
First Point enters into a option agreement with Cliffs Natural

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Mr Peter Bradshaw president & CEO of First Point Minerals Corporation is very pleased to announce that First Point has entered into a option agreement whereby Cliffs Natural Resources Exploration Inc and its wholly owned Canadian exploration subsidiary have been granted an option to earn an initial 51% interest in a JV to advance the Decar nickel alloy property in central BC. At the same time, Cliffs has agreed to subscribe to a private placement of First Point shares.

Under the terms of the option agreement, Cliffs can earn an initial 51% interest in a JV on the Decar property by spending USD 5 million on the property in four years, of which USD 1 million is a firm commitment in year one. First Point will manage the initial exploration activities.

Upon Cliffs exercising its option, the parties will form a joint venture, with Cliffs having an initial 51% participating interest and First Point holding a 49% participating interest. In addition, First Point will have a 1% net smelter return royalty interest in all products produced from the Decar property. Cliffs may increase its interest in the joint venture to 60% by completing a scoping study, to 65% by completing a pre-feasibility study, and to 75% by completing a feasibility study in a form acceptable to lending institutions. The feasibility study will, amongst other things, include a full report in conformity with Canada's National Instrument 43-101 standards.

Cliffs has agreed to subscribe in a private placement for 14,376,069 common shares of First Point at a price of CAD 0.09 per share for a total investment of CAD 1,293,846, equal to 19.9% of the issued shares of First Point. The private placement is subject to acceptance by the regulatory authorities and the First Point shares issued will be subject to a "hold" period of four months and one day from closing. Cliffs will have the right to appoint one person to First Point's Board of Directors.

Mr Bradshaw said that "Cliffs brings to the project extensive development and operating expertise of large open pit mines. In particular, Cliffs' large metallurgical research lab and its operating experience with large scale magnetic separation can be directly applicable to the Decar project. We are very much looking forward to working with Cliffs on the Decar project."

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