Cascabel Exploration Update - Ground Magnetics Survey Results and Future Survey Plans

21.06.2017 | GlobeNewswire

OTTAWA, June 21, 2017 - Cornerstone Capital Resources Inc. (“Cornerstone” or “the Company”) (TSXV:CGP) (Frankfurt:GWN) (Berlin:GWN) (OTC:CTNXF) announces the following project update for the Cascabel copper-gold porphyry joint venture exploration project in northern Ecuador.

Figures referred to in this news release can be seen in PDF format by accessing the version of this release on the Company’s website (www.cornerstoneresources.com) or by clicking on the link below: http://www.cornerstoneresources.com/i/pdf/NR17-18Figures.pdf.

HIGHLIGHTS:

- Ground magnetic survey results over Cascabel concession reveal exciting targets.

- Exceptionally high-quality product produced from 650km of total field data acquired at line spacing of 50m.

- The ground magnetic data have been processed using several different filtering tools to enhance gradients over a range of wavelengths / depths and improve the detection of structures (e.g., faults and fracture zones) and intrusions.

- Ongoing 3D modelling of the magnetic data will enable the direct detection and delineation of magnetite distribution. Initial results are expected soon.

- The planned Spartan-Orion hybrid induced polarisation survey will enable the direct detection and modelling of sulphides in 3D to in excess of 3km. This survey can be combined with existing drill-hole logs to construct improved 3D constrained geographical models.

- The increased sensitivity of the Spartan-Orion hybrid survey will allow for the production of improved structural and geological rock-type and mineralization maps.

FURTHER INFORMATION:

A ground magnetic survey has been recently completed over the Cascabel concession by Quantec Geoscience. In total, 650km of total-field magnetic data were acquired at a line spacing of 50m. This has produced an exceptionally high-quality product.

The ground magnetics data has been processed by a geophysical processing group that specializes in the development of filtering tools to improve the use of potential field data, such as magnetics and gravity, in mineral exploration targeting. These filters enhance gradients over a range of wavelengths / depths and improve the detection of structures (e.g., faults and fracture zones) and intrusions.

Reduced to the pole magnetic images (Figures 1 and 2) show several magnetic bodies to coincide with known copper-gold mineralization, such as at Aguiñaga, Tandayama – America, Moran, Parambas, Carmen, Alpala West and Alpala East. Structure detection filters applied to the reduced to the pole magnetic data indicates major north-westerly-, northerly- and north-easterly-trending gradients (Figure 3) that locally coincide with mineralized corridors recognized by SolGold geologists through the mapping of copper sulphide minerals, porphyry-related quartz veins and hydrothermal alteration.

The application of radial symmetry filters indicates the location of magnetic bodies at varying levels beneath surface, which have the potential to coincide with magnetite-bearing intrusions and zones of hydrothermal alteration associated with high-grade copper-gold mineralization. Figure 4 illustrates the distribution of magnetic bodies over multiple levels. Several of these bodies show a connection from near-surface to depths that exceed 750m, which is the approximate level that coincides with high-grade copper-gold mineralization associated with magnetite-rich quartz veins and hydrothermal alteration at Alpala. Target areas

characterized by magnetic bodies at multiple levels include Aguiñaga, Tandayama, Chinambicito and Carmen. Additional vertically-connected magnetic bodies occur:

(i) to the east of America;
(ii) northwest of Carmen;
(iii) southeast of Cristal; and
(iv) in the western and southwestern-portions of the concession.

These areas represent targets for exploration.

A major zone of magnetite-destruction occurs over much of the Alpala porphyry cluster (Figure 5). This zone of magnetite-destruction is related to intense hydrothermal (phyllic and advanced argillic) alteration that has converted the magnetite to pyrite and chalcopyrite from surface to depths of more than 750m, as determined from drilling. Below this depth, high-grade copper and gold mineralization occurs with magnetite-rich, hydrothermally altered intrusions that form the core of the Alpala deposit. The surface projection of the copper equivalent models for 0.7 % and 1.0 % coincide with the zone of magnetite-destruction, which suggests that similar high-grade mineralization may exist along strike in areas where magnetite-destructive alteration occurs. The significant amounts of chalcopyrite reported from quartz veins in CSD-17-024 at Alpala Southeast (see news release dated June 13, 2017) indicates that copper mineralization is related to the eastern margin of the zone of magnetite-destruction (Figure 5).

The newly acquired ground magnetic data may enable the direct detection of secondary magnetite associated with porphyry mineralization, while at the same time greatly aiding in the delineation of existing porphyry resources through detailed 3D inversion modelling. This modelling has commenced with initial products expected to be received by the end of June. Furthermore, this survey can be combined with existing drill-hole logs to construct improved 3D constrained models.

The planned Spartan-Orion hybrid, distributed IP/3DMT survey, which is scheduled to commence in early July and extend over a similar area as the ground magnetic survey, will enable detection and modelling of sulphides in 3D. Hydrothermal alteration will also be detected and modelled in 3D by Spartan EM to depths in excess of 3km. In combination with the ground magnetic data, this survey will allow the delineation and modelling of secondary magnetite associated with altered intrusions in the porphyry systems and assist exploration in the concession area.

About Cascabel:

Exploraciones Novomining S.A. (“ENSA”), an Ecuadorean company owned by SolGold Plc and Cornerstone, holds 100% of the Cascabel concession. Subject to the satisfaction of certain conditions, including SolGold’s fully funding the project through to feasibility, SolGold Plc will own 85% of the equity of ENSA and Cornerstone will own the remaining 15% of ENSA. SolGold Plc is funding 100% of the exploration at Cascabel and is the operator of the project.

Cascabel is in northwestern Ecuador in an under-explored northern section of the Andean Copper Belt, 60 km northeast of the undeveloped inferred resource of 982 million tons at 0.89% Cu Llurimaga (formerly Junin) copper project (0.4% Cu cut-off grade; Micon International Co. Ltd. Technical Report for Ascendant Exploration SA, August 20, 2004, pages 28 & 29). Mineralization identified at the Llurimaga copper project is not necessarily indicative of the mineralization on the Cascabel Property.

Qualified Person:

Yvan Crepeau, MBA, P.Geo., Cornerstone’s Vice President, Exploration and a qualified person in accordance with National Instrument 43-101, is responsible for supervising the exploration program at the Cascabel project for Cornerstone and has reviewed and approved the information contained in this news release.

About Cornerstone:

Cornerstone Capital Resources Inc. is a well-funded mineral exploration company with a diversified portfolio of projects in Ecuador and Chile, and a proven ability to identify, acquire and advance properties of merit. The company’s business model is based on generating exploration projects whose subsequent development is funded primarily through partnerships.

Further information is available on Cornerstone’s website: www.cornerstoneresources.com and on Twitter.

For investor, corporate or media inquiries, please contact:

Investor Relations:
Mario Drolet; Email: Mario@mi3.ca; Tel. (514) 904-1333

Due to anti-spam laws, many shareholders and others who were previously signed up to receive email updates and who are no longer receiving them may need to re-subscribe at http://www.cornerstoneresources.com/s/InformationRequest.asp

Cautionary Notice:

This news release may contain 'Forward-Looking Statements' that involve risks and uncertainties, such as statements of Cornerstone's plans, objectives, strategies, intentions and expectations. The words "potential," "anticipate," "forecast," "believe," "estimate," "expect," "may," "project," "plan," and similar expressions are intended to be among the statements that identify 'Forward-Looking Statements.' Although Cornerstone believes that its expectations reflected in these 'Forward-Looking Statements' are reasonable, such statements may involve unknown risks, uncertainties and other factors disclosed in our regulatory filings, viewed on the SEDAR website at www.sedar.com. For us, uncertainties arise from the behaviour of financial and metals markets, predicting natural geological phenomena and from numerous other matters of national, regional, and global scale, including those of an environmental, climatic, natural, political, economic, business, competitive, or regulatory nature. These uncertainties may cause our actual future results to be materially different than those expressed in our Forward-Looking Statements. Although Cornerstone believes the facts and information contained in this news release to be as correct and current as possible, Cornerstone does not warrant or make any representation as to the accuracy, validity or completeness of any facts or information contained herein and these statements should not be relied upon as representing its views after the date of this news release. While Cornerstone anticipates that subsequent events may cause its views to change, it expressly disclaims any obligation to update the Forward-Looking Statements contained herein except where outcomes have varied materially from the original statements.

On Behalf of the Board,

Brooke Macdonald
President and CEO

Neither 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.