Anaconda Mining Intersects 34.70 G/T Gold over 3.5 Metres and 24.34 G/T Gold Over 3.8 Metres at Goldboro

07.02.2018 | CNW

Expands Mineralization Beyond Existing Resource

TORONTO, Feb. 7, 2018 - Anaconda Mining Inc. ("Anaconda" or the "Company") (ANX: TSX) is pleased to announce assay results for the first five holes (BR-17-06 to 10) of an ongoing 6,000-metre diamond drilling program at the Company's Goldboro Project in Nova Scotia ("Goldboro"), the subject of a recent positive PEA announcement (See press release dated January 17, 2018).

Highlights from this drill program include multiple occurrences of visible gold, and assays of high-grade tenor including the following:

- 34.70 g/t gold over 3.5 metres (82.0 to 85.5 metres) in hole BR-17-09;
- 24.34 g/t gold over 3.8 metres (389.9 to 393.7 metres) in hole BR-17-06;
- 9.12 g/t gold over 3.2 metres (293.8 to 2.97 metres) in hole BR-17-08;
- 31.56 g/t gold over 1.0 metre (259.0 to 260.0 metres) in hole BR-17-08;
- 59.97 g/t gold over 0.5 metres (272.7 to 273.2 metres) in hole BR-17-06; and
- 17.68 g/t gold over 0.5 metres (69.6 to 70.1 metres) in hole BR-17-10.

The Company has completed eight diamond (BR-17-06 to 13) drill holes totaling 3,553 metres since the commencement of the drill program in October, 2017. The program focused on a combination of down-plunge exploration and infill drilling on three geological sections of the Goldboro Deposit. Each of the drill holes successfully intersected mineralized zones of both the East Goldbrook ("EG Gold System") and Boston Richardson ("BR Gold System") gold systems, as demonstrated on cross section 9150E (Exhibit A and B), reinforcing the potential for down-dip and down-plunge extension of the Goldboro Deposit. Assays for the first five holes (BR-17-06 to 10) include multiple occurrences of visible gold and assays with high-grade tenor. Assays are pending for drill holes BR-17-11 to 13.

"Anaconda continues to achieve successful results at its 100% owned Goldboro Project, following on from the recently announced preliminary economic assessment, which demonstrates a high-grade, long-life project. In our first significant diamond drilling campaign at Goldboro, we're hitting high-grade intersections and multiple occurrences of visible gold within new areas of drilling down-dip and down-plunge of the known deposit and have extended the plunge of mineralization by as much as 375 metres. With the expansion of mineralization, the Goldboro Deposit is well positioned to grow beyond the current resource, while infill drilling results generate higher confidence in the known mineral resource as well as finding additional mineralized zones not previously modeled."

~Dustin Angelo, President and CEO, Anaconda Mining Inc.

Section 9150E

On section 9150E, exploration drill hole BR-17-06 intersected six separate mineralized zones along the limbs of the EG Gold System. The drill hole also hit seven separate mineralized zones along the limbs of the BR Gold System, extending five of these farther down-dip (Exhibit B).The other two mineralized zones intersected at depth in the BR Gold System had not been previously encountered in this section, extending the known depth of mineralization to 475 metres, or 75 metres deeper than previously intersected. These deep intersections also extend the BR Gold System 125 metres down-plunge (Exhibit C). The extension of the BR Gold System down-dip, along the limbs of the anticline, and down-plunge demonstrate the deposit is open for expansion.

Infill drill holes (BR-17-08 to -10) along section 9150E also intersected grades consistent with other

high-grade intersections observed in historical holes BR-87-03 and -28, as well as hole BR-17-05 drilled by the Company in mid-2017. These recent drill holes, build confidence in the geological model and are expected to upgrade the resource categorization in this area from Inferred to Indicated Resource categories. Further, a new mineralized zone, not previously outlined in section 9150E, was outlined by intersections within adjacent holes BR-17-09 and BR-17-05 (Exhibit B).

A table of selected composites from section 9150E, including historic and recent drilling, are included in the following highlight table:

Hole ID	From (m)	To (m)	Interval (m)	Au g/t
BR-87-03	17.29	17.5	0.21	14.9
and	200.1	200.25	0.15	51.8
and	203.61	204.09	0.48	13.4
BR-87-28	249.64	253.91	4.27	9.14
and	264.27	268.84	4.57	6.73
including	264.27	266.71	2.44	9.77
BR-17-05	24.6	25.7	1.1	96.91
and	33.5	34.7	1.2	4.85
and	95.2	95.7	0.5	9.79
and	100	104.5	4.5	4.44
including	100	101.5	1.5	12.09
and	115.5	121	5.5	2.96
including	115.5	116.5	1	12.92
BR-17-06	272.7	273.2	0.5	59.97
and	295.2	295.7	0.5	13.27
and	389.9	393.7	3.8	24.34
including	391.5	392.5	1	86.48
BR-17-08	259	260	1	31.56
and	293.8	297	3.2	9.12
including	296	296.5	0.5	53.02
BR-17-09	82	85.5	3.5	34.7
including	84.5	85.5	1	119.66
and	232	233.5	1.5	28.11
including	232	233	1	41.75
and	285.5	290.4	4.9	6.94
including	285.5	287	1.5	12.26
BR-17-10	69.6	70.1	0.5	17.68

Hole BR-17-07

Hole BR-17-07 was drilled along section 9550E, 400 m farther east of section 9150E and tested the

extensions of the EG and BR Gold Systems along the limbs, as described for hole BR-17-06. Hole BR-17-07 was also designed to test the down-plunge extension of the BR Gold System. The hole intersected five mineralized zones of the EG Gold System and one mineralized zone of the BR Gold System and hit the host structure and mineralization at a vertical depth of 475 metres. The intersection of the BR Gold System extends this mineralization 375 metres down-plunge from the resource model and help prove-up up continuity, along with other historic drilling in the down-plunge direction.

Composited Assays from the recent drill program at Goldboro reported in this release are shown below:

Hole ID	From (m)	To (m)	Interval (m)	Au g/t	Visible Gold	Gold System
BR-17-06	65.8	66.1	0.3	1.94		EG
and	138.9	140.0	1.1	0.64		EG
and	182.5	183.0	0.5	5.45	v.g.	EG
and	270.1	270.6	0.5	0.70		EG
and	272.7	273.2	0.5	59.97		EG
and	295.2	295.7	0.5	13.27	v.g.	EG
and	347.5	348.0	0.5	2.98		BR
and	357.9	358.4	0.5	1.60		BR
and	365.0	365.5	0.5	0.58		BR
and	369.5	371.5	2.0	4.00		BR
and	374.5	375.0	0.5	0.64		BR
and	385.0	385.8	0.8	0.92		BR
and	389.9	393.7	3.8	24.34		BR
including	391.5	392.5	1.0	86.48		BR
and	397.0	398.0	1.0	0.69		BR
and	411.2	412.7	1.5	1.39		BR
and	473.5	478.0	4.5	0.64		BR
including	477.6	478.0	0.4	3.65		BR
and	487.0	487.5	0.5	0.57		BR
and	488.5	489.5	1.0	0.56		BR
and	502.5	503.0	0.5	3.10	v.g.	BR
and	519.2	519.8	0.6	1.06		BR
BR-17-07	219.5	220.0	0.5	1.18		EG
and	245.9	246.4	0.5	0.29		EG
and	313.4	313.9	0.5	1.56		EG
and						

329.0

329.6

0.6

2.14

EG

and	351.6	352.1	0.5	0.71		EG
and	358.7	359.2	0.5	0.72		EG
and	378.9	381.9	3.0	1.21		EG
including	381.4	381.9	0.5	4.15		EG
and	384.9	385.6	0.7	2.47		EG
and	386.6	388.1	1.5	1.08		EG
and	407.0	407.5	0.5	0.79		EG
and	449.2	449.7	0.5	1.13		EG
and	547.9	548.5	0.6	0.94		EG
and	556.5	557.0	0.5	1.08		BR
BR-17-08	142.0	143.0	1.0	3.32		EG
and	146.5	147.0	0.5	1.54		EG
and	148.5	149.0	0.5	1.08		EG
and	154.2	155.2	1.0	2.68		EG
and	243.1	244.1	1.0	0.39		EG
and	248.7	250.2	1.5	1.02		EG
and	259.0	260.0	1.0	31.56		EG
and	279.2	280.8	1.6	2.84		BR
and	283.2	284.2	1.0	0.69		BR
and	285.0	286.0	1.0	0.79		BR
and	291.3	293.0	1.7	1.33		BR
and	293.8	297.0	3.2	9.12		BR
including	296.0	296.5	0.5	53.02		BR
and	299.0	299.5	0.5	0.94		BR
and	303.0	315.0	12.0	1.50	v.g.	BR
and	306.5	310.4	3.9	3.07	v.g.	BR
and	313.5	314.0	0.5	1.73		BR
and	314.5	315.0	0.5	0.94		BR
and	338.7	342.0	3.3	0.56		BR
BR-17-09	18.5	20.0	1.5	2.52		EG
and	37.0	37.5	0.5	1.66		EG
and						

62.4

63.4

1.0

0.69

EG

and	71.7	73.2	1.5	3.82		EG
including	72.2	73.2	1.0	4.83		EG
and	82.0	85.5	3.5	34.70		EG
including	84.5	85.5	1.0	119.66		EG
and	92.1	94.6	2.5	1.09		EG
and	147.5	148.0	0.5	4.81		EG
and	165.0	167.6	2.6	1.59		EG
including	165.0	166.1	1.1	3.39		EG
and	167.1	167.6	0.5	0.60		EG
and	187.7	188.7	1.0	0.39		EG
and	215.7	216.7	1.0	1.37		EG
and	219.4	220.0	0.6	1.27		EG
and	232.0	233.5	1.5	28.11		BR
including	232.0	233.0	1.0	41.75		BR
and	241.0	241.5	0.5	0.78		BR
and	244.0	245.1	1.1	0.56		BR
and	284.0	284.5	0.5	1.80		BR
and	285.5	290.4	4.9	6.94	v.g.	BR
including	285.5	287.0	1.5	12.26	v.g.	BR
and	289.5	290.4	0.9	16.09		BR
and	293.2	293.7	0.5	0.46		BR
and	295.7	297.1	1.4	0.52		BR
BR-17-10	66.0	66.5	0.5	1.13		EG
and	69.6	70.1	0.5	17.68	v.g.	EG
and	81.0	86.5	5.5	0.78	v.g.	EG
and	106.2	107.0	0.8	0.82		EG
and	108.0	110.5	2.5	2.12		EG
and	114.0	117.0	3.0	1.21		EG
and	122.0	125.5	0.5	2.40	v.g.	EG

This news release has been reviewed and approved by Paul McNeill, P. Geo., VP Exploration with Anaconda Mining Inc., a "Qualified Person", under National Instrument 43-101 Standard for Disclosure for Mineral Projects.

All samples and the resultant composites refered to in this release are collected using QA/QC protocols including the regular insertion of standards and blanks within the sample batch for analysis and check assays of select samples. All samples quoted in this release were analyzed at Eastern Analytical Ltd. in Springdale, NL, for Au by fire assay (30g) with an AA finish.

Samples analyzing greater than 0.5 g/t Au via 30 g fire assay were re-analyzed at Eastern Analytical Ltd. Via total pulp metallic. For the total pulp metallic analysis, the entire sample is crushed to -10mesh and pulverized to 95% -150mesh. The total sample is then weighed and screened to 150mesh. The +150mesh fraction is fire assayed for Au, and a 30g subsample of the -150mesh fraction analyzed via fire assay. A weighted average gold grade is calculated for the final reportable gold grade. Anaconda considers total pulp metallic analysis to be more representative than 30 g fire assay in coarse gold systems such as the Goldboro deposit.

Mineralized intervals are reported as drill intersections and are apparent widths only. Apparent widths reported in holes BR-17-06 to 10 are estimated to be approximately 50-100% of true widths. All historic drill intercepts are reported as core length only.

A version of this press release will be available in French on Anaconda's website (www.anacondamining.com) in two to three business days.

ABOUT ANACONDA MINING INC.

Anaconda is a TSX-listed gold mining, exploration and development company, focused in the prospective Atlantic Canadian jurisdictions of Newfoundland and Nova Scotia. The Company operates the Point Rousse Project located in the Baie Verte Mining District in Newfoundland, comprised of the Pine Cove open pit mine, the fully-permitted Pine Cove Mill and tailings facility, the Stog'er Tight and Argyle deposits, and approximately 5,800 hectares of prospective gold-bearing property. Anaconda is also developing the recently acquired Goldboro Project in Nova Scotia, a high-grade Mineral Resource, with the potential to leverage existing infrastructure at the Company's Point Rousse Project.

The Company also has a pipeline of organic growth opportunities, including the Great Northern Project on the Northern Peninsula and the Tilt Cove Property on the Baie Verte Peninsula.

FORWARD-LOOKING STATEMENTS

This news release contains "forward-looking information" within the meaning of applicable Canadian and United States securities legislation. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects", or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "does not anticipate", or "believes" or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might", or "will be taken", "occur", or "be achieved". Forward-looking information is based on the opinions and estimates of management at the date the information is made, and is based on a number of assumptions and is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Anaconda to be materially different from those expressed or implied by such forward-looking information, including risks associated with the exploration, development and mining such as economic factors as they effect exploration, future commodity prices, changes in foreign exchange and interest rates, actual results of current production, development and exploration activities, government regulation, political or economic developments, environmental risks, permitting timelines, capital expenditures, operating or technical difficulties in connection with development activities, employee relations, the speculative nature of gold exploration and development, including the risks of diminishing quantities of grades of resources, contests over title to properties, and changes in project parameters as plans continue to be refined as well as those risk factors discussed in Anaconda's annual information form for the year ended May 31, 2017, available on www.sedar.com. Although Anaconda has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. Anaconda does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

SOURCE Anaconda Mining Inc.

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