

Results include 11 meters of 20% zinc in hole GT-11 and 6.27 meters of 28.3 grams per tonne of gold in hole GT-12

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TORONTO, June 7, 2017 /CNW/ - Aquila Resources Inc. (TSX: AQA) ("Aquila"), a permitting-stage company, today announced the first round of drill results from its ongoing drill program at the Back Forty project in Michigan's Upper Peninsula. Ten drill holes have been completed to date and assay results presented below. The holes were targeting the Pinwheel, Deep Zone, and Main Zone massive sulfide outside of the proposed open pit, and were a combination of infill, step out, and geotechnical drilling.

Highlights from the drilling completed to date include:

- 1.3 grams/tonne (g/t) gold (Au), 13 g/t silver (Ag), 0.66% copper (Cu), 9.9 % zinc (Zn) over 4.99 meters* in GT-09
- 0.74 g/t Au, 9.3% Zn over 9 meters* and 1.6 g/t Au, 32 g/t Ag, 1.6% Cu over 20.9 meters* in GT-10
- 3.6 g/t Au, 35 g/t Ag, 10.07% Zn over 7.69 meters* and 0.96 g/t Au, 29 g/t Ag, 0.33% Cu, and 20% Zn over 11.4 meters* in GT-11
- 1.176 g/t Au, 5.19% Zn over 42.07 meters* and 11.65 g/t Au, 50 g/t Ag over 21.4 meters* in GT-12
- 1.33 g/t Au, 15 g/t Ag, 0.99% Cu over 45 meters* in LK-17-523

"These are impressive grades and thicknesses of mineralization encountered peripheral to, and underneath, the proposed open pit at Back Forty," stated Tom Quigley VP of Exploration. "The results illustrate the strong, polymetallic nature of the Back Forty deposit and will be incorporated into future resource calculations related to the evaluation of potential underground developments at the project."

Drilling is ongoing at the project, including drill testing of geophysical targets south of the known deposit, and follow up drilling on the newly discovered, 2016 Zone of massive sulfide mineralization (see press release dated September 27, 2016).

Significant intercepts from the first round of drilling are tabulated and described below.

Drill Hole	From	To	Interval*	Au	Ag	Cu	Pb	Zn
GT-08	m	m	m	g/t	g/t	%	%	%
	19.64	24.50	4.86	1.88	214	1.12	0.20	0.03
	63.00	78.70	15.70	0.88	21	0.54	0.02	0.36

Drill Hole	From	To	Interval*	Au	Ag	Cu	Pb	Zn
GT-09	m	m	m	g/t	g/t	%	%	%
	55.50	57.00	1.50	9.379	126	0.16	0.65	0.04
	59.51	64.50	4.99	1.319	13	0.66	0.17	9.99
	76.50	89.30	12.80	2.241	9	0.30	0.04	0.16

Drill Hole	From	To	Interval*	Au	Ag	Cu	Pb	Zn
GT-10	m	m	m	g/t	g/t	%	%	%
	50.20	59.24	9.04	0.740	8	0.20	0.33	9.31
Including	76.68	78.75	2.07	2.905	38	0.14	0.30	0.03
	114.23	128.00	13.77	1.381	14	0.04	0.08	3.82
Including	114.23	117.70	3.47	1.651	13	0.07	0.05	6.93
	159.60	190.00	30.40	1.497	29	1.23	0.01	0.32
Including	159.60	180.50	20.90	1.605	32	1.58	0.01	0.37

Drill Hole	From	To	Interval*	Au	Ag	Cu	Pb	Zn
GT-11	m	m	m	g/t	g/t	%	%	%
	42.31	50.00	7.69	3.627	35	0.12	0.12	10.07
	57.80	69.20	11.40	0.962	29	0.33	0.01	20.01
	80.50	82.57	2.07	6.643	15	0.10	0.22	0.08

Drill Hole	From	To	Interval*	Au	Ag	Cu	Pb	Zn
GT-12	m	m	m	g/t	g/t	%	%	%
	337.00	379.07	42.07	1.176	15	0.17	0.05	5.19
Including	342.00	365.50	23.50	0.725	11	0.08	0.02	7.50
	378.00	399.40	21.40	11.655	50	0.44	0.41	1.29
Including	379.07	385.34	6.27	28.333	60	0.51	0.64	3.24

Drill Hole	From	To	Interval*	Au	AgCu	Pb	Zn
LK-17-521	m	m	m	g/t	g/t %	%	%
	61.10	62.75	1.65	0.38177	0.06118	3.02	
	68.52	74.49	5.97	0.71953	0.18037	2.21	
	133.00	145.75	12.75	0.94910	0.29004	0.07	

Drill Hole	From	To	Interval*	Au	AgCu	Pb	Zn
LK-17-522	m	m	m	g/t	g/t %	%	%
	134.65	150.05	15.40	0.94310	0.26005	0.80	
Including	134.65	137.00	2.35	0.97535	0.29017	4.10	

Drill Hole	From	To	Interval*	Au	AgCu	Pb	Zn
LK-17-523	m	m	m	g/t	g/t %	%	%
	51.00	165.00	114.00	1.00614	0.61001	1.80	
Including	67.50	99.00	31.50	0.6819	0.28001	4.55	
	120.00	165.00	45.00	1.33315	0.99001	0.39	
Including	133.00	137.50	4.50	2.12622	2.07000	0.24	

Drill Hole	From	To	Interval*	Au	AgCu	Pb	Zn
LK-17-524	m	m	m	g/t	g/t %	%	%
	45.50	100.58	55.08	1.30413	0.49004	0.29	

Drill Hole	From	To	Interval*	Au	AgCu	Pb	Zn
LK-17-525	m	m	m	g/t	g/t %	%	%
	142.88	143.55	0.67	0.83832	0.04046	22.42	
	147.30	163.36	16.06	0.92112	0.46020	1.81	
Including	147.30	154.50	7.20	0.76619	0.59043	3.62	
	166.00	170.63	4.63	1.8308	0.21006	0.13	

*Interval is drilled thickness and does not represent true thickness. Estimated true thicknesses for individual holes are: GT-08 90%, GT-09 95%, GT-10 48% to 62%, GT-11 67%, GT-12 73%, LK-17-521 63%, LK-17-522 60%, LK-17-523 35%, LK-17-524 74%, LK-17-525 65%

Drill holes LK-17-521, LK-17-522, LK-17-523, LK-524, LK-17-525, GT-08, GT-09, GT-10, and GT-11 were testing the extension of the Pinwheel Zone massive sulfide to the west and southwest of the proposed open pit. The drilling was designed to infill and step out along the extension of the Pinwheel Zone (LK holes) as well as to assess the rock quality and stability of both the mineralized zones and host rocks (GT holes).

Gt-12 was a geotechnical hole drilled southwest of the proposed open pit and was directed at rock quality assessment for potential underground development associated with the Main Zone massive sulfide and related stringer mineralization located

approximately 200 meters below the open pit.

Quality Assurance and Quality Control

Exploration core drilling was NQ3 size. The core was logged and mineralized intersections were marked for sampling and assaying by geologists either employed or contracted by [Aquila Resources Inc.](#) The marked intersections were sampled by Aquila employed geo-technicians. Samples were sawn in half using a diamond core saw and one-half of the core was placed in a sample bags and tagged with unique sample numbers, while the remaining half was returned to the core box for storage. Each bagged core sample was transported to Minerals Processing Corporation's (of which Aquila's V.P. Exploration is a part owner) ISO /IEC 17025 Certified sample prep lab and assay laboratory in Carney, Michigan where it was dried, crushed and pulverized and a 250-gram sample was prepared and split, with one split for assaying at Bureau Veritas Mineral Laboratories USA – Inspectorate America Corporation, an ISO certified assaying/geochemistry facility in Sparks, Nevada. Some samples were assayed at the Minerals Processing Corporation lab, including pulp duplicates and over limits for gold and sulfur. Strict sampling and QA/QC protocol are followed, including the insertion of standards and blanks in the sample stream on a regular basis. Sample intervals are typically 1.5 meters in length. Analytical methods for gold are fire assay with atomic absorption finish and gravimetric finish for samples greater than 3.0 g/t gold. All other elements are analyzed by ICP with silver over limits (> 300 g/t) analyzed by fire assay/gravimetric finish and base metal over limits analyzed by AAS. Sulfur over limits were analyzed by LECO furnace.

Assay integrity is monitored internally with a quality control program, which includes the use of assay sample standards, blanks, duplicates and repeats, and externally through national and international programs. This news release provides core lengths and estimates of drilled thickness. True widths are estimates. Where metal assays are provided for intersections they are either a single assay of a sample of the entire intersection length or a composite of assays calculated from interval weighted assays over the intersection length.

Qualified Person

The scientific and technical information in 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.

ABOUT AQUILA RESOURCES

[Aquila Resources Inc.](#) (TSX: AQA) is a permitting-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 the proposed Offering.

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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