

# Deveron Resources Ltd. Options Zinc/Graphite Property from Greencastle

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TORONTO, Oct. 29, 2014 - [Deveron Resources Ltd.](#) (TSX VENTURE:DVR) ("Deveron" or "the Company"), is pleased to report that the Company has entered into a letter agreement with [Greencastle Resources Ltd.](#) (TSX VENTURE:VGN) ("Greencastle") relating to Greencastle's Rockstone Zinc / Graphite property some 40 km west of Thunder Bay, in north-west Ontario.

Under the terms of the agreement, Deveron will pay total cash considerations of \$150,000 and incur \$2,000,000 in exploration expenditures over a three year period to earn a 60% interest in the property. Deveron can elect to earn 100% interest in the property by incurring all expenditures required to produce a bankable feasibility study, subject to Greencastle retaining a 3% net smelter return royalty. The transaction is subject to the approval of the TSX Venture Exchange and the parties entering into a definitive option agreement.

The Rockstone property covers a number of geophysical anomalies generated from an earlier, more extensive airborne electromagnetic (VTEM) survey covering an area of some 270 square kilometres. Rock outcrop on the property is sparse but the geology is interpreted to be typical Archean greenstone belt rocks comprising mafic to felsic metavolcanics with iron formation and clastic metasediments. Earlier geochemical exploration work in the general area, including till and humus sampling, outlined broad areas which are anomalous in zinc.

In 2012, Greencastle carried out an initial four hole drill program to test four separate conductive targets for the presence of base metal massive sulphides and provide information from which to further interpret the large number of geophysical anomalies in the database. All the holes intersected a sequence of intermediate to felsic pyroclastic volcanic rocks and metasediments containing common stringers and disseminations of pyrite and pyrrhotite with locally minor chalcopyrite and sphalerite. In addition, some sections of the metasediments contain significant amounts of graphitic argillite, and graphite is also commonly observed coating planar surfaces in varying amounts throughout most rock types. The combination of graphite-rich zones and pyrite-pyrrhotite stringer zones in the volcanic stratigraphy targeted by the drilling could explain the airborne geophysical anomalies tested to date.

As Greencastle reported in August 2012, at the Rockstone property, drill-testing was completed on 4 separate airborne electromagnetic (VTEM) anomalies. The anomalies are located several kilometres east, but in the same sequence of volcanic and sedimentary rocks where boulders of zinc-rich base metal mineralization were discovered in Aldina Township in the 1990s. No significant gold and silver values were returned in this drill program, but in one hole, one section of 24 metres containing 1% combined Zn+Cu was noted within a graphitic argillite unit. This intersection is one of the more encouraging found in this sequence of Archean greenstone rocks over the last decade. In September 2012, a crew carried out a down-hole pulse EM survey on each of the four drill holes and identified several anomalous conductive features which are currently being re-evaluated for further exploration.

Current models of Archean, base metal massive sulphide deposition suggest low grade intersections of zinc and copper may be deposited as distal products from a more active and vigorous base metal depositional site in the general area. The next proposed phase of exploration would be to drill test some of the large number of nearby conductive geophysical anomalies as well as any down-hole pulse EM targets selected following the detailed re-evaluation.

In addition to the base metal exploration, Deveron plans to follow up on the graphite potential on the property. Re-assay of the intersection containing 1% Zn+Cu over 24 m returned 25% carbon as graphite, using the graphitic carbon by LECO analytical procedure. Currently, preliminary metallurgical work is underway to identify the nature of the graphite and whether it can be processed to form an acceptable concentrate.

"Previous drilling has highlighted encouraging values of zinc and copper as well as high grade graphite." commented Deveron's President & CEO, James Pirie. "As a company focused on providing resource investors with the potential to make new discoveries, we look forward to following up on these significant targets."

In connection with the property option, Greencastle Resources Ltd. has also loaned Deveron \$200,000,

which bears interest at prime plus two percent (2%) and is due on demand. As security for the loan Deveron has granted Greencastle a security interest over all of its assets and undertakings.

Greencastle is a significant shareholder of Deveron, owning 7,756,005 common shares of Deveron representing approximately 65.8% of the outstanding common shares of Deveron. As a result, both the option of the Rockstone property and the loan are considered related party transactions. Deveron is relying on exemptions from the valuation requirements of Multilateral Instrument 61-101 based on the fact that the common shares of Deveron are listed on the TSXV. Deveron is relying on exemptions from the minority shareholder approval for the loan based on the fact that the loan was obtained on reasonable commercial terms that are not less advantageous to Deveron than if the loan had been obtained from an arm's length lender and the value of the loan represents less than 25% of Deveron's market capitalization. Deveron is relying on exemptions from the minority shareholder approval for the option of the Rockstone property based on the fact that the value of the consideration represents less than 25% of Deveron's market capitalization.

#### Analytical Protocol

Sample pulps which were previously prepared for base and precious metal assays were shipped to the ALS Minerals laboratory in Vancouver, British Columbia for assay. ALS Minerals has ISO 9001:2008 and ISO 17025 Accreditation as per the Standards Council of Canada at all of its global laboratories. Graphite assays were obtained using the graphitic carbon by LECO method (ALS protocol C-IR18). A 0.1g sample is leached with dilute hydrochloric acid to remove inorganic carbon (carbonate). After filtering, washing and drying, the remaining sample residue is roasted at 425°C to remove any organic carbon. The roasted residue is finally analysed for graphitic carbon using a high temperature LECO furnace with infra-red detection. The Company relied on the ALS Minerals internal QA/QC procedures for these sample analyses.

#### Options

In addition, the Company announces that it has granted 125,000 stock options to a director, pursuant to the Company's stock option plan at an exercise price of \$0.25 per share, expiring on October 16, 2017. This stock option grant is subject to approval by the TSX Venture Exchange.

#### About Deveron Resources Ltd.

Deveron Resources is a closely held exploration company focused on making new resource discoveries. It is listed on the TSX-V. The Company is looking to leverage adverse market conditions to provide shareholders with opportunities to make resource discoveries in pro-mining jurisdictions.

All technical information in this press release has been reviewed and approved by James Pirie, P. Eng. who is a Qualified Person ("QP") under National Instrument 43-101.

For additional information, please visit [www.deveronresources.com](http://www.deveronresources.com).

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*This news release includes certain "forward-looking statements" within the meaning of that phrase under Canadian securities laws. Without limitation, statements regarding potential mineralization and resources, exploration results, and future plans and objectives of the Company are forward-looking statements that involve various degrees of risk. Forward-looking statements reflect management's current views with respect to possible future events and conditions and, by their nature, are based on management's beliefs and assumptions and subject to known and unknown risks and uncertainties, both general and specific to the Company. Although the Company believes the expectations expressed in such forward-looking statements are reasonable, such statements are not guarantees of future performance and actual results or developments may differ materially from those in our forward-looking statements. The following are important factors that could cause the Company's actual results to differ materially from those expressed or implied by such forward-looking statements: changes in the world wide price of commodities, general market conditions, risks inherent in exploration, risks associated with development, construction and mining operations, the uncertainty of future profitability and the uncertainty of access to additional capital. Additional information regarding the material factors and assumptions that were applied in making these forward-looking statements as well as the various risks and uncertainties we face are described in greater detail in the "Risk Factors" section of our annual and interim Management's Discussion and Analysis of our financial results and other continuous disclosure documents and financial statements we file with the Canadian securities regulatory authorities which are available at [www.sedar.com](http://www.sedar.com). The Company undertakes no obligation to*

*update this forward-looking information except as required by applicable law. The Company relies on litigation protection for forward-looking statements.*

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