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TORONTO, Nov. 13, 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 third quarter financial results for the period ended September 30, 2015. All amounts, unless indicated, are reported in U.S. dollars.

Q3 Corporate Highlights:

- Received a payment totaling \$1.35 million from Orion Mine Finance stemming from the financing agreement closed in March 2015.
- Advanced the Mine Permit Application for the Company's Back Forty Project in collaboration with Foth Infrastructure and Environment, an engineering firm based in Green Bay, Wisconsin. Subsequent to quarter-end, the Company submitted its Mine Permit Application with the Michigan Department of Environmental Quality ("MDEQ").
- Commissioned the University of Minnesota to complete a study examining the economic impact and benefits that development of Back Forty will have on Michigan's Upper Peninsula and Menominee County in particular.
- Identified near-mine exploration targets and prepared drill hole locations in advance of a fourth quarter drilling program consisting of up to 1,000 meters. The drill program includes step out drilling to add to the underground resource. Back Forty Project is a volcanogenic massive sulfide (VMS) deposit located along the mineral-rich Penokean Volcanic Belt in Michigan's Upper Peninsula. VMS deposits often appear in clusters.
- Engaged SGS Lakefield to begin a comprehensive metallurgical test-work program that included additional metallurgical drilling on site. The metallurgical test-work program will also be used in the development of the feasibility study for Back Forty.
- Launched a concentrate marketing study that will be used for metallurgical design work as well as with the development of the Company's feasibility study for Back Forty.
- At September 30, 2015, Aquila had cash of \$1.2 million and a working capital deficit of \$1.0 million. These compare to cash of \$461,175 and a working capital deficit of \$1.4 million at December 31, 2014. The increase in cash and improvement in working capital is a direct result of the \$20.75 million multi-level financing agreement that the company completed with Orion Mine Finance in March 2015. As at September 30, Aquila had received \$11.35 million from Orion, the balance of which will be paid upon the successful completion of specific milestones, including the submission of an administratively complete mine permit application.

Highlights Subsequent to Quarter End

- Received a cash advance totaling \$1.5 million from Orion.
- Initiated plans to begin development of a feasibility study, including the engagement of expert consultants that will assist in the Study's preparation. Aquila expects that the feasibility study, which will update Back Forty's economics, will be completed in the second half of 2016.

Outlook

"Our third quarter was among our busiest ever," said Barry Hildred, CEO of Aquila Resources. "While our primary efforts focused on completing our Mine Permit Application that was recently submitted to the MDEQ, we also commenced two drill programs; one to support metallurgical test-work and one designed to increase the long-term potential of the resource."

Mr. Hildred added, "In the future, we will continue to support our permitting activities through community outreach and town hall sessions where we will present information about Back Forty and its economic benefits, including job creation, to Michigan's Upper Peninsula. We will also share details on how our mine development plan is fully compliant with all of Michigan's environmental regulations for air, water, wetland, and archaeological resource."

Aquila's Management Discussion and Analysis, and Financial Statements for Q3 are available on the Company's website and on SEDAR at 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 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 July 2014, Back Forty demonstrated strong economics with a pre-tax NPV of \$282 million and a pre-tax IRR of 38.8% based on mining 16.1M tonnes of mineralized material 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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