

GTA Resources: Sale, financings, investment and exploration

It's not often you see a junior company do a lot in one or two weeks. It takes months, years, of planning for a junior to execute on a business plan. GTA Resources and Mining Inc. managed to do it in about two months.

✘ The company (TSXV: GTA) has been on the mining scene since 2010. It made a big entrance with impressive assay results from its Northshore Gold Project in February, 2012, and like many junior miners has since had to push through the lethargy of the market. It carried on with its business and put out good results but to the market those results have been like the sound of one hand clapping.

GTA made noise in early March this year when it announced it would carry out an innovative flowthrough funding based on recent Ontario prospectus law amendments. Then it announced another financing of up to another \$400,000. Then it sent a team member as part of a Canadian trade delegation to Saudi Arabia to explore mining opportunities in the Kingdom (follow GTA's Twitter feed for some great pictures: @GTAResources). Success continued last week when it announced it had entered into an agreement to sell its interests in the Ivanhoe Gold Property, and then this morning GTA announced a closing on the first tranche, of \$150,000.

That's more meaningful news than some companies put out in a year.

The financings are important because they are both hard dollars and flowthrough. This means the company can carry out its exploration goals to create real value for the shareholders while still being able to pay its bills. It's a

credit to the BusDev people at GTA that they have been able to source, structure and close financings in this uncertain market. And with a small float (only about 36M shares out), any incremental increase in that value should flow to the shareholders.

Probe is buying the Ivanhoe Gold Project from GTA (who had the property under option) and from two others (the original prospectors), and will make an aggregate payment of \$234,000 and issue 350,000 common shares of Probe to acquire the property and option interests. GTA will keep a 1% net smelter return royalty over the property, which can be purchased by Probe for \$1-million. Cash and shares and a NSR add up to a good deal for everyone. Adding this cash from Probe to the financings means GTA will have the cash in its own treasury to do what it needs to do even in this lean market.

The sale of Ivanhoe is particularly interesting since the buyer is Probe Metals whose CEO is David Palmer. That's the same David Palmer who as CEO of Probe Minerals sold the west part of the Borden Lake Gold Zone to Goldcorp Inc. in 2015 for more than half a billion dollars Canadian. In the GTA transaction this time he bought the east part of that same Borden Lake Gold Zone. He knows that part of the world and obviously sees value in Ivanhoe.

It's noteworthy that Goldcorp is an 18% shareholder of Probe.

GTA will get good exposure from Probe's portfolio. Ivanhoe is located proximal to, and along the same geological trend as, Probe's West Porcupine Project. Adding Ivanhoe to West Porcupine brings the land package to over 180 square kilometres, including the recently announced acquisitions of White Metals' West Porcupine project and the Ross Property. Probe has announced that it is planning exploration programs to encompass all of Probe's property in the area.

David Palmer, President and CEO of Probe, stated in Probe's

press release: “The acquisition of the Ivanhoe property represents a cost-effective addition to the West Porcupine project and brings with it a significant number of historical and new gold showings. Previous work by GTA has identified numerous drill-ready targets along an extensive gold-bearing structure interpreted to be the western extension of the Destor-Porcupine Fault Zone, which is responsible for most of the 70 million ounces of gold produced in Timmins.”

It gets better for GTA’s investment in Probe. Probe has announced it is merging with Adventure Gold Inc. who is focused on mining exploration in the Abitibi Greenstone Belt. Its main project is the Val-d’Or East project, which has a resource report of 770,000 ounces of gold at 2.6 g/t Au in inferred resources. Adding Adventure’s assets to Probe’s gives an exploration portfolio of over 30 mining properties in Ontario and Quebec. There’s a good write-up on the merger in the April 18/16 edition of *The Northern Miner*.

While Probe will be busy drilling near Folyet, GTA will explore its 51%-owned Northshore Gold Project between Thunder Bay and Hemlo, Ontario. GTA already has a NI 43-101 resource estimate on Northshore, and will likely try to add to that by drilling on the northern end of the property near the former producing Northshore Gold Mine. It’s that property that made the noise in 2012 with the spectacular assay results. There is obviously gold in this ground – the picture above is a picture of actual samples taken from the surface in 2011.

We should expect a steady stream of corporate and technical news from GTA this summer when its technical team goes back into the field at Northshore and the company continues to further execute on its business plan.

GTA Resources on Schedule with Ivanhoe Results

✘ GTA Resources and Mining Inc. (TSXV: GTA) continues to execute on its three-prong strategy for organic growth in 2015. Earlier this week GTA released the latest results from one of those prongs, namely its boots-and-hammers program at Ivanhoe.

GTA was attracted to this property in northern Ontario due to its proximity to the eastern extension of the Borden Lake Gold Deposit, the historic record and the numerous gold showings. International mining giant Goldcorp now owns the Borden Lake Deposit, having paid Probe Mines`shareholders \$526M to acquire it earlier this year. Part of the historic record includes production from the historic Joburke Gold Mine which is surrounded by GTA`s holdings and which produced close to 500,000 tons at a recovered grade of 3.4 g/t gold.

All of this makes Ivanhoe a highly prospective property.

In May, GTA advised it would carry out a surface exploration program at Ivanhoe this summer and would use the data to plan a fall drill program. On schedule, the results from that surface program were released earlier this week and have, according to Wayne Reid, CEO, "...resulted in identifying a number of gold zones which will require additional evaluation and we look forward to initial drill results planned for this fall".

Being in the Timmins gold camp brings additional strengths including infrastructure, skilled labour and a mining-friendly community.

The continuity and consistency of the gold results were particularly eye-catching. For example, soil sampling in a large area of roughly 200m by 500 m showed encouraging results

with 7 of a total of 15 soil samples returning anomalous gold values. This is not unusual for prospective mining properties on the world-famous Porcupine-Destor fault.

GTA is on schedule with its attack plan for Ivanhoe. You can be sure Goldcorp is watching to see what evolves at the Borden Lake Trend, and could be an exit for GTA's shareholders in the next couple of years, just as it was for the Probe shareholders.

The other two prongs of the company's growth strategy include Northshore (near Hemlo) and Burnt Pond. At Burnt Pond, GTA will begin the surface exploration program this summer. At Northshore, GTA will continue with its internal economic study of exploiting its existing resource and putting its Northshore Gold Property into production as an open pit. Some further drilling will likely be needed at Northshore to complete the study.

Burnt Pond consists of six claim licences located in the Tally Pond volcanic belt which hosts Teck Resources Ltd.'s Duck Pond Mine and a number of other Cu-Zn-Ag-Au massive sulphide deposits.

GTA will likely need to close a flowthrough financing in the near future to fund the Burnt Pond, Northshore and Ivanhoe programs, and the finance part of this team lead by Mr. Reid and Peter Clausi have shown a reliable history of being able to raise the necessary financing as needed. Watch for more news on that possible financing and on results from the properties.

Clausi on GTA Resources “Boots & Hammer” zinc, copper and M&A program

June 19, 2015 – Peter Clausi, V.P. Corporate Affairs and General Counsel for **GTA Resources and Mining Inc.** (TSXV: GTA) in an interview with **InvestorIntel** Publisher Tracy Weslosky discusses the recent Ivanhoe property acquisition, the strength and benefits of GTA’s location and infrastructure and the commitment to shareholder value. In the discussion of 3 projects that GTA Resources is currently focused on in their strategic M&A model, he states: “the objective is always to make money for the shareholders”.

Tracy Weslosky: I want to talk to you about GTA Resources. You moved up nicely in May and so I’d love to get an update since we last spoke to Wayne Reid during PDAC.

Peter Clausi: When Wayne was at the PDAC he mentioned that we had acquired a property that we call Ivanhoe. It’s in northern Ontario beside the Borden Lake deposit, which was just purchased by Goldcorp for in excess of half a billion dollars. We since acquired further claims in the area by staking. We started a boots and hammer program and we expect to be drilling later this summer. We’re very excited by that.

Tracy Weslosky: Let me back you up. How does such a small company as your pick up such a large piece of property that’s next door virtually to such a highly valued resource?

Peter Clausi: We’re a lucky group. We have a very deep board of directors and a very experienced management team with great contacts in the mining industry. We try to conduct ourselves with ethics, with integrity and as a result we find that we’re offered good projects to work upon by prospectors and

explorers who trust us.

Tracy Weslosky: Well, speaking of that I have read the board and management teams. You have a very substantial board and management team. I noticed you also picked up some interesting acquisitions in Newfoundland. Can you talk to me about this?

Peter Clausi: The Newfoundland property is called Burnt Pond. It actually consists, as many properties do, of different areas. We almost surround the Duck Pond Mine, which is now owned by Teck. Duck Pond is a zinc-copper producer. We staked claims. We acquired further claims by acquisition just approved by the TSX.V. It appears that our geology is the same as that which underlies the Duck Pond producing mine.

Tracy Weslosky: Of course, Newfoundland is a very interesting place. Right now we have a number rising stars in that area. You have zinc, copper, gold: what else do we have in these two pond acquisitions?

Peter Clausi: We think it's just zinc and copper. There have been historical tracings of gold, historical tracings of silver, but our early indications are that it will be a zinc property. Zinc is exciting right now because it has a long supply response and it does appear as though the world will have a zinc shortage about 2018 to 2020 and is one of the few metals that will be suffering that shortage.

Tracy Weslosky: I've noticed you seem to be an acquisition play. Is that what GTA Resources is or what is the objective for GTA Resources with this team?

Peter Clausi: Well, clearly the objective is always to make money for the shareholders. We're doing that because we have only 30 million shares outstanding. We have roughly \$800,000.00 cash in the bank and we have this management team. We've never consolidated the stock...to access the rest of this interview, [click here](#)

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