EnGold Provides Lac La Hache Exploration Program Update

31.10.2017 | CNW

Aurizon Gold Resource Calculation Pending

VANCOUVER, Oct. 31, 2017 /CNW/ - David H. Brett, President & CEO, Engold Mines Ltd., (TSX-V: EGM, "EnGold" or the "Company") reports that EnGold exploration work at the Company's 100% owned Lac La Hache Property in the Cariboo Region of BC includes completion of 12 drill holes comprising 4,350 metres and the near completion of a resource calculation for the Aurizon Gold Zone.

Drilling in the Company's current phase has targeted three separate priority areas prospective for high grade skarn-style copper, gold, silver mineralization found at the Company's 2017 discovery and the Spout Deposit. Drill hole G17-29 at the discovery area successfully extended the mineralized zone an additional 71m to the southwest, intersecting 21m (true width) of skarn-style mineralized horizon for which assays are pending. Of the 12 holes, 5 were step outs at the discovery area, 2 targeted the "G2" gravity anomaly located 1.8km south east of the discovery, 2 targeted "G9" gravity/magnetic anomaly west of the Spout Deposit, and three short holes were drilled in the Berkey porphyry area. Maps showing the location of the drill holes and anomalies can be found on the Company's website www.engold.ca

Results of four additional holes (G17-24, 26, 27, 34) at the discovery area confirm ground geophysical responses, indicating the zone does not extend to the west or immediate south of Hole G17-23, or west of Hole G17-15. New modeling of the ground gravity data indicates a strong anomaly located northeast of the current drilling. Additional ground gravity surveying is required and is planned within the next two weeks to better define and constrain this very encouraging anomaly.

Plans for the remainder of the drill program include testing of the new extended northeastern anomaly at discovery area, and drilling of untested, down-dip areas of the Spout North high-grade copper deposit. Previous drilling of the vertically dipping Spout North skarn structure focused primarily on near surface (to 60 metres) mineralization in support of a bulk tonnage, open pit resource model, whereas EnGold envisages a potential high-grade underground model for the Spout Deposit.

Historical drilling at Spout North has produced some impressive results. DDH SL92-01, which was drilled down the dip of the North Zone structure, intersected 64 m (core length, not true width) grading 1.2 % Cu, before exiting into the footwall rocks. Subsequent drilling was better angled to cut through the vertical North zone, predominantly at shallow depths: SL10-18 cut 8 m from 35 – 43 m downhole (5.7 m true width), grading 5.4 % Cu, 0.9 gpt Au, 19.4 gpt Ag, 40 % Fe. Deeper intersections, below 100 m vertically are rare: SL11-72 intersected 8 m from 372.1 – 380.1m downhole (more than 300 m vertically below surface, >2 m true width) grading 1.73 % Cu, 0.43 gpt Au, 4.6 gpt Ag, 47.5 % Fe. The zone remains open to depth and on strike to the northwest.

The Aurizon Gold resource estimate is being prepared by independent geologist Garth Kirkham, P. Geo., of Kirkham Geosystems Ltd, who is a "qualified person" within the meaning of National Instrument 43-101. Disclosure of the estimate is expected before the end of November 2017.

EnGold has paused the drill program for two weeks to allow for rotation of the Company's geological and technical staff. The program will recommence approximately November 15th and continue into mid December 2017.

"To date only about 40% of the expected Fall 2017 drilling has been completed, with initial testing at 2 of several new gravity anomalies in addition to the discovery area, said VP of Exploration Rob Shives, P.Geo. "We are evaluating those results while extending the discovery area through additional gravity surveying and drilling in large step-outs. We encouraged by the emerging extension of a relatively larger, stronger, anomaly to the northeast of discovery and look forward to drill testing there, following a brief break."

"EnGold's objective is to building tonnes to include in a possible high-grade, low-cost underground copper-gold-silver mining operation," said EnGold President & CEO David Brett. "We envisage the high gold/copper/silver Aurizon material in the south and the copper/gold/silver skarn material from the northern part of the property contributing tonnes to our overall economic model."

The two holes drilled at the G2 anomaly did not encounter the anticipated skarn mineralization and the strong gravity data remains unexplained. Hole G2-17-28, drilled to 562 m downhole (487 vertical) intersected a grey, fine-grained intrusion, with a 78 m (downhole) interval of volcanics containing some magnetite and chalcopyrite veinlets. Within the volcanics, a 6m interval graded 0.45 % Cu, including 1 m grading 1.11 % Cu. At G9, an area also described by the Company as "Spout West," SW17-31 encountered unmineralized massive augite-phyric flows with densities above 3.0 (to 3.2) which may in part explain the very large and strong gravity anomaly in that area. Hole SW17-35, drilled from the same collar as SW17-31at 45-degree angle to a depth of 554.43m, encountered narrow (1-2m) zones of moderate magnetite-copper mineralization.

About EnGold

EnGold (www.engold.ca) is focused on exploring its 100% owned mineral property located near the town of Lac La Hache in BC's prolific Cariboo mining region. EnGold's corporate philosophy rests on three interdependent pillars: Environment, Engagement and Gold. Through sound environmental stewardship, commitment to transparent engagement with local communities, the Company is dedicated to driving exceptional shareholder and stakeholder value by discovering and developing mineral resources.

Rob Shives P.Geo., VP Exploration and a Qualified Person as defined under National Instrument 43-101, has reviewed and approved the technical content of this release.

Engold Mines Ltd.
Per/
David Brett, MBA
President & CEO

This news release may contain "forward?looking statements". Readers are cautioned that any such statements are not guarantees of future performance and that actual development or results may vary materially from those in these "forward looking statements."
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.

SOURCE Engold Mines Ltd.

Contact
David Brett, 604-682-2421 or david@engold.ca