



# Innovative

RESOURCE PARTNERS

Your Creative Partner in Resource Financing



# WHO IS INNOVATIVE?

- Innovative Resource Partners is a private royalty company based in Northeastern Ontario.
- Our focus is on purchasing royalty interests and participating in junior mine financing.
- We are rolling out our program first in the Larder Lake mining division.
- Lead by industry veterans, Todd Morgan, Stew Carmichael, Erik Andersen and Jim Pirie



# INTRODUCING PROJECT GRUBSTAKE

- Designed to take existing programs to the next level.
- A pilot project for prospectors holding mining claims in the Larder Lake Mining Division.
- A three phase program in which qualifying projects may be entitled to funding up to \$180,000 in approved exploration expenditures over three years.
- Of those expenditures, prospectors may be entitled up to \$60,000 in funding for personal use over the three year period.
- In return, Innovative Resource Partners would retain up to a maximum 2% net smelter return.
- Potential projects would be limited to precious and base metals exploration.



"This privately funded initiative provides another opportunity for the prospector in the Kirkland Lake Division to further their projects"

- *Garry Clark, President, Ontario Prospectors Association*

"I welcome this new initiative which will compliment the existing OEC program to help advance the local prospectors projects."

- *Gino Chitaroni, President, Northern Prospectors Association*



# PHASE 1 FINANCING

- Prospectors/claim holders submit a proposed exploration program.
- Exploration expenditures would include a maximum of \$40,000 to be applied to the property including up to \$20,000 “walking around money” for the prospector’s personal use.
- Upon project approval, prospector would receive \$5,000 “up front” funding. When work begins, Innovative would advance an additional \$5,000. When work is completed, Innovative would advance another \$5,000. When a final report is submitted and approved, Innovative would provide the balance of the initial funding (\$25,000, \$40,000 total). In return, Innovative would have earned a 1% net smelter royalty.
- Qualifying exploration expenditures are those eligible defined as assessment work under the Ontario mining act and regulations.



# PHASE 2 FINANCING

- Prospectors/claim holders submit a proposed exploration program to compliment the year one program.
- Exploration expenditures would include a minimum of \$60,000 to be applied to the property including up to \$20,000 “walking around money” for the prospector’s personal use.
- Upon project approval, prospector would receive \$10,000 “up front” funding. When field work begins Innovative will advance an additional \$10,000. When field work is complete, Innovative will advance a further \$10,000. When a final report is submitted and approved, Innovative would provide the balance of the phase two funding (\$30,000, \$100,000 in total). In return, Innovative would have earned an additional 0.5% net smelter royalty. (Total 1.5% NSR after year two)
- Qualifying exploration expenditures are those eligible defined as assessment work under the Ontario mining act and regulations



# PHASE 3 FINANCING

- Prospectors/claim holders submit a proposed exploration program to compliment the year one and two programs.
- Exploration expenditures would include a minimum of \$80,000 to be applied to the property including up to \$20,000 “walking around money” for the prospector’s personal use.
- Upon project approval, prospector would receive \$20,000 “up front” funding. When work begins, Innovative will advance \$20,000. When field work is complete, Innovative will advance the next \$20,000. When a final report is submitted and approved, Innovative would provide the balance of the phase three funding (\$20,000, \$180,000 in total). In return, Innovative would have earned an additional 0.5% net smelter royalty. (Total 2.0% NSR after year three)
- Prospector would be encouraged to have a 43-101 compliant report completed after completion of phase three.
- Qualifying exploration expenditures are those eligible defined as assessment work under the Ontario mining act and regulations

# ROYALTY BUYBACK PROVISIONS

The prospector has the right to buy back all the royalty except 0.5% by repaying the funding according to the following conditions:

- From year 1 to year 5 after funding - Repayment of the funding times 1.5.
  - Example: If only year one is funded, the prospector may buy back 0.5% NSR for repayment of  $\$40,000 \times 1.5 = \$60,000$
  - Example: If all three years are funded, the prospector may buy back 1.5% NSR for repayment of  $\$180,000 \times 1.5 = \$270,000$
- From year 6 to year 10 after funding - Repayment of the funding times 2.0
  - Example: If year one and two funding are advanced, buy back 1% NSR for repayment of  $\$100,000 \times 2.0 = \$200,000$
- The Royalty may be repayable in shares or other currency at the discretion of Innovative Resource Partners.





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For more information: [innovativerp.ca](http://innovativerp.ca)

