

# First Energy Metals enters Letter of Intent for Thunder Mountain gold - silver claims in Nevada

VANCOUVER, Jan. 22, 2020 /CNW/ - **First Energy Metals Ltd.** (CSE: FE) ("**First Energy**" or the "**Company**") is pleased to announce that it has entered into a non-binding Letter of Intent ("LOI") with 1232963 BC LTD (the "1232963 BC") a private corporation incorporated in British Columbia, whereby the Company will have the option to acquire up to 75% of the Thunder Mountain gold-silver project (the "Property") located in Nye County, Nevada.

## Transaction Details:

### Year 1:

- Cash payment of \$ 20,000 USD within 15 days of CSE and any other regulatory approval necessary. Additional \$ 30,000 USD prior to the one-year anniversary of the agreement.
- Share issuance of 4,000,000 shares within 15 days of CSE and any other regulatory approval necessary.
- Complete \$ 150,000 USD in exploration expenditures

### Year 2:

- Cash payment of \$ 40,000 USD prior to the two-year anniversary of the agreement.
- Complete \$ 600,000 USD in exploration expenditures

### Year 3:

- Cash payment of \$ 60,000 USD prior to the third-year anniversary of the agreement.
- Complete \$ 750,000 USD in exploration expenditures

## Thunder Mountain

The Property consists of 49 lode claims and host a series of high-grade epithermal quartz adularia-gold veins located within the southwestern Nevada's Walker Lane gold trend. Walker Lane trend is a well-known gold mining district in Nevada. The region is actively explored and has seen a number of gold discoveries in the past.

In 2007 and 2008 the claims had some very limited reverse circulation ("RC") drilling by the then claim holder, Midway Gold Corporation ("Midway"). Results of the Thunder Mountain Property drilling, quoted below, were issued by Midway in news releases for public disclosure on October 18, 2007, May 1, 2008, and January 21, 2009. Investors are cautioned that a qualified person from First Energy has not carried out data verification on this information, and it should not be relied upon.

Midways' first drill holes intersected several high-grade gold veins within broader mineralized sections. Highlights include; hole TM07-04 that returned 1.5m (5 ft) of 33.65 g/t gold within a 6.09m (20 feet) wide zone that returned 9.69 g/t gold; and TH-27 which encountered 3.05m (10 ft) of 54.7 g/t gold within 9.1m (30 ft) of 20 g/t gold. The samples for this drilling were analysed at ALS Chemex labs in Sparks, Nevada using method 30g fire assays. Reverse circulation drilling was conducted by Layne Christensen of Chandler, Arizona. True widths were not determined.

In 2008, Midway focused their drilling 15 to 30m (50 to 100ft) northwest of the 2007 effort and drilling intercepted similar shallow gold bearing zones with higher grade veins. Drill hole TM08-10, returned some high-grade silver with 1.52m (5 ft) of 231 g/t silver at the top of a 4.57m (15 foot)

section that also returned 1.12 g/t gold. Other results from 2008 include; 3.05m (10ft) of 11 g/t gold within 12m (40 feet) of 3.82 g/t gold (the true thicknesses of these intercepts were estimated to be 5.5 and 17.5 feet, respectively) at only 21m (70 ft) depth; as well as silicified breccias hosted by rhyolite tuff containing 21m (70 feet) of 2.97 g/t gold beginning at a 16.7m (55 foot) depth. Gold and silver assays were conducted by 30g fire assays at SGS labs in Ontario, Canada. Reverse circulation drilling was conducted by Eklund Drilling of Elko, Nevada.

Technical data pertaining to this new release was reviewed and approved by Craig Alford, MSc., P.Geo., acting as First Energy's qualified person under National Instrument 43-101.

This above noted LOI is with a non-related party and there are no directors, officers or senior management in common. In addition, First Energy shall, concurrent with the closing of the transaction, complete a non-brokered private placement for up to \$600,000 at a price of 0.06 cents per share by way of an issuance of 10,000,000 units.

Closing of the Transaction and private placement is subject to obtaining all required approvals, including from the CSE and any other regulatory approval. The securities will be subject to a four-month hold period plus one day under securities laws. The Company intends to use the proceeds from the private placement for funding the initial exploration program on Thunder Mountain and general working capital purposes.

Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one common share at a price of \$0.20 for a period of one year from the issue date. The warrants are subject to an acceleration provision that allows the Company to give notice of an earlier expiry date if the Company's weighted average share price on the CSE (or such other stock exchange the Company may be trading on) is equal or greater than \$0.20 for a period of 10 consecutive trading days.

### **About First Energy Metals Limited.**

First Energy Metals Limited is a junior resource company engaged in the exploration and development of energy metals such as lithium, cobalt, and graphite within its property portfolio in North America. The Company's goal is to acquire prospective technology metals properties and develop them. The Company currently holds an option to acquire 100% interest in Phyllis Cobalt property in Ontario. First Energy Metals Limited (formerly "Agave Silver ") was incorporated on October 12, 1966 in the Province of British Columbia. The Company's common shares trade on the Canadian Securities Exchange (CSE) under the symbol FE and are also listed on the US OTC Markets (Pink) as ASKDF and on the Frankfurt Stock Exchange as A2JC89.

ON BEHALF OF THE BOARD OF  
**FIRST ENERGY METALS LTD.**

***"Gurminder Sangha"***

Gurminder Sangha  
President & Chief Executive Officer

***Neither the Canadian Securities Exchange (CSE) nor its Regulation Services Provider accepts responsibility for the adequacy or accuracy of this news release and has neither approved nor disapproved the contents of this news release.***

### **Forward-looking Information**

*Except for the statements of historical fact, this news release contains "forward-looking information" within the meaning of the applicable Canadian securities legislation that is based on expectations, estimates and projections as at the date of this news release. "Forward-looking*

*information" in this news release includes information about the Company's proposed Transaction with 1232963 BC; and other forward-looking information includes but is not limited to information concerning the intentions, plans and future actions of the parties to the transactions described herein and the terms thereon.*

*Factors that could cause actual results to differ materially from those described in such forward-looking information include, but are not limited to, the Company's proposed Transaction with 1232963 BC may not be completed on the terms and timing currently contemplated, or at all; and other risks as more fully set out in the Company's continuous disclosure filings at [www.sedar.com](http://www.sedar.com).*

*The forward-looking information in this news release reflects the current expectations, assumptions and/or beliefs of the Company based on information currently available to the Company. In connection with the forward-looking information contained in this news release, the Company has made assumptions about the Company's ability to obtain required approvals and close the proposed Transaction with 1232963 BC. The Company has also assumed that no significant events occur outside of the Company's normal course of business. Although the Company believes that the assumptions inherent in the forward-looking information are reasonable, forward-looking information is not a guarantee of future performance and accordingly undue reliance should not be put on such information due to the inherent uncertainty therein.*

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**For further information:** please contact the Company at: [gsangha@firstenergymetals.com](mailto:gsangha@firstenergymetals.com)

CO: First Energy Metals Limited

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