

# Group Eleven Resources Ltd.

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## Group Eleven has the largest land position of any explorer in Ireland, and the financial support of a major Canadian silver developer

It was early 2015.

Bart Jaworski, one-time mining analyst with Raymond James in Vancouver and latterly ensconced at Irish broker Davy, knew that the zinc market was turning.

The question was: what to do about it?

Jaworski had relocated to Ireland, his wife's homeland, some years earlier. He'd taken up coverage of Rio Tinto, Randgold, Centamin and the like for Davy, but had come to feel that he was straying further and further from his geological roots.

Jaworski's heart was in exploration. And now, here he was in one of the world's great zinc jurisdictions with the zinc market starting to turn.

There was only one thing for it: strike out and form a new company.

"Lisheen had already shut down and I knew that there was going to be a supply crunch," he recalls. "And here I was in zinc country."

He got together with John Barry and David Furlong, both formerly of Rathdowney Resources, and started calling private equity groups to try to secure funding.

"One of them came and backed us," he explains, "so we said ok, let's go and try to talk to everybody in Ireland and get a deal going."

Group Eleven Resources Corp (CVE:ZNG) was on the road.

Still, there were plenty of struggles still ahead.

"We were able to raise seed, but it wasn't easy," says Jaworski. "The smallest money is the toughest to raise - especially when all you have is an idea and nothing else."

To top it all, at that time the wider mining equity markets were enduring a spate of panic selling, Glencore's share price was below 100p, and sentiment was poor.

As it turned out though, those poor market conditions played to Group Eleven's advantage. The company raised its first C\$500,000 and set to work.

"It was a rare window of opportunity when the majors started dumping a lot of their long-held ground," says Jaworski, "and we just hopped right on it."

**Price:** C\$0.045

**Market Cap:** C\$2.86M

### 1 Year Share Price Graph



June 2018 December 2018 June 2019

### Share Information

**Code:** ZNG

**Listing:** TSX-V

**52 week High Low**  
C\$0.20 C\$0.05

**Sector:** General Mining

**Website:** [www.groupelevenresources.com](http://www.groupelevenresources.com)

### Company Synopsis:

*Group Eleven Resources Corp. (the "Company") was initially formed in 2015 through the incorporation of a wholly owned subsidiary in Ireland, Group Eleven Resources Limited ("GERL") in order to target superior exploration opportunities in the Irish zinc district.*

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And it was at that moment that an old friend, Peter Megaw, the chief exploration geologist at MAG Silver (TSE:MAG), presented Jaworski with a sage piece of advice that has since shaped the subsequent development of Group Eleven.

"He said: If you believe in zinc and you believe in Ireland, own Ireland," says Jaworski.

That galvanized Group Eleven's already emerging strategy and the company went out and acquired as much quality Irish ground as it possibly could, turning itself into the biggest holder of mineral licences in the country, and thereby attracting the official as well as the friendly interest of MAG.

"They liked the idea of controlling entire geological basins and of potentially overlooked more silver-rich deposit types," says Jaworski. Jaworski had covered MAG during his time as an analyst so a level of trust was in place at the outset of the relationship, and MAG duly came in for C\$750,000, providing cornerstone funding for a full C\$1.5mln raise.

At that point the pace really began to pick up. With the endorsement of MAG, Group Eleven now began to look interesting to other companies too.

"Once we had MAG's support, Teck tapped us on the shoulder," says Jaworski. Teck was looking to monetize its Stonepark asset after several years of stop-go work, and Group Eleven was only too happy to oblige.

"It was thought to be one of the largest undeveloped zinc assets in the country at that stage," says Jaworski, and would clearly provide Group Eleven with the cornerstone asset that it needed to list on the Canadian Venture Exchange.

"We started marketing at Halloween of 2017," says Jaworski. "We raised C\$5mln and IPOed, as a company with 3,200 square kilometres of ground under license, the largest landholder in Ireland."

The next step was to produce a meaningful resource at Stonepark, a milestone that was duly passed in 2018 when the company revealed the presence of 5.1mln tonnes of mineralization grading 11.3% combined zinc and lead, with the project open towards Glencore's (LON:GLEN) sizeable Pallas Green deposit, located immediately to the east.

Subsequent drilling has also revealed the presence of high grade mineralization running up to 32% zinc and lead combined, on trend towards Pallas Green.

These are highly encouraging results as Irish mining wisdom has it that for a zinc project to break-even economically, it needs to be at least 10mln tonnes of ore grading 10%. Group Eleven is hitting the grades without difficulty, and is already more than half way there as far as the tonnage is concerned.

The Irish government is lending a hand too, at least to Group Eleven's wider objectives, with the much-lauded Tellus airborne geophysical survey, now in its seventh year. Tellus is undertaken by the Geological Survey in Ireland and aims to promote mining and exploration across the country with the provision of up-to-the minute geological data on a very broad scale.

The current programme includes coverage of 2,500 square kilometres of Group Eleven's ground, primarily in the Limerick and Silvermines Basins, and the information it produces will be plugged directly into Group Eleven's own "Big Think" exploration effort.

This "Big Think" involves the deep and methodical re-evaluation of more than 70 years' worth of geological data that has built up around Ireland's mining industry, and represents a unique approach to the potential identification of new tier-one zinc discoveries.

The thinking is that the "Big Think" will lead onto a "Big Drill" some time next year, when targets that have already been identified and new ones thrown up by the Tellus work will be the subject of a drilling campaign.

"We are particularly interested in where hidden mineralizing mega-structures may lie in relation to the known mineralization at Stonepark, Pallas Green, Gortdrum, Carrickittle and Silvermines, and most importantly, what it tells us

about where to drill next," says Jaworski.

So, there's everything to play for, and with C\$3.2m cash in the bank Group Eleven has plenty of firepower to get to work on the next round of value creation.

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