Teras Resources Inc. Reports Results of its Cahuilla Gold Deposit Geotechnical Analysis and Geologic Interpretation

06.10.2020 | Newsfile

Calgary, October 6, 2020 - Teras Resources Inc. (TSXV: TRA) ("Teras" or the "Company") and Mr. Joe Carrabba President / CEO, is pleased to announce that it has completed a six-month effort to audit and update its Cahuilla drill hole data base and completed detailed logging of 34 core drill holes. This focused update is intended to support a new resource model. The previous NI 43-101 Technical Report completed in 2012 and filed on SEDAR, identified 70,148,000 tons grading 0.015 opt (0.51 g/t) at a 0.008 opt (0.27 g/t) cutoff for 1,017,000 million ounces of gold in the indicated category.

Earlier this year, Teras restructured its management and began reframing its flagship Cahuilla Gold project. After the installment of Joseph Carrabba as President and CEO, a rebranding effort was initiated to create significant value for its Cahuilla gold project. He recognized that Cahuilla already has a large gold-silver resource and that it has significant growth potential. It is located in southern California and within mining friendly Imperial County. He engaged two senior consulting geologists, Toby Mancuso and Steve Craig, as well as, an Independent Geological Tech Services Company to give the project new life. These experts are highly experienced and have considerable ore deposit, modeling and exploration knowledge.

The driving opinion of the 2012 resource report was that it was obsolete and concepts had since changed considerably. This then, provided a tremendous opportunity for Teras to redefine the geology and mineralization, and therefore, develop a much more accurate resource number for both grade and tonnage. Foremost was that only 368 holes formed the basis of the 2012 report, but another 79 holes were drilled after the report was completed. Thirty-four of these new holes were completed by drilling core which provided much more detailed interpretations of the geology that focused on defining continuity of the higher-grade precious metal mineralization.

Work started with auditing and repairing the 447-drill hole database. A considerable number of data entries were identified as missing, underreported or incorrect. These were all corrected. The drill hole database has also undergone examination by an experienced independent modeler.

The additional focus of the work was reconstructing the geologic and mineralization history of the deposit. This was achieved by logging in detail the 34 core holes that were drilled long after the 2012 report was completed. This work established several key stratigraphic units that host gold mineralization, and 3 types of veins and breccias that carry gold and silver mineralization. This phase of the work also identified several mineralized domains that would be used to estimate grade during resource modeling. The first is the "ponding" of gold mineralization at the contact of the silicified sedimentary rocks and underlying fanglomerate. Second, is a series of continuous lateral Au/Ag bearing buried sinter terraces. The third is large areas of hydrothermal breccias and sheeted veins, which occur in both the sedimentary rocks and fanglomerates.

Joe Carrabba commented on the work that was both completed and on-going by saying, "I am pleasantly surprised and very pleased with our progress. In short, we accomplished and exceeded our goal with the results that were returned in these two studies. The positive results of the study, warrant a new NI 43-101 report, which the company has committed to and will update shareholders with the results in due course. I believe we have a mine here and everything we do will move the project in that direction."

About Teras

Teras is focused on developing its Cahuilla project located in Imperial County, California. The project encompasses an area of at least 3 km by 1.5 km and Teras believes that the Cahuilla project has the potential to develop into a mining operation consisting of altered and mineralized sedimentary host rocks with numerous sheeted high-grade sheeted quartz veins. Teras filed a NI 43-101 technical report with an indicated resource of 1.0 million ounces of gold and 11.9 million ounces of silver on its Cahuilla project (70 million tons at an average grade of 0.015 ounces per ton gold and 0.17 ounces per ton silver with a cut-off of 0.008 ounces per ton gold) and inferred class of 10 million tons grading 0.011 opt gold and 0.10 opt silver. For further information on the Cahuilla project refer to the NI 43-101 technical report entitled "Cahuilla Property 43-101 Technical Report," filed with Sedar on November 27, 2012.

Mr. Steven Craig, a Qualified Person under National Instrument 43-101 "Standards of Disclosure for Mineral Projects," and an Independent Consultant for Teras is the Company's nominated qualified person responsible for monitoring the supervision and quality control of the programs completed on the Company's properties. Mr. Craig has reviewed and verified the mining, scientific and technical information contained in this news release. Mr. Craig is a Qualified Person and registered geologist with the Association of Independent Professional Geologists (AIPG).

For further project and corporate information, contact:

[Teras Resources Inc.]
Peter Leger, Director / Senior Consultant
(403) 262-8411
(403) 852-0644
Email: pleger@teras.ca
Website: www.teras.ca

This press release contains "forward-looking information" within the meaning of applicable Canadian securities legislation. All statements, other than statements of historical fact, included herein may be forward-looking information. Generally, forward-looking information may be identified by the use of forward-looking terminology such as "plans", " expects" or "does not expect", "proposed", "is expected", "budgets", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases, or by the use of words or phrases which state that certain actions, events or results may, could, would, or might occur or be achieved. In particular, this press release contains forward-looking information regarding: the ability to raise the capital needed for the companies Cahuilla project, the development and advancement of the Cahuilla project, the development of the geologic model in respect of the Cahuilla project, the development of further drill plans in relation to the Cahuilla project and the potential of the Cahuilla project to develop into a mining operation. This forward-looking information reflects the Company's current beliefs and is based on information currently available to the Company and on assumptions the Company believes are reasonable. These assumptions include, but are not limited to, the actual results of exploration projects being equivalent to or better than estimated results in technical reports or prior exploration results, future costs and expenses being based on historical costs and expenses, adjusted for inflation, the ability of the Company to obtain acceptable financing, market acceptance of its exploration programs and projects; consistent and favorable commodity prices; and regulatory acceptance of the Company's geologic models. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information. Such risks and other factors may include, but are not limited to: the early stage development of the Company and its projects; general business, economic, competitive, political and social uncertainties; commodity prices; the actual results of current exploration and development or operational activities; competition; changes in project parameters as plans continue to be refined; accidents and other risks inherent in the mining industry; lack of insurance; delay or failure to receive board or regulatory approvals; changes in legislation, including environmental legislation, affecting the Company; timing and availability of external financing on acceptable terms; conclusions of economic evaluations; and lack of qualified, skilled labour or loss of key individuals. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

To view the source version of this press release, please visit https://www.newsfilecorp.com/release/65306