

# Anaconda Mining Options New Gold Property and Reorganizes Exploration Projects to Unlock Value for Shareholders

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TORONTO, Sept. 10, 2018 - [Anaconda Mining Inc.](#) ("Anaconda" or the "Company") (TSX: ANX) (OTCQX: ANXGF) is pleased to announce that it has optioned the Cape Spencer Gold Property, located east of the City of Saint John, New Brunswick (Exhibit A). In conjunction with this transaction, the Company has created a new wholly-owned subsidiary of Anaconda ("ExploreCo"), which will focus on early-stage gold exploration projects within Atlantic Canada. Anaconda is also contributing the Great Northern Project ("Great Northern") (Exhibit B) to ExploreCo. The Company intends to utilize ExploreCo to advance its exploration projects and is considering strategic opportunities with ExploreCo to realize value not currently reflected in Anaconda's share price, which may include a spin out of ExploreCo to establish it as a publicly-traded company with separate management.

"There is an opportunity to capitalize on the resurgence in early-stage, Atlantic Canada gold exploration properties and assets that we believe have the potential to generate significant value. The Appalachian geological region has numerous multi-million-ounce gold deposits, with about 30% of them in Atlantic Canada, and much of the resource growth has occurred in the last decade due to increased investment. We feel that the Great Northern Project and the recently optioned Cape Spencer Gold Property have the potential to be cornerstone assets in our new venture, and the new wholly-owned subsidiary will have the focus and priority required to generate value. Our goal is to create a company with a clear mandate to explore for and develop significant district-scale Mineral Resources. Forming ExploreCo and giving it a specific focus, we expect the market to clearly ascribe value to these exploration projects, particularly as we seek to potentially spin out the company."

~Dustin Angelo, President and CEO, [Anaconda Mining Inc.](#)

## ExploreCo Highlights:

- Exploring in two districts with camp-scale potential; Gold mineralization associated with major fault zones (total of 100 km strike) that are known hosts of existing gold deposits;
- Control greater than 12,000 hectares of prospective gold bearing geological terranes;
- Projects contain numerous prospects, gold occurrences and drill ready targets;
- Two existing gold deposits, and several extensive zones of mineralization and alteration open for expansion;
- Funding in place to execute on initial work plans.

## Initial Work Plans

- Update the Mineral Resource estimate at Rattling Brook (Great Northern Project);
- Create initial NI 43-101 technical report for Cape Spencer;
- Generate drill targets at Great Northern through a soil sampling and prospecting program in favorable structural trends in 2018.

## Cape Spencer

Cape Spencer is an early stage exploration project, which includes 106 claims covering more than 2,350 hectares, located 10 kilometres east of the City of Saint John, New Brunswick.

## Highlights of Cape Spencer include:

- Hosted within similar Proterozoic-aged rocks of the Avalon Zone that host the Haile (5.0 Moz), Ridgeway (1.5 Moz) and Hope Brook (2.0 Moz) gold deposits (Exhibit C). These rocks are deformed, and mineralization is localized along shallow dipping fault and shear zones;
- 8 kilometres of exploration potential with 10 known gold occurrences;
- Excellent infrastructure with road access to the key areas of interest.

Drill Highlights from previous exploration work from 1982 to 2004 include:

Cape Spencer Mine &#8211; Past Producing (1985-1986) Mine. Highlight assays include:

- 13.89 g/t gold over 2.46 metres within a zone grading 4.76 g/t gold over 9.45 metres (GX-86-09);
- 6.22 g/t gold over 1.52 metres within a zone grading 2.13 g/t gold over 21.0 metres (GX-82-18);
- 27.08 g/t gold over 1.08 metres within a zone grading 5.10 g/t gold over 9.15 metres (GX-86-29); and
- 18.00 g/t gold over 1.50 metres within a zone grading 5.18 g/t gold over 8.25 metres (AB-04-10).

Northeast Zone - Located 400 metres northeast of the Cape Spencer Mine. Interpreted to be continuous with the Road Zone. Highlight assays include:

- 41.96 g/t gold over 2.45 metres within a zone grading 7.72 g/t gold over 16.2 metres (CS-87-06);
- 16.20 g/t gold over 1.5 metres within a zone grading 4.45 g/t gold over 19.0 metres (CS-87-08);
- 11.52 g/t gold over 3.0 metres within a zone grading 4.85 g/t gold over 10.5 metres (CS-87-13); and
- 12.54 g/t gold over 4.0 metres within a zone grading 4.26 g/t gold over 18.5 metres (CS-87-17).

Road Zone &#8211; 400-metre-long zone of gold-bearing alteration zone with an average width of 20 metres. This zone is interpreted to be the along strike continuation of the Northeast Zone. Highlight assays include:

- 16.28 g/t gold over 2.5 metres within a zone grading 1.81 g/t gold over 55.0 metres (MR-087);
- 10.35 g/t gold over 1.0 metres within a zone grading 1.49 g/t gold over 20.7 metres (MR-147); and
- 13.06 g/t gold over 2.0 metres within a zone grading 1.28 g/t gold over 18.0 metres (MR-105).

Birches Zone &#8211; 300-metre-long gold-bearing alteration zone south of the Road Zone. Highlight assays include:

- 17.85 g/t gold over 1.0 metre within a zone grading 5.23 g/t gold over 4.0 metres (MR-150);
- 9.48 g/t gold over 1.0 metre within a zone grading 4.01 g/t gold over 4.0 metres (MR-149); and
- 3.60 g/t gold over 5.0 metres (AB-04-08).

Emilio's Zone &#8211; Prospect located 4 kilometres northeast of the Road Zone. Highlight assays include:

- 85.20 g/t gold over 0.3 metres within a zone grading 8.39 g/t gold over 5.9 m (AB-04-06).

#### Great Northern Project

The Great Northern Project is an exploration-stage property that contains a Mineral Resource estimate on the Thor Deposit and a Historic Mineral Resource estimate on the Rattling Brook Deposit. The property comprises 2 claim blocks (9,850 hectares) referred to as the Jackson's Arm Property in the north and the Viking Property in the south. The properties are located 3 kilometres north and 15 kilometres south of the community of Jackson's Arm, respectively. The area is accessible by provincial Route 420, which is connected to the Trans-Canada Highway (TCH) 75 kilometres to the south.

Highlights of the Great Northern Project include:

- Located adjacent to the Doucers Valley Fault, part of the Long Range Fault system &#8211; a fertile gold bearing similar to that associated with Marathon Gold's Valentine Lake project in central Newfoundland, which has been the recent significant Mineral Resource growth and discovery;
- Two gold deposits with an Historic Inferred Mineral Resource of 495,000 ounces at the Jacksons Arm Property (Rattling Brook Deposit) and an Inferred Mineral Resource of 31,000 ounces and Indicated Mineral Resource of 83,000 ounces at the Viking Property (Thor Deposit);
- Approximately 20 kilometres of strike along highly prospective geology of the Doucers Valley Fault;
- Potential to upgrade the size and grade of the existing Mineral Resources, prepared in accordance with NI 43-101 standards, through resource evaluation;
- Excellent infrastructure with road access to the key areas of interest.

#### Cape Spencer Option Agreement

Pursuant to the Cape Spencer Option Agreement, for a 100% interest, ExploreCo will pay the vendor a total of \$300,000 in cash and \$145,000 in cash or equivalent value shares over a five-year period, subject to applicable regulatory approvals, including the Toronto Stock Exchange. ExploreCo will also complete \$400,000 in exploration expenditures on Cape Spencer within the first four years. A 2% Net Smelter Return Royalty ("NSR") is payable to the vendor. One percent of the NSR is purchasable for \$1,000,000 with a right of first refusal on the remaining 1% NSR.

#### A Table of Resources and Technical Reports\*

The Thor Deposit contains an Indicated Mineral Resource of 83,000 ounces of gold (1,817,000 tonnes at an average grade of 1.42 g/t gold) plus an Inferred Mineral Resource of 31,000 ounces of gold (847,000 tonnes at an average grade of 1.15 g/t gold) at a cut-off grade of 0.5 g/t gold. The Thor Deposit remains open for potential expansion along strike near surface and at depth.

The Rattling Brook Deposit contains a Historic Mineral Resource of 495,000 ounces Au (18,310,000 tonnes at an average grade of 0.84 g/t gold) at a cut-off grade of 0.5 g/t gold.

#### Summary of Mineral Resources at the Great Northern Project\*

Deposits	Category	Tonnes	Grade (g/t)	Ounces Gold
**Thor (Current Estimate)	Indicated	1,817,000	1.42	83,000
	Inferred	847,000	1.15	31,000
***Rattling Brook (Historic Estimate)^	Inferred	18,310,000	0.84	495,000

\*Mineral Resources are not Mineral Reserves and do not imply the economic viability of the resource.

^The Rattling Brook Resource is a Historic Estimate as defined by NI 43-101 Standards of Disclosure for Mineral Projects. The Historic Estimate is relevant, considered reliable and uses categories appropriate to 43-101 reporting requirements. No other Resource Estimates are known to Anaconda. To verify and upgrade the estimate as a Current Mineral Resource will require further discussions with Qualified Persons whom created the technical report. Qualified Persons working on behalf of Anaconda have not done sufficient work to classify the Historic Estimate as a Current Mineral Resource, as a result Anaconda is not treating the historical estimate as a Current Mineral Resource.

\*\* The Thor Deposit forms part of the project formerly referred to as the Viking Project. The resources quoted in this press release refer to the technical report: "NI 43-101 Technical Report and Mineral Resource Estimate on the Thor Deposit, Viking Project, White Bay Area, Newfoundland and Labrador, Canada" with an effective date of August 29, 2016 and authored by independent qualified persons David A. Copeland, M.Sc., P.Geol., (an independent consultant), Shane Ebert, Ph.D., P.Geol. (An independent consultant) and Gary Giroux, M.A.Sc., P.Eng. (Giroux Consultants Ltd.).

\*\*\* The Rattling Brook Deposit, including the Apsy, Road and Beaver Dam zones, form part of the project formerly referred to as the Jacksons Arm Gold Project. The Historic Resources quoted in this press release refer to the technical report: "Technical Report on Mineral Resource Estimate Jacksons Arm Gold Project White Bay Newfoundland and Labrador Latitude 49° 53' 2.65"North Longitude 56° 50'7.09" West. With an effective date of April 20th, 2009, and authored by Michael P. Cullen, M.Sc., P.Geol., Chrystal Kennedy, B. Sc., P.Geol. Matthew Harrington, B. Sc. (Hons.), Andrew Hilchey, B.Sc. (Hons.) Mercator Geological Services.

Drill composites reported on this press release are reported as core length. True width of mineralization may vary from core length. True width may be as little as 50% of core length based on preliminary assessment of

