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TORONTO, Feb. 21, 2017 /CNW/ - Aquila Resources Inc. (TSX: AQA) ("Aquila"), a permitting-stage company, today announced the start of a 4,600 meter winter drilling program designed to expand known resources at its zinc- and gold-rich Back Forty project located in Michigan's Upper Peninsula, and convert current inferred resources into measured and indicated categories.

The drill program will consist of two diamond drills. One drill will focus on infill and step out drilling on the known resource at Back Forty. The other drill will target geophysical targets peripheral to the Back Forty deposit as well as expansion drilling on the new mineralized zone discovered in 2016 (see Aquila's press release dated September 27, 2016.)

The focus of the infill and step out program is to expand known resources associated with potential underground mining as well as to convert inferred resources into measured and indicated categories. Drilling will target the southwest extension of the Pinwheel massive sulfide zone as well as Main zone and Deep zone massive sulfide and gold mineralization.

Exploration drilling will target strong electromagnetic and gravity anomalies south of the Back Forty deposit and will further define and expand the new zone of massive sulfide discovered in 2016.

In addition to the planned drilling program, recently drilled geotechnical holes at Back Forty have intercepted inferred resources of the Pinwheel massive sulfide zone. These drill holes are currently in the process of being sampled and assayed.

Initial results from the planned drill program and the recently drilled geotechnical holes are expected in April, 2017.

The winter drilling program is consistent with the funding objectives of Aquila's recently completed private placement.

Qualified Person
This news release was reviewed and approved by Thomas O. Quigley, Vice President of Exploration and Senior Technical Advisor for the Back Forty Project. By virtue of his education, experience, and professional association, Mr. Quigley is considered a Qualified Person as defined under National Instrument 43-101. Information regarding data verification is provided in Aquila's annual information form dated March 30, 2016.

About Aquila Resources
Aquila Resources Inc. (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 September 2014, Back Forty demonstrated strong economics with a pre-tax NPV of $282 million ($210.8 million after-tax) and a pre-tax IRR of 38.8% (32% after-tax) based on mining 16.1M tonnes of measured, indicated, and inferred resources 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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