

New Age Exploration Ltd

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New Age Exploration to divest Redmoor tin-tungsten to Strategic Minerals

New Age Exploration Ltd (ASX:NAE) has agreed to sell its 50% stake in the British Redmoor Tin-Tungsten Project joint venture entity Cornwall Resources Ltd (CRL) to its JV partner Strategic Minerals plc (LON:SNL) for \$5 million.

The three-stage deal is subject to shareholder and regulatory approvals and agreement to a series of documents.

READ: New Age Exploration raising \$940,500 to advance UK, New Zealand projects

Stage I would involve an upfront payment of \$2 million, payable on contract completion.

The next stage, stage II, would consist of a \$1 million payment made within 180 days of the contract settlement.

Stage III would involve a 1.5% net smelter royalty of Redmoor production capped at \$2 million, to finish off the \$5 million sale.

Redmoor expects the sale may need to be presented to its shareholders for approval at a general meeting likely to take place in the next six weeks.

READ: New Age Exploration triples Redmoor resource and increases grade

NAE executive director Joshua Wellisch highlighted the value benefits of a Redmoor sale today, comparing them to the potential risks of holding onto the project.

Wellisch told the Australian market: "The sale of the Redmoor Tin-Tungsten Project is an excellent outcome for NAE shareholders as the new board continues execution of its strategic corporate direction.

"A cash sale of this asset will provide the company with a strong funding base and will significantly reduce costs."

Wellisch flagged the timing of the proposed sale, saying: "The board believes the transaction was at an opportune time in the development cycle of the project, whereby a substantial value for the asset was realised while mitigating risk.

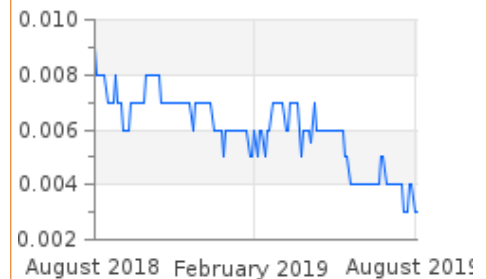
"The sale may be subject to approval by NAE shareholders at a general meeting, we consider this will be forthcoming within six weeks and we look forward to finalising the transaction."

BIG PICTURE: New Age Exploration drill results exceed expectations at

Price: A\$0.003

Market Cap: A\$2666340M

1 Year Share Price Graph



Share Information

Code: NAE

Listing: ASX

52 week High Low
A\$0.01 A\$0.00

Sector: Mining

Website: nae.net.au

Company Synopsis:

New Age Exploration Ltd (ASX:NAE) is listed on the Australian Securities Exchange.

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Redmoor project

The Cornwall project partners tripled the Redmoor resource in the English county of Cornwall to 11.7 million tonnes at 1.17% tin equivalent in February 2019.

Redmoor's grade was also increased with the resource update, after a number of good results from 12 drill holes drilled in 2018.

The project is adjacent to the Kit Hill granite intrusion, home to a number of historical British mines.

Redmoor has been named as the largest undeveloped tin or tungsten underground mining project in the world.

READ: New Age Exploration reports up to 0.66 ppm gold values in Otago, New Zealand

NAE previously expressed its hopes to divest its Lochinvar Coal Project in the UK to focus on Redmoor and its Otago Gold Project in New Zealand.

Instead, the cash of a Redmoor sale has returned Lochinvar to NAE's development list.

NAE reported today: "The company will now focus on the development of its Lochinvar/Otago projects and continue to pursue other value add opportunities."

The junior company launched a \$940,500 capital raising in February 2018 priced at 55 cents a share after the company ended December quarter 2018 with \$291,844 cash.

CPS Capital, the lead manager of the capital raising, had received firm commitments for the capital raising by late last month.

Today, NAE reported the company would be "in a strong financial position upon settlement of the sale and in conjunction with the recent capital raising of about \$940,000.

"The divestment of this asset will also significantly reduce costs."

NAE chairman Alan Broome, also the chairman of SNL, had flagged the potential for the sale to NAE's board then excused himself from further dealings on the proposed transaction and board voting on the matter on either board.

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