

Shares Outstanding: 220,914,874

TORONTO, Aug. 14, 2015 /CNW/ - Aquila Resources Inc. (TSX: AQA) ("Aquila"), a development-stage company advancing the gold and zinc-rich Back Forty Project in Michigan's Upper Peninsula, announced that it has filed its second quarter financial results for the period ended June 30, 2015. All amounts, unless indicated, are reported in U.S. dollars.

## Q2 Corporate Highlights

- Filed a letter of intent with the Michigan Department of Environmental Quality ("MDEQ") to submit a permit application for its flagship Back Forty Project before year end 2015.
- Retained the services of Foth Infrastructure & Environment LLC, an engineering firm based in Green Bay, Wisconsin to assist with the preparation of permit applications.
- Retained SGS, an inspection, verification, testing and certification company, to complete comprehensive metallurgical test work at Back Forty. The test work will include ore variability assessment from ball milling. Results from the test work will be used for mine plan optimization in the Back Forty feasibility study.
- Strengthened the management team by appointing Stephanie Malec as Chief Financial Officer and Andrew Boushy as Vice President of Project Development. Ms. Malec brings more than 15 years of experience, combining accounting, financial reporting, public markets and mining sector work. Mr. Boushy has more than 25 years in the mining industry with extensive experience in capital project management as well as asset optimization.
- Repaid \$736,552 worth of debentures that had reached maturity.
- Shareholders elected Messrs. Mark Burridge, Peter Bradshaw, Andrew Dunn, Kevin Drover Stephen Fabian, Barry Hildred, and Edward Munden as Directors at the Company's Annual General Meeting held in Toronto on June 24, 2015.
- Elected Edward Munden as Lead Director.
- Improved cash of \$2.4 million and working capital of \$558,152 as at June 30, 2015. These compare with a cash balance of \$461,175 and negative working capital of \$1.4 million at December 31, 2014. The balance sheet improvement is due to a multi-level transaction completed with Orion at the end of Q1 2015 with a total value of \$20.75 million. The transaction included a private placement and a silver purchase agreement. Concurrent with the transaction, the Company repurchased royalties associated with Back Forty from Hudbay Minerals and Vale Exploration USA for a total cash consideration of US\$5 million.

## Highlights Subsequent to Quarter End

- Received a second tranche from its transaction with Orion totaling \$1.35 million.

## Outlook

"Backed by a strengthened balance sheet, our primary focus in the second half of 2015 will be to work collaboratively with local stakeholders and government officials to prepare and submit a mine permit application that is fully compliant with Michigan's environmental regulations," said Barry Hildred, CEO of Aquila Resources. "In parallel with our development activities at Back Forty, we will continue to identify near-mine exploration targets with potential for resource expansion. We are currently conducting fieldwork on an adjacent land package to support a targeted drill program in Q3."

The targeted exploration program, which will begin September 2015, will consist of up to a maximum 1,000 metres of diamond drilling close to the known mineralization.

Aquila anticipates starting work on a feasibility study for the Back Forty project by the end of the current year with expected completion in the latter half of 2016. The Company has engaged subject matter consultants to provide various services related to the planning of the study.

Aquila's Management Discussion and Analysis, and Financial Statements for Q2 are available on the Company's website and on SEDAR at [www.sedar.com](http://www.sedar.com).

## Qualified Professional

Thomas O. Quigley, Vice President of Exploration, is the Qualified Person for Aquila Resources as described in National Instrument 43-101.

## About Aquila Resources

[Aquila Resources Inc.](http://www.aquilaresources.com) (TSX: AQA) is a development-stage company with assets in the Great Lakes Region including its 100%-owned gold- and zinc-rich Back Forty Project in Michigan's Upper Peninsula.

The Toronto Stock Exchange neither approves nor disapproves the information contained in this News Release. Neither the

TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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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