

# Observations from the PDAC, first two days

The PDAC, (or Prospectors and Developers Association of Canada, to give it its full name), is the world's largest mining conference, and is currently taking place in Toronto, Canada.

Having attended the conference for the last eight years, I approached this conference with pessimism and little enthusiasm. Here are my observations from the first two days.

Sunday started slowly, no queues for early registration, which did not bode well, and the floor was clearly quieter than in previous years, retail investors seemed to be in short supply. Canada, being a laid back country, makes it easier to distinguish between professionals selling services and investors simply by their attire.

There were quite a few empty booth spaces where companies had not attended, quite a sad site. The organisers had been proactive in placing chairs and water coolers in some empty spaces to make them look like rest areas, but many remained a sad empty void.

For 2015 the organisers had made the inexplicable decision to expand the conference into the Conference North Building, a 10 – 15 minute journey on foot from the south side! Footfall there was very low according to some booth holders, which is hardly surprising as anyone taking the Skywalk covered walkway from Union Station actually avoids the north side completely! Given the sub-zero freezing temperatures and bitter wind-

chill, the Skywalk is very busy!

In an effort to drive people to the north side the organisers arranged a free drink (singular!) and canapé session in the afternoons. The drink was to be obtained by using a voucher in your goody bag given when you register, but many found no voucher inside their bag, me included, so arguments ensued as they tried to charge \$11 for a bottle of beer!

Everyone simply wandered off to one of the many receptions taking place with far superior food and free drinks in abundance. Time for a rethink on that one PDAC committee!

Returning to the show, Monday was very busy, and late afternoon the aisles were congested due to the number of attendees.

The clear message walking around is that there are simply too many junior companies with moose pasture projects in the middle of nowhere chasing financing money. That model, from an investor's perspective, is broken now.

How many people want to invest in a company that will keep coming back time and time again for future financings, with no exit strategy except to keep on drilling on an ongoing basis? Not many it would seem, judging by the many conversations that I had!

So the majority of booths are occupied by hopeful juniors desperately seeking finance, and actual producers are few and far between, limiting the choices for an investor looking for opportunity considerably.

To be continued.

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# Avalon confirms East Kemptville potential

**Avalon Rare Metals {TSX: AVN}** announces conceptual economic study confirming potential for redevelopment of their East Kemptville in deposit, Nova Scotia, Canada.

The deposit is primarily tin, with zinc and copper also present.

## Official news release

February 25, 2015

Toronto, Ontario – **Avalon Rare Metals Inc. {TSX: AVL}** is pleased to announce the completion of a Conceptual Redevelopment Study, including preliminary economics on the East Kemptville Tin Deposit.

The Study was prepared by Hains Engineering Company Ltd and is the first economic study of the Deposit since the original East Kemptville mine closed in 1992. The purpose of the study was to confirm the business case for re-development of the Deposit before securing the necessary approvals to proceed with physical work at the site. The results of the Study indicate that there is potential for attractive economics under the development model proposed by Hains. *The Study is preliminary in nature and includes inferred mineral resources that are considered too speculative geologically to have the*

*economic considerations applied to them that would enable them to be categorized as mineral reserves. There is no certainty that the preliminary economics indicated in the Study will be realized.*

The proposed development model assumes conventional open pit mining at a production rate of 10,000 tonnes per day, similar to the original mine at the site with conventional truck and shovel operation. Hains recommends that a new operation take advantage of recent innovation in metallurgical recovery technology for tin ores that can achieve improved recoveries for tin as well as by-product copper and zinc. In addition, Hains recommends building a tin refinery at the site that will process the tin mineral concentrate, to produce tin ingots as a final saleable tin product. This strategy offers the potential benefits of creating value-added in Nova Scotia, reducing the risks associated with using third party processors and enhancing the overall economics of the operation. Hains estimates that the operation would create approximately 187 new full-time jobs.

Hains estimates that the proposed mining, milling and refining development model at a designed mill throughput rate of 10,000 tonnes per day would require a capital investment in the order of CDN\$200 million. Operating costs (including tin refining) were estimated at CDN\$15/tonne of ore mined or CDN\$53 million on an annual basis. Using long term metal price assumptions of US\$23,500 per tonne for tin, US\$1.00/lb for zinc and US\$3.00/lb for copper, average annual revenues in the order of CDN\$107 million are estimated (assuming an exchange rate of CDN\$1=US\$0.85) . Approximately 85% of the revenues in the model are derived from tin ingot sales totalling 3,350 tonnes per annum, representing just 1% of the global market. Although indium is known to occur in the deposit in association with

the zinc mineralization, no credits for indium were applied in the model due to insufficient indium analytical data in the resource model. Copper concentrate sales include credits for minor contained silver and gold based on comparable assays on historic production.

Don Bubar, President and CEO stated, "We are pleased to have confirmed from this Conceptual Redevelopment Study that there is a strong business case to be made for re-developing the East Kemptville mine site. The opportunity is made more attractive by the excellent infrastructure present in south western Nova Scotia including year round road access, deep water port within 60 kilometres, existing power line to the site, nearby communities with available skilled labour and government supportive of new investment in mineral development. With the Study in hand we see an opportunity for Nova Scotia to re-emerge as the Tin Capital of North America."

The development model developed for this conceptual study is based on the initial National Instrument 43-101 mineral resource estimate produced by Hains in October, 2014 and disclosed in the Company's news release dated October 31, 2014. A Whittle Pit optimization analysis was completed for this Study based on the current resource estimate and net smelter return values estimated by Hains. The Whittle Pit optimization indicated the optimum pit contained 49.3 million tonnes of mineral resources (which includes resources classified both as Indicated and Inferred) within the pit at average diluted grades of 0.113% tin. 0.131% zinc and 0.053% copper, including 5.87 million tonnes of low grade stockpile material. Total waste rock was estimated as 43.4 million tonnes, for a Life-of-Mine stripping ratio of 0.88.

Based on the results of the Whittle analysis, a preliminary pit schedule was developed, which calls for mining 3.5 million tonnes mill feed per year, or 10,000 tonnes per day, yielding a 14 year mine life with an overall mining extraction of 95% and 5% mining dilution. Note that no work has yet been undertaken to optimize production parameters in the context of the current tin market. Further, the Whittle block model contains mineral resources classified both as indicated mineral resources and inferred mineral resources under CIM mineral resource reporting standards. Further definition drilling will be required before these mineral resources can be incorporated into a mining reserve and relied upon in an economic analysis for feasibility study purposes. Metal recoveries, based on very preliminary test work, are estimated at 87% for tin, 85% for zinc and 75% for copper.

## **Mineral Tenure Status**

The Company holds mineral rights at East Kemptville through a "Special Licence", a form of mineral tenure granted by the Province of Nova Scotia in circumstances where there is a history of previous industrial land use activity (such as mining) in the area of interest. It does not immediately convey surface land rights and, accordingly, access must be arranged with the permission of surface rights holders which was done in 2014. Ultimately, with completion of a feasibility study and related environmental assessment work, a form of mining lease is obtainable from the government to secure the requisite surface land rights.

The Company first acquired a Special Licence at East Kemptville in 2005 and it has been subsequently renewed multiple times while the Company negotiated access to the site. In September 2014, the Company submitted an application

for a new Special Licence reflecting the entire original mine site. This application is presently being processed by the Government of Nova Scotia. Like the previous Special Licences obtained by the Company, the new Special Licence requires approval by an Order in Council of Government of Nova Scotia, which typically takes several months to receive. Final approval of the current application is still pending, following which surface work at the site will resume.

In addition to the Special Licence, the Company holds 183 mineral claims totalling 2,962 hectares to the northeast and southwest of the East Kemptville property, covering over 10 kilometres of strike length along the geological trend of the East Kemptville tin deposit. Since 2005, the Company has incurred over CDN\$2.1 million in exploration expenditures on these claims and the Special Licences.

## **Future Plans**

Once the new Special Licence is in place, the Company plans to proceed with an initial CDN\$1.2 million work program utilizing funding secured in the Company's private placement completed in December, 2014. This work will include:

- Preliminary metallurgical process test work on the flowsheet proposed by Hains to confirm recoveries and costs to at least the level of confidence required for a preliminary economic assessment.
- Diamond drilling to better define known resources and delineate additional resources to depth and on other known tin occurrences in the area.

- Environmental studies to examine the nature of the waste rock generated in any proposed mine, as well as the conditions required for bringing the existing operation into readiness for future production.

The Company is planning an extensive in-fill drilling program with the objective of moving inferred mineral resources into the indicated and measured categories. Requests for bids from drilling contractors have been sent out to conduct a minimum 2,000 metre drilling program this spring.

Bench scale metallurgical testing, using sample material collected during the 2014 drill program, is presently being initiated in order to verify metallurgical recoveries, concentrate grades and evaluate ore variability. This will lead eventually to larger scale pilot plant testing using representative bulk samples collected from future drilling and existing ore stockpiles at the site.

Environmental studies planned will also include more work on future closure requirements and baseline studies such as species at risk surveys and studies on effluent chemistry requirements.

### **Qualified Persons**

The Study was prepared by Don Hains, P. Geo, with contributions from the following independent consultants and "Qualified Persons" for the purposes of National Instrument 43-101, who have reviewed and approved this release.

Qualified Person  
Contribution

Consulting Firm

Don Hains, P. Geo                    Hains Engineering                    Mining and  
Mineral Reserves, Process, Infrastructure, Capital & Operating  
Costs

Bruce Brady, P. Eng.              Associate of Hains Engineering Mine  
Capital & Operating Costs

Ross MacFarlane, P. Eng              Associate of Hains  
Engineering Metallurgical analysis, Process Capital and  
Operating costs

The information contained in this document relating to the proposed work program has been reviewed and approved by Donald Bubar, P. Geo. (ONT), CEO and President of Avalon, a qualified person for the purposes of National Instrument 43-101.

Results of 2015 Annual General Meeting

At the Annual General Meeting of shareholders held in Toronto, Ontario on February 24, 2015 (the “Meeting”), all director nominees listed in the Company’s management information circular dated January 12, 2015 were elected as directors of the Company. The detailed results of the vote are as follows:

Director	Number of Votes Cast
Donald S. Bubar	21,699,297
Percentage of Votes Cast	

96.95%

Withheld: 682,498 3.05%

Alan Ferry In Favour:  
21,293,109 95.14%

Withheld: 1,088,686 4.86%

Phil Fontaine In Favour: 21,694,255  
96.93%

Withheld: 687,540 3.07%

Brian D. MacEachen In Favour: 21,685,072  
96.89%

Withheld: 696.723 3.11%

Peter McCarter In Favour: 21,693,567  
96.93%

Withheld: 688,228 3.07%

Kenneth G. Thomas In Favour: 21,704,747  
96.98%

Withheld: 677,048 3.02%

In addition, at the Meeting shareholders appointed Deloitte LLP as auditors of the Company, and approved all unallocated

options under the Company's stock option plan. The formal report on voting results with respect to all matters voted upon at the Meeting will be filed on SEDAR at [www.sedar.com](http://www.sedar.com).

#### About Avalon Rare Metals Inc.

Avalon Rare Metals Inc. is a mineral development company focused on rare metal deposits in Canada, with three advanced stage projects. Its 100%-owned Nechalacho Deposit, Thor Lake, NWT is exceptional in its large size and enrichment in the scarce "heavy" rare earth elements, key to enabling advances in clean technology and other growing high-tech applications. Avalon is also advancing its Separation Rapids Lithium Minerals Project, Kenora, ON and its East Kemptville Tin-Indium Project, Yarmouth, NS. Social responsibility and environmental stewardship are corporate cornerstones.

For questions and feedback, please e-mail the Company at [ir@avalonraremetals.com](mailto:ir@avalonraremetals.com), or phone Don Bubar, President & CEO at +1 416-364-4938.

This news release contains "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and applicable Canadian securities legislation. Forward-looking statements include, but are not limited to, the potential for re-development of the East Kemptville Tin deposit, the potential for attractive economics under the development model proposed by Hains, the key measures and economics reported in the Study, the strategy of a tin refinery offers the potential benefits of creating value-added in Nova Scotia, reducing the risks associated with using third party processors and enhancing the overall economics of the operation, that surface work at the site will resume once a new Special Licence is received, that the

Company plans to proceed with an initial \$1.2 million work program, that the Company is planning an extensive in-fill drilling program with the objective of bringing inferred mineral resources into the indicated and measured resource categories, that bench scale metallurgical testing will lead eventually to larger scale pilot plant testing using representative bulk samples collected from future drilling and existing ore stockpiles at the site, that environmental studies planned will also include more work on future closure requirements and baseline studies such as species at risk surveys and studies on effluent chemistry requirements. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "potential", "scheduled", "anticipates", "continues", "expects" or "does not expect", "is expected", "scheduled", "targeted", "planned", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be" or "will not be" taken, reached or result, "will occur" or "be achieved". Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Avalon to be materially different from those expressed or implied by such forward-looking statements. Forward-looking statements are based on assumptions management believes to be reasonable at the time such statements are made. Although Avalon has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. Factors that may cause actual results to differ materially from expected results described in forward-looking statements include, but are not limited to market conditions, Avalon's ability to secure sufficient financing to advance and complete the project, uncertainties associated with securing the necessary approvals and permits in a timely manner, assumptions used in the Study proving to be inaccurate,

uncertainties associated with Avalon's resource and reserve estimates, uncertainties regarding global supply and demand for tin and market and sales prices, and uncertainties with respect to social, community and environmental impacts as well as those risk factors set out in the Company's current Annual Information Form, Management's Discussion and Analysis and other disclosure documents available under the Company's profile at [www.SEDAR.com](http://www.SEDAR.com). There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Such forward-looking statements have been provided for the purpose of assisting investors in understanding the Company's plans and objectives and may not be appropriate for other purposes. Accordingly, readers should not place undue reliance on forward-looking statements. Avalon does not undertake to update any forward-looking statements that are contained herein, except in accordance with applicable securities laws.

#### **Cautionary Note to United States Investors Concerning Reserve and Resource Estimates**

The reserve and resource estimates in this news release have been prepared in accordance with the requirements of Canadian securities laws, which differ from the requirements of United States securities laws. Unless otherwise indicated, all reserve and resource estimates included in this news release have been prepared in accordance with NI 43-101. NI 43-101 is a rule developed by the Canadian Securities Administrators which establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects.

Canadian standards, including NI 43-101, differ significantly

from the requirements of the United States Securities and Exchange Commission (the "SEC"), and reserve and resource information contained in this news release may not be comparable to similar information disclosed by United States companies. In particular, and without limiting the generality of the foregoing, the term "resource" does not equate to the term "reserve". Under United States standards, mineralization may not be classified as a "reserve" unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve determination is made. The SEC's disclosure standards normally do not permit the inclusion of information concerning "measured mineral resources", "indicated mineral resources" or "inferred mineral resources" or other descriptions of the amount of mineralization in mineral deposits that do not constitute "reserves" by United States standards in documents filed with the SEC. United States investors should also understand that "inferred mineral resources" have a great amount of uncertainty as to their existence and as to their economic and legal feasibility. It cannot be assumed that all or any part of an "inferred mineral resource" exists, is economically or legally mineable, or will ever be upgraded to a higher category. Under Canadian rules, estimated "inferred mineral resources" may not form the basis of feasibility or pre-feasibility studies except in rare cases. Disclosure of the amount of minerals contained in a resource estimate is permitted disclosure under Canadian regulations; however, the SEC normally only permits issuers to report mineralization that does not constitute "reserves" by SEC standards as in-place tonnage and grade without reference to unit measures. The requirements of NI 43-101 for identification of "reserves" are also not the same as those of the SEC, and reserves reported by Avalon in compliance with NI 43-101 may not qualify as "reserves" under SEC standards. Accordingly, information concerning mineral deposits set forth herein may not be comparable with information made public by companies that report in accordance with United States standards.

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# **Colonial Coal files meeting materials and amends royalty terms**

Further to their recent announcement about a business combination between **Colonial Coal {TSX.V: CAD}**.and **Tuya Energy Inc.**, the respective companies have confirmed the filing the Joint Management Information Circular.

This paves the way for the respective shareholder meetings to take place for approval of the combination of the two companies.

**COLONIAL COAL INTERNATIONAL CORP.**

**PRESS RELEASE**

## **Colonial Coal Intl. Corp. files meeting materials and amends royalty terms.**

Vancouver, B.C., Canada, February 17, 2015 – **Colonial Coal International Corp. (TSX-V: CAD)** (“Colonial”) and **Tuya Energy Inc.** (“Tuya”) are pleased to announce that they have filed with applicable Canadian securities regulatory authorities their joint management information circular (the “Joint Circular”) in connection with the annual general and special meeting of Colonial shareholders and special meeting of Tuya shareholders both to be held on March 19, 2015 (collectively,

the “Meetings”).

At the Meetings, Colonial and Tuya shareholders will be asked to, among other things, approve the previously announced transaction whereby Colonial will acquire all of the issued and outstanding common shares of Tuya (“Tuya Shares”) by way of a statutory plan of arrangement (the “Arrangement”). The Arrangement is being proposed under, and is subject to the terms and conditions of, an arrangement agreement dated January 27, 2015 between Colonial and Tuya (the “Arrangement Agreement”). Assuming the Arrangement becomes effective, holders of Tuya Shares will receive 0.5 of a common share of Colonial (each whole common share, a “Colonial Share”) for each Tuya Share held.

The Joint Circular contains, among other things, details concerning the Arrangement, the background to and reasons for the Colonial board’s and the Tuya board’s favourable recommendation of the Arrangement, the requirements for the Arrangement to become effective, the procedure for receiving Colonial Shares issuable under the Arrangement for Tuya Shares, procedures for voting at the Meetings and other related matters. Colonial and Tuya shareholders are urged to carefully review the Joint Circular and accompanying materials, which includes a copy of the Arrangement Agreement, as they contain important information regarding the Arrangement and its consequences to Colonial and Tuya shareholders.

On February 16, 2015, Tuya obtained an interim order of the Supreme Court of British Columbia to authorize the Tuya shareholder meeting process in connection with the Arrangement. As Colonial and Tuya are non-arm’s length parties by virtue of the fact that they have the same directors and management, the Arrangement is subject to, among other things, the approval of at least (i) 662 /3% of the votes cast by Tuya shareholders present in person or by proxy at the meeting of Tuya shareholders, and (ii) a simple majority of the votes

cast in person or by proxy by Tuya shareholders excluding the Tuya Shares held by insiders of Tuya and Colonial. In addition, the Arrangement must be approved by at least (i) 662/3% of the votes cast by Colonial shareholders present in person or by proxy at the meeting of Colonial shareholders, and (ii) a simple majority of the votes cast in person or by proxy by Colonial shareholders excluding the Colonial Shares held by insiders of Tuya and Colonial. Assuming that the Arrangement is approved at the Meetings, Tuya is currently scheduled to return to court on March 24, 2015 to seek a final order to implement the Arrangement. – 2 –

The closing of the Arrangement is also subject to Tuya having no less than \$2.5 million of working capital at the time of closing (including amounts owing from Colonial to Tuya under an existing loan) and the satisfaction of certain other closing conditions customary for transactions of this nature. Assuming that these conditions are satisfied, it is expected that the closing of the Arrangement will be completed prior to the end of March 2015.

Colonial is also pleased to announce that on February 17, 2015, the independent directors of Colonial entered into certain agreements pursuant to which the parties to the royalty agreement respecting Colonial's Huguenot Coal Project agreed to terminate a pre-production royalty payable at a rate of \$62,500 per month (the "Pre-Production Royalty"); saving Colonial, effective on April 1, 2015 (and in addition to the \$1,500,000 previously forgiven), further Pre-Production Royalty payments of \$750,000 per year until production commences on the Huguenot Coal Project; in exchange for a 1.5% production royalty on Colonial's Flatbed Coal Project, 1.35% of which is payable to certain directors of Colonial.

Copies of the Joint Circular, Colonial's related proxy materials and the agreements pertaining to the terminations of the Pre-Production Royalty and granting of the royalty on Colonial's Flatbed Coal Project are available on SEDAR at

[www.sedar.com](http://www.sedar.com).

### **About Tuya Energy Inc.**

Tuya is a privately held, Vancouver-based, coal exploration and development company. Tuya's principal property is the Tuya River Property located between Telegraph Creek and Dease Lake in northwestern British Columbia, a thermal coal property.

### **About Colonial Coal International Corp.**

Colonial is a publicly traded pure-play coking coal company in British Columbia. The northeast Coal Block of British Columbia, within which Colonial's projects are located, hosts a number of proven deposits and has been the subject of M&A activities by Xstrata, Walter Energy, Anglo and others.

Additional information can be found on Colonial's website [www.ccoal.ca](http://www.ccoal.ca) or by viewing Colonial's filings at [www.sedar.com](http://www.sedar.com).

For further information please contact:

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David Austin

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### **Forward-Looking Information**

Information set forth in this news release may involve

forward-looking statements. Forward-looking statements are statements that relate to future, not past, events. In this context, forward-looking statements often address a company's expected future business and financial performance, and often contain words such as "anticipate", "believe", "plan", "estimate", "expect", and "intend", statements that an action or event "may", "might", "could", "should", or "will" be taken or occur, or other similar expressions. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the following risks: risks associated with marketing and sale of securities; the need for additional financing; reliance on key personnel; the potential for conflicts of interest among certain officers or directors with certain other projects; and the volatility of common share price and volume. Forward-looking statements are made based on management's beliefs, estimates and opinions on the date that statements are made and except as required by law, Colonial and Tuya undertake no obligation to- 3 – update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change.

Investors are cautioned against attributing undue certainty to forward-looking statements.

THE FORWARD-LOOKING INFORMATION CONTAINED IN THIS NEWS RELEASE REPRESENTS THE EXPECTATIONS OF COLONIAL AND TUYA AS OF THE DATE OF THIS NEWS RELEASE AND, ACCORDINGLY, IS SUBJECT TO CHANGE AFTER SUCH DATE. READERS SHOULD NOT PLACE UNDUE IMPORTANCE ON FORWARD-LOOKING INFORMATION AND SHOULD NOT RELY UPON THIS INFORMATION AS OF ANY OTHER DATE. WHILE EITHER COLONIAL OR TUYA MAY ELECT TO, IT DOES NOT UNDERTAKE TO UPDATE THIS INFORMATION AT ANY PARTICULAR TIME EXCEPT AS REQUIRED IN

## ACCORDANCE WITH APPLICABLE SECURITIES LEGISLATION.

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.

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# **Scorpio Gold reports the final expansion drilling results from their successful 2014 season at Mineral Ridge.**

**Scorpio Gold {TSX.V: SGN}** CEO Peter Hawley reported the final drill results of 2014, expansion drilling at their Bluelite satellite deposit at Mineral Ridge, Nevada.

The highlight was 7 grams per ton over three metres, in a program where most holes reported grades at shallow depth.

### *Comment*

*Scorpio management are obviously very pleased with the results of their 2014 drill campaign as they seek to extend the life of mine at Mineral Ridge.*

*The results support the possibility of an upgrade and expansion of the mineral resources at Bluelite, and offers the potential of further expansion to the south of this deposit.*

*Management have once again delivered on their objectives,*

*All in all a good year for Scorpio, one of the few junior miners in production, funding their own extensive exploration, and actually making a profit!*

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## **Official News Release**

Mr. Peter Hawley reports

**Scorpio Gold{TSX.V:SGN}**- Final results from the 2014 expansion drilling program at the Bluelite satellite deposit, Mineral Ridge, Nevada, USA.

Scorpio Gold Corp. has released final results from the 2014 expansion drilling program on the Bluelite deposit at its 70-per-cent-owned Mineral Ridge project, located in Nevada.

These final results cap a very successful program of expansion drilling on the Bluelite deposit, which included both infill and step-out drilling to expand and upgrade the current mineral reserve and resource estimate for the deposit and potentially extend life of mine.

In addition to expanding the margins of the currently modelled pit shell outline, step-out drilling tested a 75-to-100-metre-wide area of mineralization that trends south from the deposit for a minimum of 150 metres (open). This previously undrilled area lies well outside of currently defined resources and will be the focus of further drilling in 2015.

Management believes that results from the 2014 drilling program will lead to an upgrade and expansion of the mineral resources currently defined for the Bluelite deposit and potentially allow for building a new resource in the wide area of mineralization that extends directly south of it.

Highlights of the final results from the 2014 expansion drilling on the Bluelite deposit include:

- MR141983: 5.8 grams per tonne gold over 3.66 metres
- MR141038: 2.19 g/t gold over 4.57 m
- MR141050: 7.7 g/t gold over 3.05 m

▪ **Table 1. Bluelite Deposit – Significant Drill Results**

Hole No.	Azm (deg)	Dip (deg)	From (m)	To (m)	Width (m)	Gold (g/t)
MR14983	0	-90	12.04	15.70	3.66	5.80
MR14984	341	-75	0.00	2.50	2.50	0.48
			38.62	40.78	2.16	0.41
			43.59	45.05	1.46	0.61
			106.38	106.74	0.37	2.53
MR141038	0	-90	22.86	27.43	4.57	2.19
			39.62	41.15	1.52	0.45
			71.63	73.15	1.52	0.41
			77.72	79.25	1.52	0.58
			82.30	85.34	3.05	1.54
			88.39	89.92	1.52	0.45
MR141050	225	-75	19.81	22.86	3.05	7.70
			71.63	73.15	1.52	0.38
			100.58	102.11	1.52	0.79
			166.12	167.64	1.52	0.58
MR141069	0	-90	94.49	96.01	1.52	0.39
			100.58	102.11	1.52	0.88
MR141100	0	-90	94.49	96.01	1.52	0.39
			100.58	102.11	1.52	0.88
MR141112	0	-90	16.76	18.29	1.52	1.22

Hole No.	Azm (deg)	Dip (deg)	From (m)	To (m)	Width (m)	Gold (g/t)
			24.38	25.91	1.52	0.35
			32.00	33.53	1.52	0.35
			41.15	42.67	1.52	0.52
MR141119	0	-90	36.58	41.15	4.57	0.98

All holes presented in Table 1 were completed by reverse circulation (RC) drilling with the exception of two core holes, MR14983-4. True width is estimated at 90-100% of downhole width. Analytical results were performed by American Assay Laboratory Inc. in Sparks, Nevada, an ISO/IEC 17025:2005 accredited facility. External check assays to verify lab accuracy are routinely completed by ALS Chemex, an ISO 9001:2000 certified and ISO/IEC 17025:2005 accredited facility.

### [About Scorpio Gold](#)

Scorpio Gold holds a 70% interest in the producing Mineral Ridge gold mining operation located in Esmeralda County, Nevada with joint venture partner Waterton Global Value L.P. (30%), and Scorpio Gold is currently entitled to receive 80% of cash flow generated. Mineral Ridge is a conventional open pit mining and heap leach operation. The Mineral Ridge property is host to multiple gold-bearing structures, veins and lenses at exploration, development and production stages. Scorpio Gold also holds a 100% interest in the advanced exploration-stage Goldwedge property and processing facility in Manhattan, Nevada. The Company is assessing its exploration plans for the Goldwedge property as well as the potential for toll milling at the Goldwedge plant, which is currently permitted for 400 tons per day.

Scorpio Gold's President, Steve Roebuck, PGeo, is a Qualified

Person as defined by National Instrument 43-101 and has reviewed and approved the content of this release.

**ON BEHALF OF THE BOARD  
SCORPIO GOLD CORPORATION**

Peter J. Hawley,  
CEO

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## **Zenyatta Ventures tests show Albany Cg suitable for Lithium-ion batteries**

Initial independent testing of Graphite from Zenyatta Ventures' {TSX.V: ZEN} Albany project has yielded positive results, indicating that the graphite is "within the range of materials used in existing Lithium-Ion batteries"

This is a useful step, but the company warn that this is not confirmation of an economic deposit, as an independent feasibility study is required first.

### **News Release**

2015-02-12

Dr. Bharat Chahar reports

**ZENYATTA: INITIAL TESTING OF ALBANY GRAPHITE YIELDS POSITIVE RESULTS FOR LITHIUM ION BATTERY ANODE APPLICATION**

Zenyatta Ventures Ltd. embarked on a market development program over a year ago to initiate validation of Albany graphite in high-purity graphite applications. Since the kick-off of this program, the company has had detailed conversations with more than 35 graphite end-users, academic labs and third party testing facilities in Europe, North America and Asia under confidentiality agreements. Many of these organizations were provided a small amount of purified graphite material produced at the SGS Canada Inc. Lakefield site during the development of a process flow sheet for the Albany graphite deposit pursuant to a preliminary economic assessment, which is currently being completed. The samples produced at SGS are experimental in nature and may differ slightly from batch to batch and may also differ from the final product in the future. However these samples are representative of the product that could be processed and provide a good initial assessment and guidance for the potential of Albany graphite for various applications.

The goal of these initial samples was to screen Albany graphite for suitable applications while gathering feedback from the end-users and testing facilities to improve the overall properties for high-value applications. The company is now starting to receive feedback from several end-users and independent labs, some of which received repeat samples. Information from this initial test program will be used to further define the company's product and market strategy and set the stage for next steps in development. Zenyatta plans to provide its stakeholders brief periodic updates on the progress as meaningful information becomes available. This is the first in a series of updates on the market and business developments.

Zenyatta is pleased to disclose that first testing has shown the performance of Albany graphite to be in the range of materials used presently for lithium-ion batteries (LIB). These initial tests, conducted by an independent lab, show

that the performance of coated and shaped Albany graphite is equivalent to the leading high-quality natural and synthetic graphite in commercial usage today. Testing was conducted by an independent Canadian lab using a lab-scale sample provided by SGS solely for the purpose of providing early evaluation on the suitability and effectiveness of Albany graphite in various applications. Similar positive results were also obtained on these samples by separate corporations who are in dialogue with the company under confidentiality agreements.

### Highlights:

- First testing on Zenyatta purified graphite meets specifications for LIBs;
- Equivalent to leading high-quality natural and synthetic graphite in commercial usage;
- LIBs represent 25 to 30 per cent of Zenyatta's targeted market.

This testing does not represent a statistically large sample size. Furthermore, these positive results do not mean that Zenyatta can extract and process Albany graphite for high-purity graphite applications on an economic basis. Without a formal independent feasibility study, there is no assurance that the operation will be economic.

Dr. Bharat Chahar, vice-president of market development for Zenyatta, stated: "Since the purity and particle size of the material provided by SGS processing was already in the range needed for LIB application, no further milling or purification was needed. Compared to natural flake graphite supplied to the industry from China, no extra treatment and no dangerous hydrofluoric acid purification process were required to generate our material. No extensive milling was needed to prepare the Zenyatta graphite with minor loss of material occurring during the shaping process."

The Zenyatta graphite material was classified and processed in a mechano-fusion machine by a standard industry technique to increase packed density of the material. The higher-density Zenyatta material was coated to improve the irreversible capacity loss. Electrochemical tests were conducted using coin cells commonly used in the industry for screening purpose.

Dr. Chahar added: "Due to simple mineralogy, high crystallinity and desirable particle size distribution, Zenyatta graphite has shown first testing specification ranges needed for the Li ion battery industry. While further tests are ongoing by potential customers to verify other performance characteristics, this initial feedback on results is extremely encouraging. We now plan to carry out advanced testing with a full cell made from the Zenyatta graphite anode."

Based on research and dialogue with end-users, at this point in time, Zenyatta expects to have a targeted market application segmentation which includes 25 to 30 per cent for high-purity graphite in lithium-ion batteries. The remaining 70 to 75 per cent of target applications will be discussed in upcoming news releases.

Dr. Bharat Chahar, PEng, VP, market development, for Zenyatta, is a qualified person for the purposes of National Instrument 43-101 and has reviewed the technical information in this news release.

We seek Safe Harbour.

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**Inovio Pharmaceuticals 2015**

# **BIO CEO Investor Conference presentation**

**Dr. Joseph Kim, President, CEO, and director of Inovio Pharmaceuticals {NASDAQ: INO}** recently made a strong presentation to the 2015 BIO CEO Investor Conference held in the Waldorf Astoria, Park Avenue, New York City.

Dr. Kim outlined the planned developments for this year and confirmed a solid cash position of \$100 million.

Transcript of Dr. Joseph Kim's presentation to the 2015 BIO CEO & Investor Conference

February 9, 2015

For some time, scientists have believed that T cells play a vital role in controlling and clearing diseases. So the important question is, how do you control that? How do you help the immune system recognize the fast-growing tumours or even the slow, evasive tumours? Or the rapidly-mutating infectious disease-causing agents?

Also, the big challenge is, how do you address that using the newly-important immunotherapies and approaches? Another question to ask is, is there an ideal immunotherapy for generating those important T cells which are functional, durable and effective in the clinical setting? As a scientist who's spent most of my adult life devoted to this field, the answer is yes, and I'm going to talk to you about how Inovio is doing this. But overall, obviously you want the immunotherapy to be effective, efficient and safe. You want to do the work, you want to do it as cost-effective as possible, and you want to do no harm. But how do you do this in a way

that can engender the most effective outcome?

What Inovio believes is you want to do this in the body. If you can do it directly in the patient's own body, why mess with the bothers of doing manipulations outside the body—the cost and the potential toxicity, and efficiency and quality of doing so? The second is, Inovio believes we can do this directly by generating powerful T cells in a patient's own body which can attack the infected or cancerous cells. So I want to cover the important attributes of Inovio's immunotherapies. I'm going to show you the data from our phase II clinical study, which solidifies what I'm going to say, and the best attributes of the T cell generating platform and the products, as you want to do this very specifically, on an antigen basis. You want to have functional efficacy by generating these important and powerful T cell immune responses with things like granzyme and perforin, which are the weapons that these T cells use. You want the high magnitude and durability. Obviously you don't want unwanted side effects or inflammatory responses, but you also have to bring about clinical efficacy.

I'm going to spend the next few minutes showing how Inovio is addressing this very important advancement in new medicine called immunotherapy.

So how do we do this?

We use the known sequences of DNA sequences of every marker of tumour cells or infectious agents called the antigen and we use the DNA sequences so that we engineer them to be our product sequences. We put it in a carrier DNA, and then we deliver it using brief electrical energy directly into the muscle cells of our body—direct as intramuscular injection. The DNA goes into our cells, and using the already existing cellular mechanism for protein production, we can generate very high levels of specific antigens targeted to a disease, and those antigens then get produced, processed and presented

to the immune system in a very efficient and effective manner where we can generate very high levels of killer T cell immune responses as well as other immune responses. And they go out and traffic to the site of interest and kill those tumour cells at the tissue level. So that's how Inovio is doing it. We have a platform that is protected by over 600 patents, both issued and pending globally, and our platform covers different target products, mostly antigen targeting immunotherapies and vaccines which are in phase I and phase II clinical testing.

We also have immune activators, including DNA forms of IL-12, IL-33 and IL-28, other immune activators that can amplify and direct these important immune responses in the patient.

And lastly, we just received at the end of last year a \$12 million contract from DARPA, and they're funding our work in applying our DNA-based platform to generate a new class of monoclonal antibody products using just the DNA-based delivery system. So I'm not going to dwell too much on this in today's presentation, but in 2015 you will hear a lot more about this.

Currently the monoclonal antibody product class accounts for over \$50 billion in product sales in 2014, and we expect to have a large chunk of that using our technology to deliver some of the blockbuster and new monoclonal antibodies.

So, what are the products that are in our pipeline today? It's broadly divided into three areas. The top, are our products to treat post-HPV infection diseases. These are cervical dysplasia, which is a pre-cancer, cervical cancer, head and neck cancer, and other types of ailments caused by HPV, and I'm going to show you some of our phase II efficacy and immunogenicity data which demonstrates the power of this platform and products going after this very lucrative target area.

We've expanded into other cancers caused within the solid tumor areas, and we're using other novel antigens to go after

these cancer targets. And lastly, mostly funded by other people's money, including over \$60 million in grants and contracts from the DoD, NIH and others in the past, we have very exciting antiviral/anti-infection programs which I'll highlight. This includes a product that we have licensed out to Roche for treating hepatitis B chronic infection – INO-1800 – for which we'll be launching our first clinical study later this half. So I'm very excited to tell you about some of these programs.

Let's talk about human papillomavirus. It's a very promiscuous virus. A vast majority of our population have been exposed to this virus. It causes multiple ailments, including the pre-cancers and cancers of the cervix, head and neck cancer, and anogenital cancers as well. The data from US and EU5 incidences are shown here. This is every year of new cases, and we have targeted to take VGX-3100, which is our lead product, to go after high-grade pre-cancer, which is the last [disease stage] prior to full-blown cancer, and then expand out with our successful results into other parts. So our goal, I want to say here, is to be the main therapeutic provider for all diseases caused by HPV infection. So that is one of the major goals of Inovio Pharmaceuticals.

Let me just quickly go into the disease progression. On the left-hand column is the Pap smear, immunohistochemical staining, and the colposcopy of normal cervical tissue. In the middle, as you can see, the cells are starting to transform.

This is a high-grade late-stage cervical dysplasia. That's CIN3, so your cells are transforming – and obviously you don't have to be an OB/GYN to see that that cervical tissue and colposcopy is not healthy – and the right-most column is an invasive cervical cancer. Our goal is to intervene and treat the women in a nonsurgical, non-invasive way at the CIN3 level using our immunotherapy by generating powerful T cell responses against two of the most important oncogenes causing these transformations to occur – the E6/E7 oncogenes of HPV.

Currently the only treatment option available for women with CIN2 or 3 diagnosis today is surgery. As shown here, you have a lot of side effects and potential issues associated with surgery, and I think it's inherent [to have a] dislike or distaste for having any parts of your body taken out by a surgical procedure. And there are other issues such as pre-term birth, and obviously the surgery in which a surgeon takes out the bad dysplasia areas with ablation doesn't necessarily get rid of the virus that caused the disease in the first place. So our goal is to generate and produce a product that can non-surgically, using an immunotherapeutic approach, clear the lesions, as well as the cause of the lesions in the first place, which is the HPV infection.

Our VGX-3100 data was published from our phase I studies, where we were able to generate very high levels of T cells in patients. It was published in *Science Translational Medicine* a couple of years ago. And then we embarked on a phase II double-blind, placebo-controlled efficacy trial in 148 patients. It was 3:1 randomized. All women were confirmed to be at a CIN2 or 3 state, and all women were confirmed to have HPV infection from a cervical swab, either HPV-16 type or HPV-18 type. And all women received three injections into the arm at months zero, 1 and 3, and at month 9, both primary and the secondary endpoints were determined in blind session, and we just reported last year the top-line data from the efficacy, and let me get to them.

So our primary efficacy was, just by three monthly injections into the arm of a patient, can we clear the lesion that was at the CIN2 or 3 stage, and the answer is clearly yes. On the left-hand panel you see the reduction of a cervical lesion of CIN2/3 with the treatment of VGX-3100—about 50 percent of the women who were treated with the product were able to regress using her own T cells to do so

[which Inovio helped activate]. And the placebo effect, which is about 30 percent here, when using the primary regression

parameter of regression down to CIN1, which is a low-grade to normal. But if you treat them more constrictively in a post-hoc analysis, if you look at the [complete] regression down to normal, you can see most of the drug effect of VGX-3100. We were able to regress the women's lesions down to a fully normal status – full, complete response in over 40 percent of the patients – and the placebo effect went down [to 16%]. So this shows that there is some balance between CIN2 and CIN1 in a placebo effect, but if you use a stricter guidance of regression to normal, you see a tremendous impact delta in a treated versus non[treated]. And both analyses had a significant p-value with a very low p-value.

The secondary endpoint was actual regression of the lesion, but we also wanted to ask, can these women also clear the virus that caused the disease in the first place from their cervical swab? And that answer also was clearly yes. The drug-treated patients were able to clear–40 percent of the women were able to clear the HPV-16 or 18 [virus], compared to about 14 percent of the women in the placebo group. So this is a very important finding, and I'll come back to how we tie this into our newly-presented immune response data that you're going to see.

I said these efficacy results were due to the generation of powerful CD8 killer T cell immune responses in the patient's own body using a very non-invasive, three injections into the arm, and this is a longitudinal T cell immune response analysis in over 140 patients from our phase II study. These are the type of data that you see from animal studies, not in people. You will not see this type of immune response data from phase II large controlled studies laid out like this from the rest of our field. As you can see, you don't need to be a scientist to see the significant difference. At three injections, after each injection you see a strong induction of T cells in these patients' blood. This is peripheral blood immune response measured from blood that was extracted from

the patients at each time point. As you can see, the peak T cell responses are after three injections at week 14, and then there are persistent T cell responses in the 3100-treated women at the primary and secondary endpoint time period of week 36. So we know we can generate T cell responses in the whole periphery of the patients, but it's important to see, can these T cells that are circulating in your body that are looking for these HPV targets, E6/E7 targets, can they traffic to the tissue and also clear the disease and the virus? And as you've seen in the efficacy data, clearly the answer is yes, and we can track that.

So we looked at the tissue level of the cervical tissues, and I'm going to go through this very clearly. On the first row is the week zero of a placebo-treated patient, and the same slides were looked at week 36

. The first column is staining [brown spots] for the presence of HPV. The second column is staining for the presence of CD8 T cells from this cervical tissue. So the bottom line here is the HPV persists from week zero to week 36 in the patient. And you see some T cells, but not in the epithelium where the infection occurs of the CD8 T cells.

So picture this – and I'm going to the drug-treated women who were able to clear from a slide using the VGX-3100 treatment. So similarly here, from week zero to week 36, this patient, who was treated with VGX-3100, was able to clear the virus, the HPV stain here with the brown spots on the first column. The virus is gone. And then on the right-hand side, even though the virus is gone and the lesion has regressed from week zero to week 36, you see pervasive CD8 T cells – these are the brown spots shown on the right-hand column at week 36 –surveilling and patrolling the cervical tissues in the stromal epithelium, and back and forth.

So the significance of this is, we have been able to tie this from a peripheral generation of important CD8 T cell responses that are high and robust and durable. We can also observe

these T cells trafficking into the tissues of interest and doing their function in the right way.

I'm not going to show additional data we have, but which we have put into a publication that we expect to come out by mid-year this year in a top medical journal where we are actually numerically correlating between the magnitude and the characteristics of our CD8 T cells to the successful clearance of the clinical outcome – clearance of the lesions and the clearance of the virus.

So I think Inovio has the most amount of immune analysis data in the field of all immunotherapies out there, and we look forward to presenting more data as we come into the rest of 2015.

So let me just quickly tie the impact of this. What we have generated is a DNA based therapy with three monthly injections into the arm of a patient. We've seen that we can generate high levels of killer CD8 T cells in the blood which were observed to go into the tissues. We see the T cells infiltrating at the disease site, and they can clear the disease – both the lesions as well as the virus. And there's a huge implication for our development for all of our immuno-oncology products targeting other targets caused by the HPV infection, as well as other cancer therapies I'm going to touch on, including lung, breast, pancreas and prostate, using INO-1400 and INO-5150, as well as our ability to clear chronic infection has huge implication for our HIV as well as HBV [hepatitis B] and HCV [hepatitis C] products.

So what we're doing now is we're preparing for a phase III registrational trial [for VGX-3100]. At the same time, we are working on getting the paper published in 2015 which outlines all of these analyses. I must tell you here that there were no safety concerns from our phase II study, and we expect to have the full data out there. The other highly important preparation for our first phase III study is the scaling up of

our manufacturing of the plasmid products [to a commercial scale], and making commercial-scale devices ready. We've done qualitative and quantitative market research, as well as the payor research that's ongoing now, so all of this pre-commercial production is getting done.

We also hired Mark Gelder, a Gynoncologist, to head up and quarterback this phase III study, as well as Ms. Jennifer Laux from big pharma, who has experience in the commercialization and the launch of these products. So we're getting all of these things ready.

As I said to you earlier, we want to own the whole post-HPV infection therapeutic space, so we've launched into different cancer studies already, one for treating cervical cancer, more invasive cervical cancer patients – this study is ongoing –and the second study for treating head and neck cancer. As you know, head and neck cancer caused by HPV is the fastest-growing cancer in men today. So we have two pilot-scale studies ongoing. We expect to have from these IN0-3112 studies later this year T cell immune responses from these cancer patient studies.

We hope to translate our ability to generate high levels of T cell immune responses in cervical dysplasia patients using the same approach and demonstrate our ability to generate these high-quality and quantity levels of T cells in these more invasive cancer patient settings.

Moving on, I want to touch in the next couple slides on our very exciting programs. We started at the end of last year our study of IN0-1400. This product targets human telomerase reverse transcriptase as the target antigen. An hTERT defect is prevalent and is over-expressed in over 85 percent of all cancer types – over 95 percent of pancreatic cancer, breast and lung cancers -and obviously we chose these three cancer types to go after in our initial clinical study which we launched. We have also added the IL-12 immune activator which

can amplify and accelerate the induction of CD8 T cells. This is a 54-patient study in breast, lung and pancreatic cancer patients. We are hoping to see from this open-label study some immune response data in the last part of this year, but this was just launched a couple of months ago.

We're very excited about this potentially universal cancer therapy because of the pervasiveness and importance of this hTERT antigen.

The last trial description I'm going to cover is INO-1800. In 2013 we licensed out this product to Roche. This product is a multi-antigen core, and surface antigen based product that's designed to clear HBV-infected cells using the same product strategy that we were able to show in clearing human papillomavirus from CIN women in our phase II study. Roche has asked us to quarterback this study, although they're funding all of the trial. And this collaboration has been going extremely well. We expect to start the clinical study in the first half of this year, which will obviously trigger the first of the milestone payments from Roche. So we're very excited to apply what we saw in clinical efficacy from our phase II HPV study into our chronic HBV therapeutic in INO-1800.

So let me quickly go into management. We have very capable management who can execute the strategies of our company. We have a very extensive and experienced board to help guide us.

***Financially, we ended the last quarter with a little over \$100 million in cash. Our burn is around \$25 million per year, currently, and we have no debt. So we have a very strong financial position.***

So what are the value drivers for the rest of the year?

We're going to get phase III ready for VGX-3100. We're going to publish the [phase II] data. We'll have the end of phase II meeting with the FDA where we'll get the clinical and protocol and endpoint concurrence for the phase III. We look forward to launching phase III about the time you'll see me [here] next year, if not earlier. We also have data from 3112 cancer studies. We want to show our T cell immune response data from this study.

We'll also launch a 5150 study in prostate cancer, as well as our trial for INO-1800 for treating hep B, and we'll have some early data readout from our hep C trial that's ongoing with our affiliate in South Korea from the therapeutic hepatitis C product, INO-8000.

Last but not least, our Ebola vaccine [INO-4200]. We're on track to start our clinical studies in the next few weeks, and we look forward to getting additional capital from government sources to help accelerate and expand this program.

So these are some of the very few catalysts that we expect to drive the interest and the value of Inovio going forward.

END

Please Note: This text contains minor edits for clarification and ease of reading.

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**POET Technologies Announces**

# the Completion of the 3rd Party Foundry Transfer Milestone and Corporate Updates

Toronto, ON, and Storrs, CT, February 10, 2015 – **POET Technologies Inc.** {TSX-V: PTK} developer of the *planar opto-electronic technology* (“POET”) platform for monolithic fabrication of integrated circuit devices containing both electronic and optical elements on a single semiconductor wafer – today announced the completion of its “3rd party foundry” 40/100-nm transfer milestone.

The Company also announced \$4 Million in additional capital raised from institutional and accredited shareholders through the exercise of warrants during the month of January 2015, and the resignation of Dr. Adam Chowaniec from its Board.

## **Completion of Milestone – “3rd Party Foundry” 40/100-nm Transfer**

The Company completed its “3rd Party Foundry” 40/100-nm transfer milestone consisting of completing the critical layers of the Transistor Fabrication Process. This flow process will allow the Company to generate more complex prototypes and test structures. As the POET process node size shrinks, this facilitates new industry innovations and furthers development work. This new epitaxial flow process includes new innovations in the POET prototype fabrication process. These innovations were necessary to continue the optimization work of the 100 and 40-nm foundation devices of our technology.

Dan DeSimone, Chief Technical Officer noted: “This is a

significant step for our “lab-to-fab” transition where this new flow at our “3rd Party Foundry” accelerates and adds repeatability and quality to our manufacturing process necessary for our next two significant milestones expected at the end of Q1: a 100-nm ring oscillator and a 50 GHz VCSEL.”

## **Financial Position**

***The current cash position for the Company is approximately \$17 Million as of the end of January 2015***, aided by conversion of existing warrants during January. “The Company’s ability to continue raising significant capital without cost to the Company and without new dilution to the stock demonstrates continued support towards our “Lab-to-fab” transition. This positions the Company to continue its pace of technical progress,” said Mr. Kevin Barnes, CFO. “This capital allows us the flexibility to aggressively pursue our plan working with our “3rd Party Foundry” and other partners in transitioning our technology to external manufacturing environments, aiding our monetization strategy. I am extremely pleased with our very strong financial position,” continued Mr. Barnes.

## **Adam Chowaniec Resigns from the Board**

Dr. Adam Chowaniec has resigned from the Board for personal health reasons.

POET has benefited tremendously from Dr. Chowaniec’s industry experience and his guidance throughout the transformation of the Company since first joining the Board in April of 2013. He was part of the “Special Strategic Committee” that helped the Company recognize the inherent value of its intellectual property for the semiconductor industry; and participated in the creation of what POET is today, one of the leading firms offering a new manufacturing paradigm to further the

semiconductor industry roadmap.

"On behalf of the Company and the Board, I would like to thank Adam for his many contributions during his tenure and we wish him well for the future", said Mr. Copetti.

### **About POET Technologies Inc.**

POET Technologies is the developer of the POET platform for monolithic fabrication of integrated circuit devices containing both electronic and optical elements on a single semiconductor wafer. With head office in Toronto, Ontario, Canada, and operations in Storrs, CT, the Company, through ODIS Inc., a U.S. company, designs III-V semiconductor devices for military, industrial and commercial applications, including infrared sensor arrays and ultra-low-power random access memory. The Company has several issued and pending patents for the POET process, with potential high speed and power-efficient applications in devices such as servers, tablet computers and smartphones. The Company's common shares trade on the TSX Venture Exchange under the symbol "PTK" and on the OTCQX under the symbol "POETF". For more information please visit our websites at [www.poet-technologies.com](http://www.poet-technologies.com).

ON BEHALF OF THE BOARD OF DIRECTORS

Michel Lafrance, Secretary

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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.

This news release contains “forward-looking information” (within the meaning of applicable Canadian securities laws) and “forward-looking statements” (within the meaning of the U.S. Private Securities Litigation Reform Act of 1995). Such statements or information are identified with words such as “anticipate”, “believe”, “expect”, “plan”, “intend”, “potential”, “estimate”, “propose”, “project”, “outlook”, “foresee” or similar words suggesting future outcomes or statements regarding an outlook. Such statements include the Company’s operational, financial, development, milestone achievement, and monetization expectations.

Such forward-looking information or statements are based on a number of risks, uncertainties and assumptions which may cause actual results or other expectations to differ materially from those anticipated and which may prove to be incorrect. Assumptions have been made regarding, among other things, management’s expectations regarding future growth, plans for and completion of projects by the Company’s third party relationships, availability of capital, and the necessity to incur capital and other expenditures. Actual results could differ materially due to a number of factors, including, without limitation, operational risks in the completion of the Company’s anticipated projects, delays or changes in plans with respect to the development of the Company’s anticipated projects by the Company’s third party relationships, risks affecting the Company’s ability to execute projects, the ability to attract key personnel, and the inability to raise additional capital. Although the Company believes that the expectations reflected in the forward-looking information or statements are reasonable, prospective investors in the Company’s securities should not place undue reliance on forward-looking statements because the Company can provide no assurance that such expectations will prove to be correct.

Forward- looking information and statements contained in this news release are as of the date of this news release and the Company assumes no obligation to update or revise this forward-looking information and statements except as required by law.

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## **Zenyatta Ventures commence small drill program**

Thunder Bay – **Zenyatta Ventures Ltd.** {TSX.V: ZEN} have announced that a one or two hole drill program has commenced on a buried geophysical target north of the Albany graphite deposit in north-eastern Ontario.

The program will consist of approximately 650 to 700 metres testing a magnetic and electromagnetic anomaly identified by Geotech's VTEM 35 airborne system in 2010 and confirmed in a 2013 VTEM Max survey.

The program is also designed to fulfil obligations under an agreement with Cliffs Natural Resources Inc. {NYSE: CLF}, that allowed Zenyatta to acquire 100% of Albany graphite deposit.

The entire Albany Project originally consisted of approximately 300,000 acres in 28 separate claim blocks in an area prospective for Copper, Nickel, PGM's and other mineral deposit types. The 2010 airborne system identified greater than thirty anomalies on the various claim blocks. All of the high priority geophysical targets were tested with this last target, called 4E, remaining.

The drilling is being performed under the supervision of Peter Wood, P.Eng., P.Geo., VP Exploration of Zenyatta. Peter Wood is the Qualified Person under National Instrument 43-101 and has reviewed this news release.

To find out more on Zenyatta Ventures Ltd :  
<http://www.netnewsledger.com/2015/02/04/zenyatta-ventures-drilling-program-commenced/#sthash.dQiGhiAM.dpuf>

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## **Colonial Coal and Tuya Energy Inc. proposed business combination.**

**Colonial Coal {TSX.V: CAD}** President and CEO David Austin has announced a proposed business combination of Colonial Coal and Tuya Energy Inc., for the consideration of 31.7 million shares.

The deal is subject to the usual court and regulatory approvals, plus the approval of the shareholders of the respective companies.

### **Comment**

**Colonial Coal and Tuya Energy Inc. proposed business combination.**

In a sign of the opportunities the the current low junior market is producing, **Colonial Coal {TSX.V: CAD}** today announced they were combining with **Tuya Energy Incorporated**, a

private company formed by Colonial CEO and President David Austin. (Subject to court, regulatory, and shareholder approvals).

To conclude the deal Colonial will issue 31.7 million shares to Tuya shareholders, at the ratio of one Colonial share for every two Tuya shares.

Tuya has a good treasury and significant thermal coal assets, in north eastern British Columbia, Canada.

This is a clever move, with distinct advantages for shareholders of both companies.

***For Colonial, Tuya offers coal type diversity and substantial additional resources.***

***For Tuya shareholders this deal provides a public listing that would have otherwise been very difficult in the current market malaise for junior explorers, and an exit strategy.***

**Tuya has;**

- Substantial thermal coal assets.
- A good treasury.
- Diversity, having mainly thermal coal. (Not currently popular due to the very low current price, but with the Canadian dollar falling over 20% versus the US dollar, such assets are starting to look more attractive again).

**Colonial Has;**

Substantial metallurgical coal assets.

Exploration potential at Flatbed.

A good treasury.

Is currently in discussions with the City of Prince Rupert re the Watson Island port facility.

### ***Opinion***

*The combination of the two entities at this point makes perfect sense, as the combined entity will have a strong treasury, significant coal assets of both types, and funding for exploration on their properties, with the immediate focus likely to be establishing a resource for their Flatbed property, I would imagine.*

*The issuing of 31.7 million shares raises the fully diluted shares of CAD by around 50%, but the advantages of this combination look to far outweigh any dilution concerns.*

### **Official news release**

#### **Colonial Coal to acquire Tuya Energy for 31.7M shares**

2015-01-27 19:43 ET – News Release

Mr. David Austin reports

#### **COLONIAL COAL INTERNATIONAL CORP. TO ACQUIRE TUYA ENERGY INC.**

Colonial Coal International Corp. and Tuya Energy Inc. have entered into an arrangement agreement whereby Colonial will, by way of an amalgamation between Tuya and a wholly owned subsidiary of Colonial, acquire all of the issued and outstanding common shares of Tuya pursuant to a court-approved plan of arrangement under the Business Corporations Act (British Columbia).

Under the terms of the transaction, each Tuya shareholder will be entitled to receive 0.5 of a common share of Colonial for each Tuya share held. Based on the current outstanding share capital of Tuya, if the transaction is completed, Colonial

will issue approximately 31,716,500 Colonial shares to acquire all of the outstanding Tuya shares. Upon completion of the transaction, current Colonial shareholders and current Tuya shareholders will hold approximately 67 per cent and 33 per cent, respectively, of the total issued and outstanding Colonial shares.

Colonial and Tuya are non-arm's-length parties by virtue of the fact that they have the same directors and management. As a result, pursuant to applicable corporate law requirements and TSX Venture Exchange policies, the transaction must be approved by at least: (i) 66-2/3 per cent of the votes cast by Colonial shareholders present in person or by proxy at a meeting of Colonial shareholders; and (ii) a simple majority of the votes cast in person or by proxy by Colonial shareholders, excluding the Colonial shares held by insiders of Tuya and Colonial. In addition, the transaction must be approved by at least: (i) 66-2/3 per cent of the votes cast by Tuya shareholders present in person or by proxy at a meeting of Tuya shareholders; and (ii) a simple majority of the votes cast in person or by proxy by Tuya shareholders, excluding the Tuya shares held by insiders of Tuya and Colonial. The meetings of Colonial and Tuya shareholders to, among other things, approve the transaction are both expected to be held on or about March 19, 2015. Completion of the transaction is also subject to the approval of the Supreme Court of British Columbia and the exchange. In addition, the transaction is conditional on Tuya having no less than \$2.5-million of working capital at the time of closing (including amounts owing from Colonial to Tuya under an existing loan) and the satisfaction of certain other closing conditions customary for transactions of this nature.

The boards of directors of Colonial and Tuya have reviewed the proposed transaction with advice from independent financial advisers and legal counsel. Colonial has retained Evans & Evans Inc. and Tuya has retained Ross Glanville & Associates

Ltd. and Bruce McKnight Minerals Advisor Services, jointly, in order to provide a fairness opinion in connection with the transaction. Having received legal advice, as well as a fairness opinion from their respective financial advisers, and after careful consideration of such other matters as they considered relevant, the boards of directors of Colonial and Tuya have each approved the transaction and will recommend to their respective shareholders to vote in favour of the transaction.

A copy of the arrangement agreement will be filed on SEDAR under Colonial's profile. Full details of the transaction will be included in a joint management information circular of Colonial and Tuya to be filed with applicable Canadian securities regulatory authorities, and are expected to be mailed to shareholders in February, 2015.

### **About Tuya Energy Inc.**

Tuya is a privately held, Vancouver-based coal exploration and development company. Tuya's principal property is the Tuya River coalfield property, a thermal coal property located between Telegraph Creek and Dease Lake in north western British Columbia.

We seek Safe Harbour.

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# The Vancouver investment conference 2015 fails to sparkle

Due to it being the first major mining investment conference of the year, the Vancouver Cambridge House Resource Conference acts as a bell weather for the coming year.

If this runs true to form in 2015, then we are in for another very dull year!

Upon arriving at the conference, the first indication is the escalator test, when you peer down from a great height from the top of the escalator to the assembled people below queuing to gain entry to the show.

This year, at 10.30 am, as I glanced down where the queue would normally be, there was nobody!

So you can imagine my shock, when entering the show, to discover there were hundreds of people milling around the stands and a vibrant atmosphere prevailing! Upon closer inspection, the great majority were wearing suits, which, in laid back casual dress Canada, suggested more 'trade' than investors!

And so it came to pass, with booth holders complaining that the great majority of people visiting their stands were either industry related (unemployed geologists et al) or IR related, but hardly any investors! The mining industry has spawned an industry within an industry, and nowhere was it so apparent than this Vancouver show!

The question most stand holders were asking is where were the investors?

The answer was, quite simply, in very short supply!

The show was full of people looking for commercial opportunities, but investors were few and far between!

And this despite the huge “*no soliciting*” signs displayed everywhere!

Companies that caught the eye were rare, **Scorpio Gold**, in production were one, **Fission Uranium**, **Uranium Energy Corp.**, and producer **B2Gold Corp.**, (which would be a play on the price of gold recovering), were a few that did.

In this particular instance, one wonders whether the 9,400 mile round trip involving nearly a day in the air, and an energy sapping and sleep depriving 8 hour time difference was justified?

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## **Range Energy disappointed with GPK ex parte Jersey court ruling**

In a continuation of one of the strangest dispute I have ever seen, after losing in the London High Court of Justice in December 2014, Gas Plus Khalakan have turned to the court system in Jersey to seek to deny **Range Energy {CSE: RG0}**

access to data they have paid for in respect of the joint exploration licence in Iraqi Kurdistan.

This was an ex parte hearing, so Range have not yet had the right of response, and it would be hoped that when they do, the Jersey Court refers to the decision of the London High Court of Justice last year.

### ***Comment***

*This ridiculous situation whereby two partners in a three way partnership are denying the third partner access to information over drilling programs they have fully paid for has entered the farce stage now!*

*Having been soundly defeated in the English courts, GPK have now referred the case to a Jersey court, presumably hoping for a different outcome!*

*Whether the Jersey Court would overturn a judgement made in the London High Court of Justice must be in doubt, and, if they don't, what next? Call the case in Guernsey or another country in the hope of eventually landing a different outcome?*

*How long will this total farce be allowed to continue, and one wonders what can be done to enforce a court decision if they keep on refusing regardless of the outcome of the court case?*

### ***News Release***

Jersey court enjoins release of information to Range Energy.

**Range Energy Resources Inc. {CSE: RGO}** has been informed that the Royal of Court of Jersey, at the request of Gas Plus Khalakan, issued an interim injunction on Jan. 12, 2015, that enjoins New Age Alzarooni 2 Ltd. from disclosing to the

company certain confidential information regarding the Khalakan block in Kurdistan.

***The order was issued on an ex parte basis; thus, the company was not given prior notice of the requested injunction or the opportunity to present a case before the court.***

The court did, however, require GPK to send a copy of the order to the company so that it can consider whether to participate in further proceedings regarding the order, including proceedings seeking the discharge of the order.

As the company has previously reported, the company obtained in May, 2014, a favourable arbitration award that confirms the company's right to obtain material information from NAAZ2 as to its investments in the Khalakan block and to use such material information to produce public summaries of the status of the work at the Khalakan block as is necessary to comply with applicable securities laws.

NAAZ2 and Black Gold Khalakan Ltd., the other NAAZ2 shareholder, challenged the award before an English court. That challenge was denied in December, 2014.

As the company previously advised its shareholders, despite the company's success before the arbitration panel and the English court in enforcing its rights to receive and disclose material information regarding operations on the Khalakan block, the company may be required to pursue further legal action to enforce these rights.

Toufic Chahine, the chairman of the company's board of directors, said: "*Range is disappointed that GPK, the company in which Range has invested tens of millions of dollars, and its 50-per-cent shareholder New Age continue to use any means available to deny Range access to material information regarding its investment in the Khalakan block in Kurdistan. As it has over these last three-plus years, Range will continue to pursue vigorously its rights.*"

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# **Colonial Coal benefit from Canadian interest rate cut – CEO David Austin.**

**Colonial Coal {TSX.V: CAD}** CEO and President David Austin shared his delight as the sudden and surprise rate cut by the Canadian Central Bank.

*“This rate cut, with the subsequent fall in the Canadian dollar versus the US dollar is very positive for Canadian coal juniors such as Colonial”* beamed a happy David Austin as the news was announced.

I caught up with **David Austin, CEO and President of Colonial Coal {TSX.V: CAD}** for an update on the company whilst visiting Vancouver for the 2015 Cambridge House Mining Show.

Our discussion began by focusing on the recent events and trends in the metallurgical (coking) coal sector, and David expressed the view that, in his opinion, a price base is being built, and there is evidence of some price firming away from the lows of a few months ago.

For a company such as Colonial, that is clearly good news, as at the lows there was barely no margin of profit, once all costs of FOB were taken into consideration.

Whilst the gentle price increase itself is good news, the even

better news is the fall in value of the Canadian dollar versus the US dollar, of some 24% from parity. This equates to a 24% price INCREASE for Canadian coking coal producers, giving them a clear financial edge over their US competitors, burdened by a strong US dollar.

The news of the .25% interest rate cut added a further decline of 2% the Canadian loonie (\$) v US\$, so, as of today, the current coking coal (premium quality) price of \$118 in the USA is equivalent to \$146.32 in Canadian \$! This is a very healthy margin for a coking coal company whose costs are in Canadian and whose revenue is in US dollars.

A principal reason for the firming of the coking coal price is the reduction of supply in the market, due to many mainly US based mines cutting back or ceasing production.

Anglo American Chief Mark Cutifani said at the end of last year that he expects metallurgical coalmines will be mothballed “*at a rate of one every two or three weeks around the world until enough supply has fallen out of the beleaguered sector to drive a price recovery.*”

The market is in oversupply and “*If the price is not north of \$US150, you've got stress right across the industry*” Mr. Cutifani concluded.

These words are reassuring to Canadian coal companies such as Colonial, as the price is currently within a whisker of that \$150 target in their own currency.

An example of how things have changed in the industry is illustrated by **Walter Energy**, {NYSE: WLT} founded by Colonial CEO Austin, who, four years ago bought out **Western Canadian Coal** for \$3.2billion, and now has a total market cap of just \$74 million!

Walter have ceased their Peace River operation, which was in production, and one wonders why, when the current exchange

rate is so favourable to Canadian operations rather than US ones?

David Austin is not idly sitting on his hands, and is carefully watching for any licences that may be surrendered or become available in the region!

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## **Numis lowers Condor Gold price target**

Condor Gold PLC (LON:CNR) had its target price trimmed by Numis Securities Ltd from £1.00 to 90p in a research note released on Thursday morning. They currently have a buy rating on the stock.

Condor Gold plc (LON: CNR} is a London, UK based exploration company, and focuses on proving commercial reserve on its 100% owned La India Project in Nicaragua. As of December 31, 2011, La India Project had 1,620,000 ounce of gold.

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## **Inovio Pharmaceuticals HIV Immunotherapy shows**

# characteristics vital to Treating HIV

Inovio Pharmaceuticals HIV Immunotherapy shows characteristics considered vital to Treating HIV

A small patient study confirmed that immune response characteristics within the test group generated by the immunotherapy were similar to the small group of HIV positive people whose are not progressing to the latter stages of the disease, without treatment of any kind.

## Comment

*This is quite a small trial (12 people) to base a study on, so, whilst the medical world may not be jumping up and down at the result here, it is certainly a good start for Inovio in this area.*

*The key here is immune therapy activates the HIV-specific CD8+ T cells in infected patients, and has the potential to go beyond virus control, and reach into reservoirs of the infection to halt progression of HIV.*

## Official News Release

### **Phase I Trial Reveals DNA Immunotherapy Results Were Similar To HIV-Infected Patients Whose Disease Did Not Progress**

**Inovio Pharmaceuticals, Inc. {NASDAQ: INO} announced today that results from a 12-patient phase I study of Inovio's HIV**

immunotherapy, PENNVAX®-B, in HIV-infected patients revealed that immune response characteristics generated by the immunotherapy were similar to those observed in HIV-infected individuals who without treatment do not progress to further stages of the disease.

These extremely rare individuals who self-regulate their HIV infection are called “long-term non-progressors” and it is believed that part of their ability to control infection may lie in their unique immune responses. In this phase I study, Inovio’s HIV immunotherapy, which had been previously tested only in disease prevention, drove the expansion of activated HIV-specific CD8+ T cells with functional characteristics similar to those of long-term non-progressors.

Results from this clinical study appeared in the peer-reviewed journal, Molecular Therapy in the article, “Synthetic consensus HIV-1 DNA induces potent cellular immune responses and synthesis of granzyme B, perforin in HIV infected individuals,” authored by Inovio researchers and collaborators.

Dr. J. Joseph Kim , President & CEO of Inovio, said, “These results show the ability of our HIV immune therapy to activate HIV-specific CD8+ T cells in infected patients and the potential to go beyond virus control and reach into reservoirs of the infection to halt progression of HIV. Based on these initial results, Inovio plans to conduct a treatment-focused trial with its lead HIV vaccine, PENNVAX®-GP, that broadly targets globally significant HIV strains. This therapeutic study will complement our planned phase I vaccine study of PENNVAX®-GP in healthy subjects.”

HIV targets the immune system, specifically CD4+ T cells, which are responsible for activating CD8+ killer T cells that can kill the virus and infected cells. Unfortunately, with fewer CD4+ and CD8+ T cells, most infected individuals are

unable to fight the virus. Independent studies have shown, however, that some untreated HIV-infected individuals have controlled viral replication and are long-term non-progressors (up to 30 years). One reason this may occur is due to the presence of CD8+ T cells with particular functional characteristics. While today's commonly used antiviral drugs can control viral replication, they cannot eliminate the virus, their long term effect often diminishes, and they have other associated side effects and disadvantages. Immunotherapies capable of generating antigen (disease)-specific CD8+ killer T cells are therefore considered a promising avenue to achieve long term prevention, viral load control, and elimination of HIV.

Inovio's synthetic immunotherapy technology is very effective at generating disease-specific killer T cells in the body. In this phase I study, HIV-infected individuals whose viral load was already effectively suppressed (below detection level) using a highly active antiviral therapy (HAART) received a four-dose regimen of PENNVAX®-B. Investigators observed that Inovio's HIV immunotherapy, which in a prior published study in healthy subjects generated best-in-class CD8+ T cell responses, significantly increased antigen-specific CD8+ T-cell responses in all patients.

The investigators also observed that the cell-killing substances granzyme B and perforin (both necessary to kill targeted cells and viruses) produced by activated CD8+ killer T cells were present in quantities and characteristics similar to those of long-term non-progressors. This result mirrors those of the previously published HIV study as well as those of Inovio's HPV immunotherapy, which also generated best-in-class functional T cells in a phase I study and achieved statistically significant clinical efficacy in a phase II study.

Another striking result of this HIV study was that PENNVAX®-B

increased the number of HIV-specific CD8+ killer T cells displaying the receptor integrin, which is associated with the ability to carry T cells to the gastrointestinal tract (GIT). The GIT hosts 40-65% of the body's total immune cells, hence is the most important target organ for HIV, which targets CD4+ T cells and hides in "gut mucosa." The increased presence of integrin suggests the potential of such an immunotherapy to better fight or eradicate these reservoirs of HIV infection in the GIT.

The therapy was well-tolerated and did not result in any adverse events.

### **About PENNVAX® HIV Vaccines and Immunotherapies**

Human immunodeficiency virus (HIV) is a retrovirus that causes acquired immunodeficiency syndrome (AIDS), a condition in which progressive failure of the immune system allows life-threatening opportunistic infections and cancers to thrive. HIV is classified into clades, sub-types within which the virus has genetic similarities. The most prevalent clades are B (found mainly in North America and Europe), A and D (found mainly in Africa), and C (found mainly in Africa and Asia).

Inovio completed initial clinical studies focused on its HIV immunotherapy PENNVAX®-B, targeting clade B viruses, to achieve proof of principle in generating potent immune responses using its SynCon® vaccine technology. In two published phase I studies, PENNVAX®-B administration has been shown to generate high levels of antigen-specific CD8+ T cells with proper functional characteristics. This ability to generate high level of activated CD8+ killer T cells uniquely positions PENNVAX® as an important product candidate for preventing and treating HIV infections.

Using a \$25 million grant from the NIH, Inovio designed its multi-clade PENNVAX®-GP immunotherapy targeting viruses from clades A, B, C and D. PENNVAX®-GP is now Inovio's lead

preventive and therapeutic immunotherapy.

A phase I clinical study of PENNVAX®-GP in a preventive setting is planned for the first half of 2015. A phase I clinical study of PENNVAX®-GP as an immune therapy is planned for the second half of 2015.

#### **About Inovio Pharmaceuticals, Inc.**

Inovio is revolutionizing the fight against cancer and infectious diseases.

For more information, visit [www.inovio.com](http://www.inovio.com).

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## **Scorpio Gold achieve record production despite a challenging 2014**

Scorpio Gold {TSX.V: SGN} CEO Peter Hawley “proud of record production achievement in 2014”

In a year that contained challenges both with grade and permitting issues, Scorpio Gold still managed to produce a record amount of gold, exceeding 40,000 ounces for the first time!

#### ***Comment***

*Scorpio Gold have achieved guidance and produces a record amount of gold in a year that contained challenges, principally permitting delays on their satellite deposits, and*

*a lower grade in their mining.*

*This is some achievement given the challenges mentioned above, and one would hope that once the permitting is completed, 2015 guidance will be for a significantly higher number.*

*Add in the potential for a LOM uplift via exploration drilling at Gold Wedge, and the opportunity to grind the high grade ore from Mineral Ridge at the Gold Wedge mill before returning to the leach pad, increasing recovery substantially, and Scorpio are one for even the most selective watchlist in 2015 in my view.*

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2015-01-13

### **News Release**

Mr. Steve Roebuck reports

Scorpio Gold reports record annual gold production at their Mineral Ridge operation, Nevada, USA.

Scorpio Gold Corp. has released its operating results for full year and the fourth quarter of 2014 at its 70-per-cent-owned Mineral Ridge project, located in Nevada.

**Total gold production in 2014 was 40,814 ounces, an increase of 4 per cent over the year 2013.** Gold production in fourth quarter 2014 totalled 10,258 ounces, representing a decrease of 10 per cent from fourth quarter 2013 and a 9-per-cent decrease from third quarter 2014. Production challenges occurred in the fourth quarter of 2014 as the company experienced a delay in receiving its mine permit for the satellite deposits. The delay created a shortfall in scheduled tons and ounces mined from those pits and had to be made up by mining in the Mary LC area. Looking forward, the company is in the process of finalizing its 2015 budget and expects to provide guidance in first quarter 2015 once the mine permit

for the satellite deposits has been received.

Peter J. Hawley, chief executive officer, reported: "We are proud to report a record annual gold production of 40,814 ounces at Mineral Ridge in 2014, representing a 4-per-cent increase over 2013 and meeting our 2014 production guidance. Scorpio Gold has now completed three full years of production at Mineral Ridge and has fully transitioned production from the Drinkwater pit to the Mary pit. On behalf of the company, I would like to thank the entire production team and contractors who continue to make the Mineral Ridge operation a success."

#### **KEY OPERATING STATISTICS**

Three months ending	12 months ending	
Dec. 31,	Dec. 31,	
2014	2013	2014
<b>Mining operations</b>		
Mary pit		
Ore tonnes mined		141,056
443,343	285,688	136,891
Waste tonnes mined	674,026	563,368
1,986,738		2,266,625
Total mined	815,082	700,259
2,272,426		2,709,968
Strip ratio	4.8	4.1
5.1	7.0	
Drinkwater pit		

Ore tonnes mined	—	100,732
395,177	607,535	
Waste tonnes mined	—	441,244
2,102,002		834,938
Total mined	—	541,976
2,709,537		1,230,115
Strip ratio	—	4.4
2.1	3.5	
Total producing pits		
Ore tonnes mined	141,056	237,623
838,520	893,223	
Waste tonnes mined	674,026	1,004,612
4,088,740		3,101,563
Total mined	815,082	1,242,235
4,981,963		3,940,083
Strip ratio	4.8	4.2
3.7	4.6	

### **Pits under development**

#### **Mary LC pit**

Ore tonnes mined	37,417	—
73,718	—	
Waste tonnes mined		
(prestripping)	902,039	151,332
2,346,051	213,411	

Total mined	939,456	151,332
2,419,769	213,411	
Satellite pits		
Ore tonnes mined	7,339	—
7,339	—	
Waste tonnes mined		
(prestripping)	99,920	—
118,332	—	
Total mined	107,259	—
125,671	—	
Total mining		
operations		
Ore tonnes mined	185,812	237,623
919,577	893,223	
Waste tonnes mined	1,675,985	1,155,944
4,302,151		5,565,946
Total mined	1,861,797	1,393,567
5,195,374		6,485,523
Processing		
Tonnes processed	205,643	242,124
974,346	903,337	
Gold head grade		
(g/t)	1.68	2.28
1.72	2.32	
Ounces produced		
Gold	10,258	11,348

40,814	39,160		
Silver		4,387	4,154
18,182	14,975		
Crusher throughput			
(Tonnes per day)		2,235	2,632
2,891	2,681		
Recoverable gold			
(ounces) placed on			
pad		7,207	11,554
35,086	43,845		

We seek Safe Harbour.

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## **Terrace Energy reports drill success at St Olmos**

**Terrace Energy {TSX.V: TZR}** reports well results of from their St Olmos project (27%).

George Morris, the Company's Senior VP and COO stated, "We are pleased with the early results of these wells and the efficiency of the zipper fracs".

Vancouver, B.C., January 8, 2015 – **Terrace Energy Corp. {TSX.V: TZR}** reported the Initial Production results from its

first multi well pad drilling program on its STS Olmos Development Project (27%) in McMullen and La Salle Counties, Texas, USA.

The Company and its partner recently completed three horizontal wells with an average lateral length of approximately 5,500 feet in the Olmos Sandstone Formation. The STS #3-6H and the STS #2-6H, were each completed with 22 stages, and the STS #1-6H was completed with 15 stages, of hydraulic fracture stimulation using a "zipper frac" technique.

The wells were connected to permanent production equipment prior to flow back operations and production was initiated on December 31, 2014 with all production going directly to sales. The wells showed oil within the first few hours of testing and have produced over 12,000 barrels of oil to date.

The wells are currently producing at moderate oil rates on tight chokes in order to allow the fractures to heal carefully, optimize long term flow rates and manage logistical issues resulting from inclement weather and poor road conditions. Current production rates after seven days of testing and only ~3% load recovered are as follows \*;

- STS #1-6H 483 BOPD, 543 MCFD (600 BOEPD\*)
- STS #2-6H 589 BOPD, 858 MCFD (732 BOEPD\*)
- STS #3-6H 643 BOPD, 765 MCFD (770 BOEPD\*)

The Company will continue to monitor the flow back operations over the next few weeks and make further determinations on optimum choke sizes going forward as load recovery continues and gas-oil ratios stabilize. The Company intends to follow up this report with 30 day IP rates when appropriate.

Progress also continues, as planned, on the overall development of the project. As previously reported, all three wells on the second multi-well pad, the STE Section 5 pad in LaSalle County have been successfully drilled and cased in the

Olmos Formation with lateral lengths averaging 5,400 feet.

These wells are scheduled to be completed using the same zipper frac technique used on the initial Section 6 pad. Completion equipment has been contracted and is expected in the field in late January. Drilling operations are currently underway on the third pad, the STS section 605 pad, in McMullen County. Surface pipe has been set on all three wells situated on this pad to a depth of approximately 5,160 feet. The rig is currently drilling ahead on the STS#3- 605H.

The Company plans to maintain a single rig program for 2015 and continue to drill three-well pads in order to optimize the cycle from first capital to first production. The Company's capital commitments for all activities required on the STS Olmos Development Project are fully funded under its previously announced \$75 million development drilling facility. The Company, through its wholly owned subsidiary Terrace STS, LLC, holds a 27% working interest in the Project.

George Morris, the Company's Sr. Vice President and COO, stated "We are pleased with the early results of these wells and the efficiency of the zipper fracs. Even with conservative choke management, these well results compare very favourably with the previous 11 wells drilled on the project and are consistent with our model projections. The STS Project is the cornerstone of growth for the Company and we continue to stay focused on keeping this project progressing as planned."

## **About Terrace Energy**

Terrace Energy is an oil & gas development stage company that is focused on unconventional oil extraction in onshore areas of the United States.

ON BEHALF OF THE BOARD OF DIRECTORS

“Dave Gibbs”

Dave Gibbs, CEO

**N.B.**

\* BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf: 1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

\*\*The results observed are not necessarily indicative of long-term production performance or the ultimate recovery from these wells

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#### Forward-Looking Information

This press release includes forward-looking information and forward-looking statements (together, "forward-looking information") within the meaning of applicable Canadian and United States securities laws. Forward-looking information includes, but is not limited to: information regarding plans for the development of the Company's projects and the timing thereof, including the potential number of drilling locations on the STS Olmos Development Project and expectations regarding achieving key successes and milestones over the next several months. Users of forward-looking information are cautioned that actual results may vary materially from the forward-looking information disclosed in this press release. The material risk factors that could cause actual results to differ materially from the forward-looking information contained in this press release include changes to the Company's ability to access infrastructure in the vicinity of its projects at a reasonable price; changing costs for and availability of required goods and services; regulatory changes; risks relating to disagreements or disputes with joint venture partners, including any failure of a joint venture partner to fund its obligations; volatility in market prices for oil and natural gas; and all of the other risks and uncertainties normally associated with the exploration for and development and production of oil and gas, including geologic uncertainties, unforeseen drilling hazards, geological, technical, drilling and processing problems, accidents and adverse weather conditions. The forward-looking information contained in this press release represents management's best judgment of future events based on information currently available. The material assumptions used to develop the forward-looking information include: that the Company will be able to access infrastructure in the vicinity of its projects

on reasonable terms; that the Company will be able to access the goods and services necessary in order to conduct further exploration, development and production at its projects on reasonable terms; that regulatory requirements will not change in any material respect; and that other aspects of the Company's operations will not be affected by unforeseen events. Statements regarding future drilling locations are based on geologic interpretations which are subject to revision as further data is developed. The Company does not assume the obligation to update any forward-looking information, except as required by applicable law.

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## **StoreDot's new biological smartphone battery fully charges in under 30 seconds – A disruptive threat to lithium miners?**

Is the announcement by Israel based tech junior **StoreDot** of a new organic battery for smartphones that charges from dead to full in 26 seconds a serious disruptive threat to the anticipated growth of the lithium industry?

Are organic batteries going to be disruptive to the lithium industry?

For the last few years there have been expectations of growing

lithium demand from a still voracious battery hungry mobile phone industry, as well as the anticipated start-up of mass produced electric vehicles by Tesla Motors.

The announcement therefore, by an Israel based junior development company, Storedot, of a new type of phone battery, that can charge a smartphone battery from dead to full in 26 seconds, and is organic rather than lithium-ion, could prove very disruptive to the lithium mining industry at a time when it is gearing up for the anticipated incremental demand moving forwards.

**Storedot CEO Doron Myersdorf** confirmed that “*phone-makers from the US, South Korea, China and Japan have already begun talks to either license, or buy exclusive rights to the tech, and that he has 17 meetings at this year’s Consumer Electronics Show in Las Vegas, with all the major players*”.

Storedot have raised \$48 million so far, with \$10 million coming from Roman Abramovich’s private investment fund.

### **An organic battery!**

The new organic battery is constructed from biological structures using crystals 2 nanometres in diameter, made up of peptides which contain unique chemical and physical properties.

Israel based Storedot demonstrated their new product by charging a Samsung S4 phone from dead to fully charged in 26 seconds, at the Microsoft sponsored Symposium in Tel Aviv, Israel recently.

CEO Myersdorf confirmed that “*Storedot aims to recharge a typical smartphone battery in less than a minute by 2017! It involves using a completely new type of battery, which contains specially synthesised organic molecules*”.

“*We have reactions in the battery that are non-traditional reactions that allow us to charge very fast, moving ions from*

*an anode to a cathode, at a speed that was not possible before we had these materials," explained Myersdorf.*

*"It should be noted that it's not something that can be retrofitted to existing devices, since most phones would be fried by the 40 amps of electricity the current version of the charger supplies" Mr Myersdorf acknowledges, and "that there is still more work to be done before his tech is ready for consumers".*

The batteries will not be commercially available until around late 2016, or the start of 2017, and the prototype displayed is not suitable for commerciality due to its size. StoreDot continue to work on slimming down the size to be compatible with today's sleek devices.

They are currently only one third of the energy density per kilogram, and are working hard to reach parity before the end of 2016.

They also have another battery that charges in three minutes, but is currently 0.2 of one inch deeper than current phone batteries, which is not a lot, and I would think the advantages of the quick charge would easily negate any small additional thickness of the battery from the consumer's perspective.

The batteries are expected to double the cost of a standard smartphone battery produced today, to around £18 per unit, but, given the enormous benefits, this will clearly not be a problem!

Your humble scribe anticipates a burgeoning new industry of commercial phone multi-chargers in small shops, trains, buses, and other retail outlets where you will be able to insert a coin into a slot and exit one minute later with a fully charged phone!

Caveats are that they currently do not have a commercial phone, and their claims are not peer review tested.

However, both Myersdorf and his Chief Technology Officer, Prof Simon Litsyn, held senior roles at **SanDisk** and were instrumental in making that company a leader in flash memory technology, so have achieved before.

### Comment

This clearly has the potential to be a very disruptive technology for the lithium miners and industry, but the results to date have yet to be reviewed by peers, and ,in an ideal world the battery and charger would be smaller, but they have already greatly reduced the size from the original, so you wouldn't bet against them doing it again!

Whilst smartphone batteries don't use a great deal of lithium, they are manufactured in the billions, so overall do have a significant effect on the demand for lithium.

StoreDot has a much bigger plan though, on the immediate horizon, which should be cause for concern for the lithium industry!

*"We are just starting work on **electric vehicles**,"* says Mr Myersdorf. *"And we intend to show in one year a model of a car that can charge in three minutes. We are 100% sure we can deliver, because the knowhow of how you take one cell and combine thousands of them together has already been done by Tesla.*

*The user-experience would be exactly like refuelling, but without fumes. It would really boost adoption of electric vehicles. It would be a game-changer."*

If I were in the Lithium industry I may not be sleeping so soundly after the release of this news.

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# Alexco Resources Corp report a positive PEA

**Alexco Resources {TSX.V: AXU}** reported a positive PEA for their expanded silver solution at Keno Hill, Yukon, Canada.

The PEA includes an amended agreement with Silver Wheaton for the silver streaming deal.

Mr. Clynton Nauman reports

ALEXCO UPDATES POSITIVE PRELIMINARY ECONOMIC ASSESSMENT FOR EXPANDED SILVER PRODUCTION FROM KENO HILL SILVER DISTRICT, YUKON

**Alexco Resource Corp.** has released an updated National Instrument 43-101-compliant preliminary economic assessment (PEA) for its 100-per-cent-owned Keno Hill silver district in Canada's Yukon Territory. This PEA consolidates into one report updated information related to construction and operation of a new underground mine at the Flame and Moth silver deposit, and includes current resource statements for the Bellekeno, Lucky Queen, Onek and Bermingham deposits. The PEA was compiled by SRK Consulting (Canada) Inc., with contributions from a team of qualified persons, and assesses an operations expansion for production of silver, lead, zinc and gold in the Keno Hill silver district (KHSD).

The PEA reflects one of a number of production strategies being considered in the eastern Keno Hill silver district. Alexco president and chief executive officer Clynt Nauman said, "We are continuing to optimise our work in the KHSD, which is anticipated to lead to a further technical report for

Keno Hill with updated resource statements for the Flame and Moth, and Bermingham deposits based on surface-related exploration work completed in 2014, results which are not yet available and therefore not reflected in this PEA."

Relative to the prior PEA released in December, 2013 (see news release dated Dec. 5, 2013), changes and additions to the updated PEA include:

- Incorporation of Alexco's amended silver purchase agreement with Silver Wheaton, including impact on potential mining blocks and overall economics, and reflecting the effect of the payment to Silver Wheaton of \$20-million (U.S.) that will be required to bring the streaming agreement amendment into effect;
- Slightly revised mining plans, including increased overall silver grade, resulting from the combination of reduced silver prices and the impact of the revised silver purchase agreement on individual mining blocks;
- Adjusted initial capital to incorporate projects completed in 2014;  
A reduction of 23 per cent in silver price and 7 per cent in foreign exchange rates to \$18.50 (U.S.) and 89 U.S. cents, respectively;
- A slightly revised Onek resource incorporating underground drilling completed in 2012 and 2013.

- **Highlights of the revised PEA include:**

A production strategy comprising an initial nine-month construction period, followed by a 5.75-year period of silver production anchored by the Flame and Moth deposit;

Annual delivery of an average three million ounces of payable silver, 6.6 million pounds of lead, 6.1 million pounds of zinc and 1,020 ounces of gold from approximately 140,000 tonnes per year of consolidated mine and mill production;

An aftertax internal rate of return of 22.1 per cent, an aftertax net present value (5 per cent) of \$23.3-million and a 3.75-year payback. Initial capital requirements of

approximately \$45-million, of which \$20-million (U.S.) is slated for the Silver Wheaton payment prior to commercial production. Of the remainder, roughly half the initial capital would be deployed to drive a decline and establish underground infrastructure at the Flame and Moth deposit, which is planned to deliver 72 per cent of the tonnes in the current plan. The balance of the initial capital is planned for minor mill upgrades, additional surface facilities, recommissioning of the Bellekeno mine, and working capital and inventory buildup; Importantly, approximately 15 per cent, or 143,000 tonnes, of potentially minable tonnes, primarily at Bellekeno, and Flame and Moth, were not included in the PEA mine plan, and remain to be considered in the event underlying costs and obligations are further optimized.

Mr. Nauman said: "Earlier in 2013, in the face of declining silver prices and reduced operating margins, we elected to suspend winter operations at our Bellekeno mine and mill facilities at Keno Hill. We did so with the knowledge that we had a rapidly growing silver resource at the Flame and Moth deposit, and that a revised operations strategy was required to integrate production from known and previously developed deposits (Bellekeno, Lucky Queen) with the new and larger but as yet undeveloped Flame and Moth deposit. In addition, simple economics drove us to develop a plan that fully utilized our mill capacity when reinitiating silver production. To do that, the PEA outlines a strategy to firstly develop the Flame and Moth mine and then initiate silver production with ore feed from Flame and Moth, and Bellekeno, and later in the plan replace Bellekeno supplemental ore feed with ore from the Lucky Queen deposit.

"Subsequent to the publication of the initial PEA last December, in 2014 Alexco mobilised an expanded exploration program to further evaluate extensions to the Flame and Moth deposit. Results of this work will be incorporated in further optimization studies. Clearly, the Flame and Moth deposit is emerging as a cornerstone asset in the Keno Hill silver

district and will potentially anchor future production well into the 2020's. Furthermore, our recent exploration successes in the Bermingham area give us more encouragement that the potential resource pipeline in the KHSD will continue to grow as our work and understanding of the ore controls in the district become more sophisticated."

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## **Scorpio gold reports the final results from their 2014 expansion drilling program**

**Scorpio Gold completes their 2014 expansion drill program at Mineral Ridge, Nevada (70%)**

Best hole reported 1.52 m of 1.51 g/t Au at Mineral Ridge, and rounded off a good year from their exploration program during 2014.

### *Comment*

*Whilst not startling, these results round off a good year for Scorpio, who delivered on their objectives during 2014, with solid drill results and good potential new deposits.*

*Management are striving to add to the short LOM, and exploration results from their new Goldwedge property will be eagerly awaited in 2015, as will the result of the processing*

*of the high grade ore from Mineral Ridge which will increase the recovery grade and provide early additional cashflow.*

*A strong management team are using all their experience to add more resources, re-investing millions of dollars in expanding the deposit without diluting their shareholders, a rare beast on the Toronto Venture Exchange.*

## Official News Release

2014-12-22

Mr. Peter Hawley reports

Scorpio Gold reports final results from the 2014 expansion drilling at the Oromonte and Wedge satellite deposits at Mineral Ridge, Nevada.

**Scorpio Gold Corp. {TSX.V: SGN}** has released final assay results from its 2014 expansion drilling program on the Oromonte and Wedge deposits at its 70-per-cent-owned Mineral Ridge project, located in Nevada. Both deposits are located west of the Drinkwater pit and north of the leach pad.

Results presented in the tables postdate the March 31, 2014, cut-off date for the life-of-mine plan that was reported in the company's July 21, 2014, news release. The three holes drilled at Oromonte are 75-metre to 150 m step-out holes to the southwest of the deposit in a previously untested area. Oromonte continues to be the least explored of the satellite deposits and further drilling is planned in 2015. The four holes drilled on the Wedge deposit lie outside of the 2014 floated cone outline. In conjunction with drill results reported in the company's July 8, 2014, news release, results from the 2014 expansion drilling program are expected to increase and upgrade the current resource estimate for the Wedge deposit.

**Table 1. Oromonte Deposit – Significant Drill Results**

Hole No.	Azm (deg)	Dip (deg)	From (ft)	To (ft)	Width (ft)	From (m)	To (m)	Width (m)	Gold (OPT)	Gold (g/t)
MR14836	0	-90	95	100	5	28.96	30.48	1.52	0.010	0.34
			525	535	10	160.02	163.07	3.05	0.015	0.50
MR14844	0	-90	475	480	5	144.78	146.30	1.52	0.015	0.51
MR14846	0	-90	235	240	5	71.63	73.15	1.52	0.019	0.65
			340	345	5	103.63	105.16	1.52	0.020	0.68
			500	505	5	152.40	153.92	1.52	0.025	0.84

**Table 2. Wedge Deposit – Significant Drill Results**

Hole No.	Azm (deg)	Dip (deg)	From (ft)	To (ft)	Width (ft)	From (m)	To (m)	Width (m)	Gold (OPT)	Gold (g/t)
MR141064	0	-90	90	105	15	27.43	32.00	4.57	0.009	0.31
MR141065	0	-90	No Significant Results							
MR141066	0	-90	30	35	5	9.14	10.67	1.52	0.044	1.51
			55	60	5	16.76	18.29	1.52	0.016	0.55
MR141068	0	-90	No Significant Results							

All holes presented in the tables were completed by reverse circulation (RC) drilling. True width is estimated at 80 per cent to 100 per cent of downhole width. Analytical results were performed by American Assay Laboratory Inc. in Sparks, Nev., an ISO/IEC 17025:2005-accredited facility. External check assays to verify lab accuracy are routinely completed by ALS Chemex, an ISO 9001:2000-certified and ISO/IEC 17025:2005-accredited facility. Further details are presented in the company's quality assurance and quality control program for the mineral ridge project the company's website.

**Scorpio drills 1.52 m of 1.51 g/t Au at Mineral Ridge**

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# Range Energy's arbitration award stands up in the High Court of Justice, London.

Range Energy's (RG0) arbitration award stands up in the High Court of Justice, London.

The court stands behind the previous decision awarded in May 2014 in London

ENGLISH COURT REJECTS CHALLENGE TO FAVOURABLE ARBITRATION AWARD

## Comment

*This farce continues with Range once again prevailing in court, but the decision can be ignored by the other parties!*

*It begs the question why they returned to court in the first place when they are free to ignore the original decision?*

## 2014-12-22 08:12 ET – News Release

On Dec. 19, 2014, the High Court of Justice in England rejected the challenge commenced by New Age Alzarooni 2 Ltd. (NAAZ2) and Black Gold Khalakan Ltd. (BGKL) to the final arbitration award that was issued in Range Energy Resources Inc.'s favour in May, 2014. As the company has previously reported, the arbitration award should enable the company to obtain more ready access to, and certain rights to disclose, material information concerning the status of work at the

Khalakan block in Kurdistan.

As the company has previously reported, on July 20, 2012, the company commenced arbitration proceedings against NAAZ2 and BGKL, the other shareholder in NAAZ2. The company owns 49.9 per cent of the shares of NAAZ2, which in turn is the owner of 50 per cent of the shares of Gas Plus Khalakan (GPK), the sole contractor for the Khalakan block. The company commenced the arbitration to compel NAAZ2 to obtain from GPK material information regarding the development of the Khalakan block and to confirm the company's right to disclose to the public certain material information regarding this development.

On May 27, 2014, the International Chamber of Commerce (the ICC) notified the company of the final arbitration award. In the award, the arbitration tribunal awarded the company orders and declarations which support the company's right to obtain material information as to its investments, and to use such material information (which the company must otherwise hold confidential) to produce public summaries of the status of the work at the Khalakan block as is necessary to comply with applicable securities laws. The tribunal awarded the company with 100 per cent of its costs incurred in connection with the arbitration.

NAAZ2 and Black Gold challenged the award before the English court and notified the company that they would not comply with the award until this proceeding was complete.

The English court has now rejected this challenge. The court held that BGKL's and NAAZ2's challenge of the "reasoned award" was "groundless and misconceived" under the English Arbitration Act of 1996.

The judge ordered BGKL to pay most of the costs that the company incurred in connection with the proceeding in the English court. The judge also ordered BGKL to pay the company's share (49.9 per cent) of NAAZ2's costs. Black Gold

did not apply for leave to appeal. Thus, the English proceedings are final.

The court's order will be available to the public in due course.

**Toufic Chahine**, the chairman of the company's board of directors, said: "*The company again has been vindicated in its efforts to enforce its rights to receive material information regarding its investment in the Khalakan block in Kurdistan. The company's other directors and I hope that the company will soon be in a position to better inform its shareholders of the status of production and development work on the Khalakan block. The company will continue to pursue vigorously its rights under the NAAZ2 shareholders' agreement and the remedies granted to the company under the arbitration award.*"

*The company's shareholders should be advised that the effectiveness of the arbitration award ultimately depends on compliance with it by NAAZ2, BGKL and their respective directors. There can be no certainty that these parties will provide, or will cause to be provided, to the company the information that it requests from time to time or will co-operate with the company in its efforts to disclose material information to its shareholders. Therefore, the company may be required to pursue further legal action to enforce its rights to obtain and disclose this information.*