

-Company adds to its senior leadership team and announces the retirement of Tom Quigley as VP, Exploration-

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TORONTO, Aug. 10, 2017 /CNW/ - Aquila Resources Inc. (TSX: AQA) ("Aquila"), a permitting-stage company advancing the zinc- and gold-rich Back Forty Project in Michigan's Upper Peninsula announced that it has filed its financial results for the three- and six-month periods ended June 30, 2017. All amounts, unless indicated, are reported in U.S. dollars.

SECOND QUARTER HIGHLIGHTS

- Received the final National Pollutant Discharge Elimination Systems Permit ("NPDES") from the Michigan Department of Environmental Quality ("MDEQ"). The NPDES permit is the third of four required permits to build and operate the Back Forty Mine.
- Released the first round of results from the Company's 2017 10-hole drill program at the Back Forty project. The 10 holes were a combination of infill, step out and geotechnical drilling. The results included 11 meters of 20% zinc in hole GT-11 and 6.27 meters of 28.3 grams per tonne of gold in hole GT-12.
- Completed additional fieldwork to be included in the re-submission of the Company's wetland protection permit covered under NREPA 1994 PA 451, as amended, Part 303 Wetlands, Part 301 Inland Lakes and Part 31 Floodplain. Aquila has been working on addressing all of the state regulators comments received under a correction request notice for the wetlands permit in January.
- Advanced with development of the Feasibility Study for the Back Forty Project. Key progress included completion of metallurgical test, mill work sizing, completion of definition drilling, and completion of an optimized process plant design and site layout.
- Named Dave Anderson as Director Permitting and Environment. Mr. Anderson brings 25 years of experience in environmental monitoring, impact assessment, regulatory affairs and permitting, and most recently served as the Director of Environment for Highland Copper's Copperwood project where he was involved in the project from exploration, through completion of feasibility and permitting. Mr. Anderson also brings years of legislative and government affairs experience in mining regulation and mining tax reform. Mr. Anderson has served on numerous state, tribal and federal committees and worked with regional non-government organizations in shaping conservation policy, protection of water resources and environmental remediation. Mr. Anderson has a Bachelor of Science degree in Environmental Studies from Northland College with an emphasis in policy and law.
- Appointed Chantae Lessard as Director of Social Responsibility and Engagement. Ms. Lessard has 20 years of experience in the mining industry and expertise in emerging social performance developments. Most recently, she was responsible for community engagement at the Eagle Mine, which is located in Michigan's Upper Peninsula, working with the company through its permitting, construction and production stages. Previously, she worked at Rio Tinto's Kennecott Utah Copper mine. Ms. Lessard has an Associate of Arts degree in the Paralegal Field, a Bachelor of Science degree in Business Management, a Master of Professional Communication degree, and a Graduate Diploma in Community Relations. In addition, she completed a program at the University of Arizona on Rebuilding Native Nations.
- As at June 30, 2017, Aquila had cash of \$3.0 million and working capital of \$1.9 million. This compares to cash of \$1.4 million and working capital of \$0.6 million at December 31, 2016. The working capital increase was due to the private placement in February 2017, offset by the funding of the Company's permitting activities, Feasibility Study and 2017 drill program.

POST QUARTER HIGHLIGHT

- Named Jeff Lynott as Director of Exploration. Mr. Lynott will be responsible for the continuing technical evaluation of the Back Forty Project as well as offsite mineral exploration and property acquisition. Mr. Lynott, has more than 30 years of mineral exploration experience, primarily focused on massive sulfide exploration and development in the Great Lakes region, including extensive experience working at Back Forty. He also has 10 years of experience with mine permitting. Mr. Lynott is a Professional Geologist with a Master of Science Degree from Michigan Technological University and a Bachelor of Science Degree from the University of Minnesota, Duluth. Mr. Lynott will succeed Tom Quigley who will be retiring from the Company. Mr. Quigley has worked on the Back Forty Project from its initial discovery back in 2001 and was Aquila's CEO from 2006 to 2013.

"Q2 was again marked by considerable progress toward our goals of strengthening the leadership team, advancing our permitting and exploration activities at Back Forty, and the finalization of our Feasibility Study," said Barry Hildred, CEO of Aquila Resources. "As we move closer to a construction ready project we will continue to add to our team while exploring all project financing options including strategic opportunities for the Company and Back Forty."

Mr. Hildred added, "On behalf of the Board and the senior leadership team, I would like to thank Tom Quigley for his many contributions to Aquila over the years. Tom has been a central figure in getting the Company to this point in its evolution and we wish him well with all of his future endeavors."

Following a short transition period, Mr. Quigley will continue to make his services available to the Company through a consulting arrangement.

ABOUT AQUILA RESOURCES

[Aquila Resources Inc.](#) (TSX: AQA) is a development-stage company with strategic assets in the Great Lakes Region. The company's experienced management team is currently focused on advancing permitting activities for its 100%-owned gold- and zinc-rich Back Forty Project in Michigan.

Aquila's flagship Back Forty Project is a volcanogenic massive sulfide (VMS) deposit located along the mineral-rich Penokean Volcanic Belt in Michigan's Upper Peninsula. In its updated Preliminary Economic Assessment filed in September 2014, Back Forty demonstrated strong economics with a pre-tax NPV of \$282 million (\$210.8 million after-tax) and a pre-tax IRR of 38.8% (32% after-tax) based on mining 16.1M tonnes of measured, indicated, and inferred resources over the 16-year life of mine, of which 12.5M tonne will be open-pit and 3.6M tonnes will be underground.

This press release contains certain forward-looking statements within the meaning of applicable Canadian securities legislation. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" and similar expressions suggesting future outcomes or statements regarding an outlook.

Forward-looking statements relate to any matters that are not historical facts and statements of our beliefs, intentions and expectations about developments, results and events which will or may occur in the future, without limitation, statement with respect to: (i) the economic analysis contained in the PEA; (ii) the development plan of the PEA and results thereof; (iii) capital expenditure programs; (iv) the quality or quantity of the mineral resources subject to estimates by Aquila; and (v) work plans to be conducted by Aquila.

These and other forward-looking statements and information are subject to various known and unknown risks and uncertainties, many of which are beyond the ability of Aquila to control or predict, that may cause their actual results, performance or achievements to be materially different from those expressed or implied thereby, and are developed based on assumptions about such risks, uncertainties and other factors set out herein. Aquila expressly disclaims any obligation to update forward-looking information except as required by applicable law. Such forward-looking information represents Aquila's best judgment based on information currently available. No forward-looking statement can be guaranteed and actual future results may vary materially. Accordingly, readers are advised not to place undue reliance on forward-looking statements or information. Furthermore, mineral resources that are not mineral reserves do not have demonstrated economic viability.

SOURCE [Aquila Resources Inc.](#)

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