Aurania Identifies First Epithermal Target in Its Lost Cities – Cutucu Project, Ecuador

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TORONTO, Jan. 11, 2018 (GLOBE NEWSWIRE) -- Aurania Resources Ltd. (TSXV:ARU) (“Aurania” or the “Company”) reports that stream sediment results and rock textures found in initial field exploration have identified the first epithermal target – the “Latorre” target – on Aurania’s wholly-owned Lost Cities – Cutucu Project (“Project”) in southeastern Ecuador. Epithermal systems are the prime target for gold-silver deposits in the Project area.

Summary of stream sediment sample results from the Latorre Target coloured by value from pink (highest values) to cooler colours and finally black for the lowest values.

Summary of stream sediment sample values from the Fruta del Norte target, below which the gold-silver deposit was discovered through exploration drilling in 2006. Note that the naturally occurring arsenic and antimony values are very similar to those found in Aurania’s Latorre Target. Note that there is no g in sediment from the streams right over the deposit.

Pathfinder elements, which refers to metals and other elements that typically occur around or above mineral deposits, have been found in high concentrations in stream silt samples in the Latorre target area. These pathfinder elements have comparable concentrations to those that led to the 2006 discovery of the Fruta del Norte (“FDN”) gold-silver deposit 110 kilometres (“km”) along geological trend. The discovery of locally-derived boulders of chalcedonic silica in the new target area supports the concept that part of the Latorre target is related to an epithermal system. To date, stream sediment geochemical data have been received from only approximately 7% of the total 2,080 square kilometre (“km^2 ”) Project area.

Aurania’s CEO, Dr. Keith Barron, commented, “We are calling this significant target on our Project the “Latorre” target, dedicated to the memory of Professor Octavio Latorre, friend and mentor, who played a critical role in the historical research which ultimately led to the staking of the exploration concessions that constitute the Project area.”

He continued, “As co-founder and VP-Exploration of the company that made the FDN discovery in 2006, I was managing a field program in the adjacent Cordillera del Condor when the target was defined by high concentrations of pathfinder elements in stream sediment samples and by chalcedonic silica boulders in those streams. The chalcedonic silica had textures indicative of formation in a hot-spring environment typical of the upper part of epithermal systems. The lack of gold in the stream sediment samples from the FDN target was consistent with modern-day hot-springs in New Zealand in which silica is precipitating at the surface while geothermal wells show that gold and silver are accumulating a few hundred metres below. Aurania’s Latorre West target contains elevated levels of pathfinder elements, as well as blocks of chalcedonic silica, very similar to those that originally defined the FDN target. The Latorre East target has high concentrations of zinc in stream sediment samples and we’re waiting on assay results from rock-chip samples from nearby outcrops to determine the significance of that mineralization.”

The Latorre target is completely distinct, and several tens of kilometres from, the Awacha target that was defined from geophysical data. Initial details of the Awacha target were press released on December 6, 2017, and field verification of that area is currently underway. Information on the targets can be found on the Company’s website http://www.aurania.com/projects/the-lost-cities-project/targets/.

Target Description
Stream sediment geochemistry in the Latorre target has identified two areas, both approximately 3km^2 in

size, located about 3km apart, of high concentrations of pathfinder elements (Figure 1).

Latorre West Target
The concentrations of naturally-occurring arsenic, antimony and silver in stream sediment data from the Latorre West area are similar to those that defined the FDN target before exploration drilling intersected the gold-silver deposit at a depth of 125 metres below surface (Figure 2).

Locally-derived boulders of chalcedonic silica have been found in streams within the Latorre West target area. Some boulders consist of chalcedonic silica fragments, and are believed to have been eroded from phreatic breccias. Further description may be found in the following video link: http://www.aurania.com/management-interview-discussion-latorre-target/. This video was recorded at the Red Cloud TV Klondike Strike offices in Toronto, Canada. Photographs of the chalcedonic silica textures can be viewed on the Company’s website at http://www.aurania.com/projects/the-lost-cities-project/targets/.

Latorre East Target
The Latorre East target contains higher values of zinc, arsenic, silver and selenium than the Latorre West target. Sphalerite, a zinc sulphide mineral, has been found in outcrops of shale within the target area and initial rock-chip sample results are awaited to determine the significance of this mineralization.

Next Steps
Follow-up work is focused on the following:

- Finding outcrops of the chalcedonic silica that shed boulders into the streams within the target areas. More closely-spaced stream sediment sampling, more detailed prospecting, and geological studies are being undertaken in the dense jungle that covers the Latorre target;
- The zinc-bearing zone in the Latorre East target is being mapped and rock-chip sampled in more detail while infill stream sediment work is being done;
- Ground-truthing of the geophysically-defined Awacha target is underway;
- Interpretation is on-going of data from the heliborne geophysical survey that Aurania flew over the entire 2,080km^2 Property; and
- Stream sediment collection continues elsewhere on the 42 concessions that constitute the Project.

Field crews will continue to work on target generation and follow up on the targets identified to date. Further results will be press released as they are received from the laboratory.

Aurania’s President Dr. Richard Spencer provided further comment, “We are very pleased that our initial work in the field has provided such encouraging results. We now have two very interesting targets; one from the Company’s geophysical program and one from the on-going stream sediment sampling campaign. With seven field crews on the ground, and on-going analysis and interpretation of the geophysics data, we expect to have priority targets ready for initial exploration drilling in the second half of 2018.”

Aurania will host an Investor Update conference call at 2:00pm ET on Tuesday, January 16th, 2018 to discuss the results in this press release. If you wish to participate, please register in advance by clicking here: http://bit.ly/register-2018-01-16

About Aurania
Aurania is a junior exploration mining company engaged in the identification, evaluation, acquisition and exploration of mineral property interests, with a focus on precious metals and copper. Its flagship asset, The Lost Cities – Cutucu Project, is located in the Jurassic Metallogenic Belt in the eastern foothills of the Andes mountain range of southeastern Ecuador.

The technical information contained in this news release has been verified and approved by Jean-Paul Pallier, MSc., Aurania’s VP-Exploration. Mr. Pallier is a designated EurGeol by the European Federation of Geologists and a Qualified Person as defined by National Instrument 43-101, Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators.

Information on Aurania and technical reports are available at www.aurania.com and www.sedar.com, as well as on Facebook at https://www.facebook.com/auranialtd/, Twitter at https://twitter.com/auranialtd, and LinkedIn at https://www.linkedin.com/company/aurania-resources-ltd-.

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Photos accompanying this announcement are available at:
http://www.globenewswire.com/NewsRoom/AttachmentNg/30f7637a-1e47-4dc9-9684-c1cd124ddc3c

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