Brazilian Gold Identifies Widespread Near Surface Free Dig Oxide Gold Mineralization on Its Surubim Project, Tapajos Region, Brazil

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Vancouver, British Columbia CANADA, January 28, 2013 /FSC/ - Brazilian Gold Corporation (BGC - TSX Venture), is pleased to provide an update of its ongoing exploration program at the Patoa, Tucunare, Colonia North, Colonia Central and Colonia South targets, which are located within the Surubim project area. The Surubim project has excellent potential to host significant surface oxide gold mineralization as well as related large tonnage, low grade disseminated and stockwork primary mineralization. The primary mineralization is similar in style to the Company's flagship Sao Jorge project located to the northeast.

Highlights

- Oxide Mineralization:

o Oxide mineralization up to 60 m thick as defined by diamond drilling (48 holes in 7,968 m).

o Auger drilling (124 holes) has outlined oxide mineralization with an average grade of 0.75 g/t gold to an average depth of 8.1 m below surface over an area of +200,000 m2 at two targets (Patoa and Tucunare).

o Colonia is partially mined or overlain by waste dumps from artisanal miners (garimpeiros) and will further add to the known oxide mineralization when effectively drilled by a reverse circulation or a diamond drill rig.

o Less than 20% of the entire oxide thickness at Patoa and Tucunare targets tested to date due to the depth limitation of the auger drill.

o Several anomalous auger holes outside of the known targets require follow-up drilling to determine the extents of the oxide mineralization and test for underlying primary mineralization.

o Less than 15% of the 12 km2 gold-in-soil anomaly tested by auger drilling to date.

o Potential to expand the limits of oxide mineralization laterally and to depth as well as identify new areas of mineralization with reverse circulation drill program.

o Oxide mineralization amenable to low cost mining and processing.

- Primary Mineralization:

o Diamond drilling has intersected multiple mineralized lenses up to 40 m thick at Patoa, Tucunare and Colonia with cumulative thicknesses up to 60 m.

o Diamond drill intersections (30 holes) from Patoa, Tucunare and Colonia targets average 1.03 g/t gold over 26.1 m at an approximate 0.3 g/t cut-off.

o Primary mineralization is open at depth and along strike.

o High potential to identify primary gold mineralization along major northwest and east-west trending lineaments that have been the focus of garimpeiro mining in the past, but have not seen drilling to date.

o High potential to identify new areas of primary mineralization as drill programs step out from existing targets.

- Metallurgy:

o Preliminary metallurgical testwork undertaken by Brazilian Gold indicates low-cost gravity concentration

may be a suitable processing method to recover a significant amount of the oxide gold.

Ian Stalker, CEO of Brazilian Gold commented, "As we have incorporated the new drill results into our database and assimilated historic geological work completed on the project, our understanding of the project has increased substantially from a year ago. This work has identified large areas of surface oxide mineralization that could lend itself to low-cost, highly productive open pit mining with the potential for the bulk of the gold to be recovered by a simplistic gravity recovery plant.

Primary mineralization has been intersected in a number of east-west structures below the oxide mineralization and is thought to be the source of the oxide mineralization. The primary mineralization has only been drill tested to a depth of 150 m to date and has the potential to be a substantial resource in itself.

Excitingly, most of the mineralization identified to date remains open for further exploration and resource expansion."

Project Update

Exploration programs completed on the Patoa, Tucunare, Colonia targets (Surubim project) includes soil geochemistry, geophysics, auger drilling (511 holes in 5,863 m), and diamond drilling (48 holes in 7,968 m).

Soil sampling has outlined a large gold-in-soil anomaly that is over 12 km2 in area as defined by the 25 ppb gold contour. The anomaly is bound to the east by a major northwest trending lineament and to the north and south by east-west lineaments along which artisanal workers (garimpeiros) have mined alluvial and lateritic gold. Similar east-west trending lineaments host the gold mineralization at Patoa, Tucunare, Colonia North, Colonia Central and Colonia South as well as other targets on the property and are interpreted to be dilational fracture zones associated with the northwest trending shear zone. Surface disturbances (open pits and waste piles) by garimpeiro mining has prevented soil sampling and auger drilling along the larger east-west fractures zones as well as the northwest trending shear zone, however they have a high potential to host gold mineralization.

Auger drilling by the previous operator (Solitario Exploration and Royalty Corp.) and more recent work by Brazilian Gold tested a number of soil and geophysical anomalies including the Patoa, Tucunare, Colonia North, Colonia Central, and Colonia South, as well as other nearby targets. Diamond drilling of these anomalies has intersected primary mineralization beneath the widespread surface oxide gold mineralization identified in the auger program. Auger drilling has only tested the top 20% of the oxide profile. A drill with the capacity to test the entire laterite profile is required to determine the full potential of the oxide mineralization.

Patoa Target

Auger drilling (113 holes) completed along north-south sections spaced approximately 50 m apart and across the surface projection of the Patoa mineralization tested the top several metres of the oxide (laterite) profile that averages 45 m in thickness (Table 1). Sixty-seven of the 113 auger holes had a composite grade of greater than 0.1 g/t gold and the average grade and thickness of these composites was 0.30 g/t gold over 8.76 m. It is important to note that only the top 20% of the oxide (laterite) was tested by the auger drilling due to the depth limitation of the drill. The lateral extent of the oxide mineralization at Patoa is unknown, however drilling to date has outlined oxide mineralization over an area of 180,000 m2.

Table 1: Patoa target: selected auger drill intersections*.

Hole ID	Target	From(m)	To(m)	Length(m)	Gold(g/t)
SBA-104	Patoa	0.00	14.00	14.00	0.553
SBA-130	Patoa	0.00	10.00	10.00	1.276
SBA-139	Patoa	0.00	12.00	12.00	0.473
SBA-223	Patoa	0.00	12.00	12.00	0.423
SBA-228	Patoa	0.00	10.00	10.00	0.513
SBA-31	Patoa	4.00	17.40	13.40	0.443
SBB-30	Patoa	0.00	16.00	16.00	1.620
SBC-05	Patoa	0.00	14.00	14.00	0.464
SBD-02	Patoa	0.00	14.00	14.00	0.433
SBD-03	Patoa	0.00	18.00	18.00	0.698
SBD-102	Patoa	2.00	6.00	4.00	0.848
SBD-103	Patoa	0.00	6.00	6.00	0.397
SBD-98	Patoa	0.00	12.00	12.00	0.456

**Auger drill results from Solitario Exploration and Royalty Corp.'s historic programs were not verified by Brazilian Gold against the original assay certificates or reviewed for QA-QC, and while Brazilian Gold believe the samples were collected and analyzed to industry standards, the reader is cautioned that they should not rely on these results.*

Diamond drilling (19 holes) completed on north-south sections spaced approximately 100 m apart intersected primary gold mineralization in several parallel lenses (3) over a strike length of 1,000 m. The mineralized lenses are up to 40 m thick, separated by 15 to 30 m of altered granite and have been intersected up to a depth of 150 m below surface. The mineralized zone strikes east-west and has a vertical dip, and is coincident with a magnetic low. Fourteen of the 19 diamond drill holes had composite intervals that grade greater than 0.3 g/t gold and the average grade and thickness of these composites was 0.89 g/t gold over 25.65 m; the mineralization is open along strike and at depth.

Tucunare Target

Auger drilling (86 holes) completed along north-south sections spaced approximately 50 m apart and across the surface projection of the Tucunare mineralization tested the top several metres of the oxide (laterite) profile that averages 31 m in thickness (Table 2). Fifty-seven of the 86 auger holes had a composite grade of greater than 0.1 g/t gold and the average grade and thickness of these composites was 1.338 g/t gold over 7.18 m with several intervals grading several grams per tonne gold. Similar to the Patoa target, the lateral extent of the oxide mineralization at Tucunare South is unknown, however drilling to date has outlined oxide mineralization over an area of 20,000 m2.

Table 2: Tucunare target: selected auger drill intersections.**

Hole ID	Target	From(m)	To(m)	Length(m)	Gold(g/t)
SBA-119	Tucunare South	2.00	12.00	8.00	0.566
SBA-186	Tucunare South	0.00	7.00	14.00	0.708
SBD-117	Tucunare South	0.00	10.00	10.00	0.569
SBD-119	Tucunare South	0.00	6.00	6.00	0.966
SBD-130	Tucunare South	0.00	8.00	8.00	1.267
SBD-131	Tucunare South	0.00	10.00	10.00	26.031
SBD-29	Tucunare South	0.00	11.00	11.00	0.823
SBD-30	Tucunare South	0.00	12.00	12.00	1.455
SBD-33	Tucunare South	0.00	10.00	10.00	0.409
SBD-39	Tucunare South	0.00	4.00	4.00	0.636
SBD-42	Tucunare South	0.00	8.90	8.90	5.967
SBD-43	Tucunare South	0.00	4.00	4.00	0.555
SBD-45	Tucunare South	0.00	14.00	14.00	0.512
SBD-47	Tucunare South	0.00	9.40	9.40	2.081
SBD-48	Tucunare South	0.00	16.00	6.00	0.983
SBD-49	Tucunare South	0.00	11.00	11.00	5.029
SBD-50	Tucunare South	0.00	14.00	14.00	0.901
SBD-56	Tucunare South	0.00	5.00	5.00	0.460

*** Auger drill results from Solitario Exploration and Royalty Corp.'s historic programs were not verified by Brazilian Gold against the original assay certificates or reviewed for QA-QC, and while Brazilian Gold believe the samples were collected and analyzed to industry standards, the reader is cautioned that they should not rely on these results.*

Diamond drilling (8 holes) completed on north-south sections over a 500 m strike length intersected primary gold mineralization in two parallel lenses; five of the holes are confined to the eastern 100 m of the anomaly. The mineralized lenses are up to 15 m thick, separated by 15 to 20 m of altered granite and have been intersected up to a depth of 150 m below surface. Four of the 8 diamond drill holes had composite intervals that graded greater than 0.3 g/t gold and the average grade and thickness of these composites was 0.98 g/t gold over 11.54 m; the mineralization is open along strike to the east and at depth.

Colonia North Target

Limited auger drilling (27 holes) was completed on the Colonia North target because of surface disturbance (open pits and waste piles) cause by garimpeiro mining; auger drilling was mostly completed north of the surface projection of the mineralization. The auger holes were completed along north-south sections spaced approximately 100 m apart and tested the top several metres of the oxide (laterite) profile that averages 27 m in thickness. Seven of the 27 auger holes had a composite grade of greater than 0.1 g/t gold and the average grade and thickness of these composites was 0.25 g/t gold over 4.57 m. Similar to the Patoa and Tucunare targets, only the top 20% of the oxide (laterite) was tested by the auger drilling due to the depth limitation of the drill.

Diamond drilling (8 holes) completed on north-south sections over a 350 m strike length intersected primary

gold mineralization in one lens. The mineralized lens is up to 25 m thick and has been drilled to a depth of 170 m; the mineralized lens strikes east-west and dips steeply south. Seven of the 8 diamond drill holes had composite intervals that graded greater than 0.3 g/t gold and the average grade of these composites was 1.38 g/t gold over 14.24 m; the mineralization is open along strike and at depth.

Colonia Central Target

Auger drilling was not completed in this area because of the surface disturbances (open pits and waste piles) caused by garimpeiro mining. One diamond drill hole was completed to test a weak chargeability anomaly; the hole intersected 1.80 g/t gold over 6.84 m.

Colonia South Target

Limited auger drilling (29 holes) was completed on the Colonia target and most of this was located west and south of the surface projection of the primary mineralization identified in the diamond drill holes because of surface disturbances (open pits and waste piles) caused by garimpeiro mining. The auger holes were completed along north-south sections spaced 50 to 100 m apart and tested the top several metres of the oxide (laterite) profile that averages 70 m in thickness. Eight of the 29 auger holes had a composite grade of greater than 0.1 g/t gold and the average grade of these composites was 0.21 g/t gold over 5.50 m. Similar to the Patoa and Tucunare targets, only the top 20% of the oxide (laterite) was tested by auger drilling due to the depth limitation of the drill.

Diamond drilling (4 holes) completed on north-south sections over a 200 m strike length intersected primary gold mineralization in two parallel lenses. The mineralized lenses are up to 40 m thick, separated by 40 to 80 m of altered granite and have been intersected up to a depth of 200 m below surface. All 4 of the diamond drill holes had composite intervals that graded greater than 0.3 g/t gold and the average grade of these composites was 1.20 g/t gold over 22.00 m. The drilling targeted a weak chargeability anomaly that trends east-west and is over 800 m long.

Laboratory Procedures

Auger and diamond drilling completed by Brazilian Gold is mostly sampled at 3 m or smaller intervals. Auger samples are coned and quartered, and a split is dispatched to Acme Laboratories Ltd.'s sample preparation facility in Itaituba, Brazil, where the sample is dried, crushed, split and pulverized to 200 mesh; the remaining sample is archived. For diamond drill holes, the core is cut in half using a diamond saw and one half of the sample is archived and the other half is dispatched to Acme Analytical Laboratories Ltd.'s sample preparation facility in Itaituba, Brazil, where the sample is crushed, split and pulverized to 200 mesh. The auger and diamond drill pulps are shipped to Santiago, Chile or Vancouver, Canada for gold fire assay. Acme Analytical Laboratories Ltd. is an internationally certified ISO 9001 laboratory.

Auger and diamond drill assay results from Solitario Exploration and Royalty Corp.'s historic exploration programs were not verified by Brazilian Gold against the original assay certificates or reviewed for QA-QC, and while Brazilian Gold believes the samples were collected and analyzed to industry standards, the reader is cautioned that they should not rely on these results.

Garnet Dawson, M.Sc., P.Geo. (British Columbia), Vice President, Exploration for the Company and a Qualified Person, as defined by National Instrument 43-101, has reviewed and approved the technical disclosure contained in this News Release.

About Brazilian Gold Corporation

Brazilian Gold has a resource inventory of 715,000 ounces of gold grading 1.54 g/t gold in the indicated category and 1,921,000 ounces of gold grading 1.00 g/t gold in the inferred category at a 0.3 g/t cut-off that is hosted in three deposits (Table 3).

Table 3: Brazilian Gold 2013 global resource at a 0.3 g/t gold cut-off.

Project	Deposit	Classification	Cut-off Grade (g/t)	Tonnage	Grade (g/t)	Ounces
Sao Jorge	Sao Jorge	Indicated	0.3	14,420,000	1.54	715,000
		Inferred	0.3	28,190,000	1.14	1,035,000
Surubim	Jau	Inferred	0.3	19,440,000	0.81	503,000
Boa Vista	VG1	Inferred	0.3	12,130,000	0.98	383,000
	All deposits	Indicated		14,420,000	1.54	715,000
	All deposits	Inferred		59,760,000	1.00	1,921,000

Brazilian Gold is a Canadian-based public company with a focus on the acquisition, exploration and development of mineral properties in northern Brazil. The Company has title to one of the largest land packages (+4,000 km2) in the Tapajos and adjacent Alta Floresta gold provinces. The land package contains green fields to more advance stage projects including the Company's flagship Sao Jorge project. Rapid improvements to regional infrastructure continue to provide underlying support to Brazilian Gold's activities in northern Brazil.

For further information:

Brazilian Gold Corporation
Ian (John) Stalker, CEO and Director
Joanne Yan, President and Director
Tel: +1 604 602-8188

Some statements in this news release contain forward-looking information, including without limitation statements as to planned expenditures and exploration programs. These statements address future events and conditions and, as such, involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the statements. Such factors include without limitation the completion of planned expenditures, the ability to complete exploration programs on schedule and the success of exploration programs.

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