



Tajiri Enters into LOI to Acquire Two Prospective Gold Projects in Guyana, South America

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VANCOUVER, BC, June 24, 2020 /CNW/ - Tajiri Resources Corp. (TSXV: TAJ) ("Tajiri" or the "Corporation") announces that it has entered into a non-binding Letter of Intent to acquire two prospective gold projects in Guyana, South America - the Gargantuan Project, located in the Mahdia region, and the Epeius Project located in close proximity to the one million tonne per annum Karouni Mine of Troy Resources Limited (ASX: TRY).

The Gargantuan Project covers a 4 to 6.5 kilometres strike of the source area ("the Gargantuan Source") that has given rise to the largest coherent concentration of artisanal gold workings in the Guiana Shield.

The Gargantuan Source has a total interpreted strike of 9-12km, and the Project area of 2,390 hectares, encompasses 40-50% of this interpreted strike length.

Within the Guiana Shield, the artisanal workings associated with the Gargantuan Project are an order of magnitude larger than workings related to most other known > 1 Moz gold deposits and are only equalled in area by those of the Giant¹ ~45 Moz² Las Cristinas+Brisas gold deposit.

The Gargantuan Source is well defined by the upstream/uphill limits of alluvial, colluvial and lateritic gold workings and appears contiguous over 9 kilometres strike with every creek flowing from it or over it and almost every slope downhill from it having been worked at some point since the 1880s.

Along strike from the Project's boundaries, recent work by Goldsource Mines Inc. (TSXV: GSX) has identified a north-south striking chargeability and resistivity anomaly co-incident with the Gargantuan Source.

Furthermore, early stage diamond drilling of the Gargantuan Source, by Goldsource has returned numerous, mostly shallow, high tenor gold intersections over a strike length of approximately 2 kilometres with results including **69m @ 6.5g/t** from surface, **80m @ 2.0g/t** from surface, **57m @ 2.6g/t** from surface, **50m @ 2.9g/t** from surface, **10.5m @ 9.9g/t** from 81m, **4m @ 25.2g/t** from 258m.

The Gargantuan Source hosts several artisanal workings that have exploited weathered in-situ primary mineralisation which provide immediate targets for early drill campaigns.

¹ Using the Definitions of Lazicka, P., 1999 *Quantitative relationships among giant deposits of metals*: Economic Geology and the Bulletin of the Society of Economic Geologists, v. 94 p 455-473

² Reported as Combined Reserves and Measured, Indicated & Inferred Resources @0.4g/t Au cutoff excluding all credits from Cu + Ag sourced from: a) Flinck Allen Holt, October 30, 2006, *Technical report, Brisas Project, Venezuela, Feasibility Update*, prepared for Gold Reserve Inc. & b) Mine Development Associates, November 7, 2007, *Technical Report Update on the Las Cristinas Project, Bolivar State, Venezuela* prepared for Crystallex International Corporation.

Given the above facts: that the Gargantuan Source is defined over a strike length of 9 kilometres, that it has given rise to artisanal gold workings equal in area to those arising from a 45 Moz gold deposit located in the same weathering and geological environment, that a 2 kilometre strike length

portion of the Gargantuan Source has returned good gold intersections, and that the Project covers 40-50% of the interpreted extent of Gargantuan Source; Tajiri believes that acquisition of the Gargantuan Project would provide the Company with an excellent exploration opportunity.

Epeius Gold Project is located 6 kilometres north of the Karouni Gold Mine operated by ASX listed Troy Resources Limited (ASX:TRY) and 600m from Troy's new Ohio Creek discovery. The Epeius Project is also contiguous with Tajiri's wholly owned Kaburi Property where drilling in 2013 returned 23m @ 2.7g/t and 8m @ 6.5g/t.

The Epeius Project covers a ~ 17 kilometre strike of the greenstone belt (referred to as the "Tallman Corridor" by Troy) which hosts Troy's recently discovered Ohio Creek Deposit with a maiden inferred resource estimate of 2.2 Mt @ 1.9g/t and where trial mining is about to commence.

The Tallman Corridor is associated with extensive alluvial artisanal workings and anomalous stream sediment geochemistry along the entire 17 kilometres of strike encompassed by the Epeius Project.

The Epeius Project also contains several targets for immediate drilling which consist of immediate on-strike extensions from: primary artisanal workings, soil geochemical anomalies and several shallow economic drill intercepts generated by Troy at the boundary of the Project including:

- Ten metres along strike from 3m @ 11.2g/t from 91m and 6m @ 4.1g/t from 25m at Ohio Creek South (Figure 8)
- Forty metres along strike from 16m @ 1.1 g/t from 31m at Goldstar (Figure 9)
- 660m from 11m @ 5.1g/t from 73m at Ohio Creek (Figure 8)
- 200m from one of the largest artisanal pits developed on primary mineralisation in the district. (Figure 10)

Additional Project Information

The Gargantuan Project is comprised of 34 mining claim licences and 13 mining permits which total 5,900 acres (2,390 hectares):

Additional arms-length payments that remain to be made to third party vendors of the Gargantuan Project total USD 380,0000 and are as follows:

- A payment upon transfer of US\$ 200,000 for 12 mining claims (expected within the next 4 months)
- A payment of US\$ 30,000 upon transfer for 2 mining permits (expected within 3-4 months)
- A payment of US\$ 55,000 upon transfer of 2 mining permits (expected within 3-4 months)
- A payment of US\$ 95,000 upon the transfer of 10 mining claims (expected within the next 9 months)

Apart from the payment of statutory transfer fees for these properties of approximately US\$ 1,000 per licence/ permit there are no other encumbrances, liens or outstanding interests over the properties that comprise the Gargantuan Project.

The Epeius project comprises 13 granted mining permits totalling 13,344 acres (5,400 Ha) and 8 applications for prospecting permits totalling 9,637 acres (3,900 Ha).

Further technical details of the Projects will be furnished in subsequent announcements.

Acquisition background

In February, 2019 after Goldsource Mines (TSXV: GSX) and Troy Resources (ASX:TRY) announced high tenor drill intersections at the Salbora (including 69m @ 6.5g/t) and Ohio Creek Prospects (including 16m @ 10.1g/t from 2m; 10m @ 16.7g/t from 90m; and 9m @ 40.5g/t from

89m), Executive Chairman of Tajiri Mr. Dominic O'Sullivan determined that two potentially significant economic gold discoveries had been made in Guyana and that highly prospective on-strike extensions to these discoveries were available for acquisition.

Because market financing was not available to Tajiri at that time for the acquisition of gold exploration projects, such that Tajiri was not then able to take advantage of the opportunity, Mr. O'Sullivan arranged to acquire the properties that comprise the Gargantuan and Epeius Projects privately. To date approximately US\$708,000 has been spent by Mr. O'Sullivan and others on acquiring the Projects in arms-length transactions from third party vendors, and two of these vendors are now shareholders of the private companies vending the properties to Tajiri. Mr. O'Sullivan's controlled indirect interest (through holding companies and trusts) in the two Projects is 48.85%.

Mr. O'Sullivan, is currently a director, officer and a "control person" of the Corporation for the purposes of applicable securities legislation.

In addition, Mr. Robert Power a director and shareholder of the Company, has a beneficial 4.0% interest in the two Projects.

Terms of the Acquisition and Consideration

The Terms and conditions of the Letter of Intent to acquire the Epeius and Gargantuan Projects are:

- Payment of US\$5,000 to secure a 3 month period for completion of due diligence, preparation of independent technical reports, and obtaining shareholder and TSXV approvals and financing; which period may be extended by a further 3 months by the payment of US\$5,000.
- Upon receipt of TSXV and shareholders' approval to the transaction, the Company will acquire all interests in the two Projects in consideration of issuing 20 million common shares to the vendors, paying US\$150,000, and reimbursing the Vendors for payments made to third party vendors (as noted above) between the date of the signing of the LOI and the closing of the transaction.
- Shares will be escrowed for 12 months, with 25% of the shares being released after 12 months and an additional 25% every 3 months thereafter.
- The Vendors will retain a 2% NSR on any production from all tenements.
- The Vendors will be entitled to receive additional shares equal in value to 0.02% of the value of all resources (measured, indicated and inferred) and 1% of the value all reserves (proven and probable) delineated on the Properties. Such additional shares will become issuable upon (i) a maiden resource/reserve statement being published by the Corporation for the properties, and (ii) upon completion of a bankable feasibility study. The value of any additional bonus shares will be capped at 15% of the issued and outstanding shares of the Corporation at the time of issuance. Bonus shares will be escrowed with 25% becoming free trading after 6 months and an additional 25% becoming free trading every 3 months thereafter.

The proposed acquisition will be a "related party transaction" under TSXV policy 5.9 and pursuant to MI 61-101. As such, the transaction will require the Company to obtain disinterested shareholders' approval.


The closing of the Acquisition is subject to several conditions including, but not limited to the following:

- (i) entering into a definitive agreement with the Vendors;
- (ii) approval of the majority of disinterested shareholders; and
- (iii) approval of the TSX Venture Exchange (the "TSXV").

Graham Kevil CEO and President of Tajiri stated: "Combined with the Tajiri's advanced Reo gold

exploration Project located in Burkina, the acquisition of the Gargantuan and Epeius Projects will push Tajiri to the front ranks of the global junior exploration pack. We have maintained the Company through the past 8 years of challenging times and have emerged with three excellent Flagship Projects that provide unparalleled exploration potential. Tajiri is now poised on the cusp of generating significant investment returns for all stakeholders."

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