, for the purchase price of Cdn.\$1,000,000 on or before the date on which Commercial Production (as that term

will be defined in the Definitive Agreement) commences.

The Payment Shares will be subject to resale restrictions of 4 months plus one day in accordance with applicable securities legislation and will also be subject to a voluntary pooling arrangement, pursuant to which the shares will be endorsed with applicable legends and released as follows:

- 50% of the Payment Shares shall be released on that day that is four months and one day following the date of issuance thereof;
- 25% of the Payment Shares shall be released on the day that is eight months and one day following the date of issuance thereof; and
- 25% of the Payment Shares shall be released on the day that is twelve months and one day following the date of issuance thereof.

Global Energy Metals intends to work alongside the Vendor to attract strategic partners to fund project development at the Råna Nickel Project while leveraging its interest to create shareholder value through exploration success.

Amongst other matters, the agreement is subject to receipt of all approvals and third-party consents of the boards of directors of Global and the Vendor, and regulatory authorities, including but not limited to the Exchange.

Qualified Person

Mr. Paul Sarjeant, P. Geo., is the qualified person for this release as defined by National Instrument 43-101 – Standards of Disclosure for Mineral Projects.

All technical information pertaining to the Vendor and its properties has been provided directly by the Vendor, and management of GEMC has not independently verified such

information.

Global Energy Metals Corporation

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Global Energy Metals is focused on offering investment exposure to the raw materials deemed critical for the growing rechargeable battery market, by building a diversified global portfolio of battery mineral assets including project stakes and sector specific equity positions. GEMC anticipates growing its business through the acquisition and development of battery mineral projects alongside key strategic partners. The Company holds 100% of the Millennium Cobalt Project and two neighbouring discovery stage exploration-stage cobalt assets in Mount Isa, Australia positioning it as a leading cobalt-copper explorer and developer in the famed mining district in Queensland, Australia. The Company holds an 85% interest in two battery mineral projects, the Lovelock Cobalt Mine and Treasure Box Project, located on the doorstep of the world's largest lithium-ion battery production plant, GigaNevada that Tesla Motors Ltd. and partner Panasonic Corp. have built in Nevada, USA. Additionally, the Company holds a 70% interest in the past-producing Werner Lake Cobalt Mine project in Ontario, Canada.

For Further Information:

Global Energy Metals Corporation

#1501-128 West Pender Street

Vancouver, BC, V6B 1R8

Email: info@globalenergymetals.com

t. + 1 (604) 688-4219

www.globalenergymetals.com

Twitter: [@EnergyMetals](#) | [@USBatteryMetals](#) | [@ElementMinerals](#)

Cautionary Statement on Forward-Looking Information:

Certain information in this release may constitute forward-looking statements under applicable securities laws and necessarily involve risks associated with regulatory approvals and timelines. Although Global Energy Metals believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Except as required by law, the Company undertakes no obligation to update these forward-looking statements in the event that management's beliefs, estimates or opinions, or other factors, should change.

GEMC's operations could be significantly adversely affected by the effects of a widespread global outbreak of a contagious disease, including the recent outbreak of illness caused by COVID-19. It is not possible to accurately predict the impact COVID-19 will have on operations and the ability of others to meet their obligations, including uncertainties relating to the ultimate geographic spread of the virus, the severity of the disease, the duration of the outbreak, and the length of travel and quarantine restrictions imposed by governments of affected countries. In addition, a significant outbreak of contagious diseases in the human population could result in a widespread health crisis that could adversely affect the economies and financial markets of many countries, resulting in an economic downturn that could further affect operations and the ability to finance its operations.

For more information on Global Energy and the risks and

challenges of their businesses, investors should review the filings that are available at www.sedar.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.