# Purepoint Uranium Completes the 2018 Winter Drill Program with the Discovery of a New Mineralized Shear Zone at Hook Lake

14.05.2018 | GlobeNewswire

TORONTO, May 14, 2018 (GLOBE NEWSWIRE) -- Purepoint Uranium Group Inc. (the “Company” or “Purepoint”) (TSX.V:PTU) today announced the results of the latest winter program at its Hook Lake Project, a joint venture between Cameco Corp. (39.5%), Orano Canada Inc. (39.5%) and Purepoint (21%) in the Patterson Uranium District, Saskatchewan Canada.

Primary Mineralization Shear

Scott Frostad, Vice President, Exploration explains: “The most important discovery this winter drill season was a large, mineralized graphitic shear running through the Dragon zone that is hydrothermally altered and along the same geophysical trend as the Spitfire discovery. The new structure, identified through drilling, was only evident within select ground geophysical results and currently remains untested for approximately five kilometres between the Spitfire and Dragon zones. The final two holes at Dragon this year (HK18-97A and 100A) intersected the strongest radioactivity at Dragon to date and the most intense hydrothermal alteration seen on the project outside of the Spitfire deposit.”

A photo accompanying this announcement is available at http://resource.globenewswire.com/Resource/Download/e1ac659e-b832-4d76-9e1c-5ae880e4383b

“By incorporating this year’s drill results and revisiting available airborne and ground geophysical results, we have updated the geological interpretation of the entire Patterson Uranium District, from Fission Uranium’s Triple R Deposit through to the northern most edge of the Hook Lake project,” said Chris Frostad, President and CEO at Purepoint. “The geological and geophysical patterns in which uranium mineralization presents itself through this district is becoming increasingly clear.”

Highlights:

- Purepoint’s winter drill program has identified a new mineralized graphitic shear running through the Dragon Zone that is on trend with the Spitfire discovery. The new structure, identified through drilling, was not previously visible via airborne geophysics;
- The drill program followed increasing levels of radioactivity and mineralization concluding with the two best holes to date drilled outside of the Spitfire discovery;
- This new Dragon shear is associated with zones of intense silicification and clay alteration in a geologic setting identical to the Spitfire discovery;
- An updated geological interpretation of the entire Patterson Uranium District using recent drill results and revisiting available airborne and ground geophysical results, has led to new prospective targets along the Patterson Lake trend;
- Significant exploration upside remains, including the potential to utilize ground geophysics to provide targets between Spitfire and Dragon, continued drilling of the Dragon shear towards the northwest, as well as first-pass drilling of the Sabre zone, “U” Conductor and areas of identified hydrothermal alteration within the Derkson Corridor;

Dragon Area

The initial interest in the Dragon area was the strong clay alteration and weakly anomalous radioactivity

encountered by hole HK17-72. A follow-up hole, HK17-81, targeted a ground electromagnetic (EM) conductor and intersected a strong, previously untested, graphitic shear associated with intense silicification in the hanging wall. The Dragon shear zone is now known to be approximately 200 metres wide, is composed of three to four separate graphitic shears dipping southeast and has been tested over a strike length of 750 metres. As with the Spitfire discovery, the strong hydrothermal alteration is associated with the most easterly graphitic shear and the hanging wall rock. The intensity of the hydrothermal alteration and the radioactivity has been increasing as the drill has moved along strike to the NE.

Drill Hole HK18-97A encountered the unconformity at 316.4 metres, drilled strongly silicified and clay altered granodiorite gneiss to 495 metres, and returned 480 cps over 2.0 metres from the downhole total gamma probe (Mount Sopris 2PGA-1000 instrument) between 461.9 and 463.9 metres. Intense clay alteration and graphitic shearing/fracturing was intersected between 495 and 525 metres and returned two downhole gamma spikes of 1,216 cps and 1,088 cps. Strongly silicified granodiorite gneiss was then encountered to 599 metres and the hole was completed within unaltered granitic gneiss at a depth of 641.0 metres.

Drill Hole HK18-100A, the final hole of the winter drill program, was collared 100 metres NE along strike of hole HK18-97A. The hole also intersected intense silicification and clay alteration throughout most of the hole. Graphitic shearing was present within strongly chloritized zones between 407 to 432 metres and elevated radioactivity (up to 460 cps from downhole gamma results) was associated with hematized mafic rocks overprinted by intense silicification between 518 and 532 metres. The targeted graphitic shear was intersected much deeper than expected, between 612 to 640 metres, and only returned weak radioactivity. The hole ended in chloritized granodiorite at 672.8 metres.

Spitfire / Harpoon Discovery

Three holes drilled at Spitfire, stepping out towards the northeast, hit mineralization extending the strike length by approximately 85 metres with HK18-82 returning 1.04 per cent $eU_3O_8$ over 14.6 metres including 8.7 per cent eU3O8 over 1.3 metres (Purepoint PR, Jan 18, 2018). An additional three holes were drilled at Spitfire along strike to the NE, and one hole tested below HK18-82, but did not intersect significant radioactivity. Additional drilling to test for deeper mineralization will be dependent on pending geochemical results.

Next Steps

- Geochemistry from the drill program will be compiled and analyzed to help with the geologic understanding and to determine if typical vectoring elements are useful for identifying future drill targets.
- Ground electromagnetic surveying between the Spitfire and Dragon zones will be required to identify the potential graphitic shear that links these two areas.
- First-pass drilling of the Dragon shear towards the northwest, the Sabre zone, the “U” Conductor and areas of identified hydrothermal alteration within the Derkson Corridor.

About Hook Lake JV Project

Located along the Patterson Uranium District, the Hook Lake JV is a project owned jointly by Cameco Corp. (39.5%), Orano Canada Inc. (39.5%) (formerly known as Areva Resources Canada Inc.) and Purepoint (21%). Operated by Purepoint since 2007, the project consists of nine claims totaling 28,598 hectares including the Spitfire high-grade discovery (53.3% U3O8 over 1.3 metres within a 10 metre interval of 10.3% U3O8).

The Patterson Uranium District is a corridor lying across the SW edge of Saskatchewan’s Athabasca Basin, interpreted to extend at least 50km, hosting Fission Uranium’s Triple R deposit, NexGen’s Arrow deposit and Purepoint Uranium’s Spitfire discovery.

Hook Lake’s latest drilling program was completed in Mid-April with a total of 12,733 metres in 24 holes of diamond drilling, guided by 350-metre step-outs towards the northeast along the eight kilometre, 4,000 hectare Patterson target region that stretches northeast across the property.

About Purepoint Uranium Group Inc.
Purepoint Uranium Group Inc. (TSXV:PTU) is focused on the precision exploration of its ten projects in the

Canadian Athabasca Basin, the world’s richest uranium region. Purepoint proudly maintains project ventures in the Basin with two of the largest uranium producers in the world, Cameco Corp. and Orano Resources Canada Inc. and its flagship project is the Hook Lake JV.

Scott Frostad BSc, MASc, PGeo, Purepoint's Vice President, Exploration, is the Qualified Person responsible for the technical content of this release.

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