Minerals 260 Announce Franco-Nevada$220 million Funding

Minerals 260 (ASX: MI6)

Announced that it has signed a $220 million strategic funding package with Franco-Nevada Corporation to accelerate and de-risk the development of the 4.5Moz Bullabulling Gold Project, located 65km from Kalgoorlie in Western Australia.



Bullabing Gold Project – Courtesy of Minerals 360

	Minerals 260	**ASX: MI6**
	Stage	**Exploration, development**
	Metals	**Gold**
	Market cap	**A$1.14 billion @ A$0.53c**
	Location	**Western Australia**
	Website	**www.minerals260.com.au**

MInerals 260 Announce $220 million Strategic Funding Agreement with Franco-Nevada to Accelerate The Development of the Bullabulling Gold Project

Minerals 260 Limited (ASX:MI6) ("Minerals 260" or "the Company") is pleased to announce that it has signed a $220 million strategic funding package with Franco-Nevada Corporation ("Franco-Nevada") to accelerate and de-risk the development of the 4.5Moz Bullabulling Gold Project ("Project"), located 65km from Kalgoorlie in Western Australia.

(Unless otherwise stated, all dollar values are in Australian dollars.)

Highlights

• Franco-Nevada's wholly-owned subsidiary, Franco-Nevada Australia Pty Ltd, will pay $170 million in exchange for increasing its total royalty over the Project to 2.45% (currently a 1.00% royalty exists over certain Project tenements).
• Franco-Nevada will also invest $50 million by subscribing for 111,111,111 fully paid ordinary shares ("Shares") in Minerals 260 at an issue price of 45 cents per share, a 7% premium to Minerals 260's last closing price. Franco-Nevada will hold 4.9% of shares on issue following this investment.
• Funding secured on highly attractive terms, validating the quality of Bullabulling as one of Australia's leading gold development projects.
• *Represents the largest ever investment in Australia by Franco-Nevada following* extensive due diligence completed on the resource, metallurgy, hydrology, project development and permitting.
• Transformational funding package for Minerals 260 by securing significant funds ahead of the completion of the Pre-Feasibility Study ("PFS") and de-risks the outlook for future Project financing.
• Funds will be used to accelerate and de-risk the development of Bullabulling. Construction of an initial 400-room village, procurement of long lead items, commencement of site early works, commencement of DFS activities and expansion of the drilling program will all be accelerated.

Management Comments

Minerals 260 Managing Director, Luke McFadyen, commented:

“This is a fantastic outcome for Minerals 260 and our shareholders.

“Securing a $220 million funding package with the world’s leading gold royalty company at this early stage of Bullabulling’s development is a major endorsement of the project and a milestone that will allow us to accelerate the Project towards production, expand our exploration strategy and de-risk our funding pathway.

“Franco-Nevada is an existing royalty holder and expanding our relationship with this financing is highly value accretive relative to other available funding options.

“Their extensive due diligence across all areas of the Project validates Bullabulling as one of the leading gold projects in Australia.”

To read the full news release please click HERE

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To view the latest Minerals share price and chart, please click HERE

To View Minerals 260’s historical news, please click here

The live gold price can be found HERE

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Disclosure

At the time of writing the author holds shares in Minerals 260

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