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Newlox Gold Ventures Corp.  
(LUX:CSE)

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Price: \$0.055

(coverage initiated on Mar. 31, 2014 at \$0.05)

# QIS COMPANY PROFILE



## Highlights:

- utilizing technology to process historical tailings stockpiles for precious metals extraction and soil remediation
- commencing revenue generation with plans for rapid growth
- working with UBC and an experienced operational team in Central America

## SHARE DATA

52-Week High/Low	\$0.075 - \$0.03
3-Mth Avg. Trading Volume	25,374 shares
Shares (millions)	Basic (30% insiders) 71.7
	F/D 90.4
Market Capitalization	\$3.9 million
Enterprise Value	\$3.7 million

## FINANCIAL DATA (000s of Canadian Dollars)

	3 Months Dec. 31		9 Months Dec. 31	
	2017	2016	2017	2016
Revenues	\$ -	\$ -	\$ -	\$ -
Gross Profit	-	-	-	-
Expenses	189	186	595	347
Sale of Royalty	575	-	896	-
Net Income	338	(198)	284	(361)
per share	0.01	(0.00)	0.00	(0.01)

## BALANCE SHEET (as at Dec 31, 2017)

Current Assets	\$ 285,335
Total Assets	800,127
Current Liabilities	459,815
Convertible Debenture	-
Shareholders' Equity	340,312

## QUICK SUMMARY

Newlox Gold Ventures is focused on recovering contaminants and residual precious metals from historical waste left behind by more than a century of inefficient artisanal and small-scale mining in politically and socially stable jurisdictions in Latin America. These tailings stockpiles present an opportunity to implement revenue-generating environmental reclamation programs in addition to providing social and environmental benefits to local stakeholders. Newlox has now proven its concept and is working towards larger scale commercialization.

The company recently completed three initial gold pours with improvement in volume and efficiency in each pour. Newlox continues to work towards optimized operations and is hoping to be at a financial breakeven point on production in the next few months.

## CORPORATE OVERVIEW

Newlox Gold's primary focus is the deployment of a series of environmental reclamation operations, which are designed to simultaneously liberate precious metals and remove contaminants from stockpiles of previously inefficiently processed material. This initiative is being embraced by local stakeholders while providing the company an environmentally efficient, low cost, precious metals extraction and soil remediation business.

In April 2014, Newlox completed the acquisition of 100% of the shares of Oro Roca S.A., a Costa Rican precious metals trading and production company specializing in gold, silver and platinum. Consideration for this acquisition consisted of 20 million Newlox shares. On an independent basis, RWE Growth Partners Inc. of Vancouver, British Columbia valued the transaction at \$4.5 million.

In July 2017, Newlox Gold completed a Revenue Sharing Agreement with a private investor which would raise US\$950,000. The transaction grants the investor a 15% gross revenue royalty (GRR) on the company's first

processing plant until royalties reach US\$1 million, after which the investor will hold a 10% GRR on the first processing plant for the life of the project. The investor will also be granted a 5% GRR on all future processing plants which are not subject to an active GRR. The investor has also been offered a right of first refusal to fund the company's future projects.

Under the direction of the Norman B. Keevil Institute of Mining Engineering at the University of British Columbia, and the Centre for Mineral Technology, under the Brazilian Ministry of Science and Technology, Newlox has fabricated cost effective equipment and processes to recover precious metals while removing contaminants from historical tailings piles. These relationships have been key for Newlox in developing modern, efficient concentration and beneficiation processes.

In November 2017, Newlox completed its plant circuit modifications and upgrades at its gold tailings processing facility in Central America. This plant is designed to take historical tailings material and remove contaminants such as mercury, while upgrading the material to concentrate before shipment to the beneficiation facility. The processing plant achieved steady state operations and is now increasing throughput toward its targeted 80 tonnes per day.

Concentrate from the processing facility is then transported to the company's beneficiation plant in Nicaragua where Newlox's in-house engineering team has been directing on-site fabrication of equipment as well as establishing an on-site laboratory to ensure frequent testing of processed material. The company utilizes a specialized electro-plating technique to process the concentrate to remove further contaminants and to separate precious metals from the concentrate.

Newlox poured its inaugural gold dore bar at its recently completed remediation and precious metals recovery facility in April 2018 and has since announced two additional pours. The company continues to focus on increasing daily volume throughput and achieving optimum tailings remediation efficiency and gold recovery. Management expects to achieve increasing week-over-week yields as operations advance toward

targeted metals recovery levels.

The pouring of gold dore marks a paradigm shift for Newlox as the focus shifts from development-stage activities at the first processing plant, towards enhancing the throughput and efficiency of full-scale commercial operations.

Regular recovery of previous metals dore should provide operational revenue to support Newlox's continuing business objectives. The company's relationships with several local and international precious metals buyers, as well as a major refinery in the US, facilitates efficient sales of dore.

With the completion of the design, construction, and commencement of operations at its first plant, and with a strengthened technical and operations team, Newlox Gold is advancing its plans to deploy its business model throughout Latin America where it has identified additional potential opportunities.

Newlox is entering an exciting period as the company transitions from the concept stage to commercialization. The company is debt free and is poised for self-sustaining operations going forward. At a current share price of \$0.055 per share, Newlox has a market capitalization of only \$3.9 million, well below the replacement cost of the concentration and beneficiation facilities alone. With increasing gold production on a week-by-week basis, the company's next target is breakeven operations then turning toward profitability. There is significant opportunity for future growth as Newlox is still producing at only a fraction of its potential throughput and can easily expand into a second production cycle as well as look at other areas of potential expansion which have already been identified. The next 6-12 months should tell the story of whether Newlox can capitalize on its small-scale, profitable business plan and begin to generate consistent shareholder returns.

### **Newlox Gold Ventures Corp.**

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