Grid Metals Advances Exploration Program at East Bull Lake

21.10.2020 | ACCESS Newswire

TORONTO, October 21, 2020 - Grid Metals Corp. (the "Company") (TSXV:GRDM) today provided an update on the continuing exploration program at its 100% owned East Bull Lake ("EBL") palladium property (the "Property") in Ontario. The Company is releasing new drilling results and is commencing additional drilling based on refinements to its exploration methodology. The Property covers approximately 85% of the palladium-bearing EBL Intrusion, located 80 km west of Sudbury, Ontario.

Highlights

- Since resuming drilling in September the Company has drilled four (4) holes (EBL20-08 to EBL20-11) along an interpreted northwest trending feeder structure. Results have been received for the first hole, EBL20-08, a 350m step out to the east from drill holes EBL20-04/05/06/07, all of which intersected anomalous palladium grades. The same mineralized package was encountered in EBL20-08, which intercepted a 5.0 metre interval averaging 1.66 g/t Pd, 0.34 g/t Pt and 0.06 g/t Au (2.05 g/t combined Pd + Pt + Au) including a one metre sample with 5.41 g/t Pd and 0.89 g/t Pt.
- Ongoing and historical surface sampling at the Parisien Lake area, in a >4 km long region of coincident geophysical anomalies, magmatic sulfide occurrences and favourable structure has confirmed the presence of strongly anomalous palladium mineralization (e.g., surface sample 7231, previously reported, with 7.67 g/t Pd and 1.40 g/t Pt) and poddy, Ni-, Cu- and Co-rich semi-massive sulfide mineralization along an interpreted feeder structure - the Parisien Lake deformation zone.
- The next three holes to be drilled will incorporate regularly-spaced drilling at approximately 200m centres and borehole geophysical surveys to identify palladium-rich sulfide accumulations. The holes will target the Parisien Lake deformation zone and immediately adjacent marginal units of the EBL Intrusion.

Dr. Dave Peck, the Company's Vice President of Exploration and Business Development, remarked "We continue to have strong encouragement in our drilling and surface sampling programs at East Bull Lake. New insights gained this year have led to a major refinement to our exploration methodology. We are particularly encouraged by the coincidence of prospective geological and geophysical features in the Parisien Lake target area and will be trialing our refined exploration methodology there in the weeks ahead."

Update on Drilling Activities

The four new drill holes completed on the Property since drilling resumed on September 4th include one follow-up hole on the Feeder Target in the Parisien Lake target area (EBL20-08) and three holes drilled in the North Margin Target area. A map showing the drill hole locations is attached as Figure 1. Results have now been received from EBL20-08, which was designed to further test the geophysical anomaly that was partially tested in holes EBL20-04 through EBL20-07, all of which encountered anomalous palladium mineralization in the basal units of the EBL intrusion (see Company news releases dated August 6th, 2020 and September 9th, 2020).

EBL 20-08 intersected 5.0 metres having an average grade of 1.66 g/t Pd, 0.34 g/t Pt and 0.06 g/t Au (2.05 g/t combined Pd + Pt + Au). The highest individual sample grade in this interval is 5.41 g/t Pd, 0.89 g/t Pt and 0.20 g/t Au (6.49 g/t combined Pd + Pt + Au) over 1.0 metres. Results for EBL20-08 confirmed the presence of significant palladium mineralization in association with a large resistivity low and adjacent to two possible feeder structures (Figure 1). Drill holes EBL20-09, -10 and -11 (results pending) were also designed to test geophysical anomalies adjacent to one of these interpreted feeder structures in the North Margin target area.

Collar locations, dips and azimuths for drill holes EBL20-08 to EBL20-11 follow.

Hole Number	Easting (m)	Northing (m)	Elevation (m)	Azimuth	Dip	Length (m)
EBL20-08	411466	5142231	339	180	85	174
EBL20-09	408602	5144660	306	045	85	107
EBL20-10	408893	5144511	328	045	85	200
EBL20-11	409696	5143982	340	045	85	181

Table 1. Selected analytical results for drill hole EBL20-08, Parisien Lake Feeder Target. Note 3E grade is the sum of the Pd, Pt and Au grades. There is insufficient geological information to estimate true widths of the Pd-rich intervals noted.

Sample	From	To	Length (m)	Pd (g/t)	Pt (g/t)	Au (g/t)	3E (g/t)	Cu (%)	N (%
A0287188	54.00	55.00	1.00	1.56	0.38	0.09	2.02	0.07	0.(
A0287189	55.00	56.00	1.00	0.02	0.01	0.01	0.04	0.01	0.(
A0287191	56.00	57.00	1.00	0.88	0.37	0.05	1.30	0.04	0.(
A0287192	57.00	58.00	1.00	0.03	0.02	0.00	0.05	0.01	0.(
A0287193	58.00	59.00	1.00	0.04	0.02	0.01	0.06	0.03	0.(
A0287194	59.00	60.00	1.00	0.03	0.03	0.00	0.06	0.01	0.(
A0287195	60.00	61.00	1.00	1.35	0.23	0.05	1.62	0.09	0.(
A0287196	61.00	62.00	1.00	0.32	0.06	0.01	0.40	0.03	0.(
A0287197	62.00	63.00	1.00	0.72	0.16	0.02	0.91	0.04	0.(
A0287198	63.00	64.00	1.00	5.41	0.89	0.20	6.49	0.22	0.(
A0287199	64.00	65.00	1.00	0.48	0.36	0.01	0.85	0.02	0.(
Interval	54.00	64.00	10.00	1.04	0.22	0.04	1.29	0.05	0.(
including	60.00	65.00	5.00	1.66	0.34	0.06	2.05	0.08	0.(

Parisien Lake Target Area

The Parisien Lake area has emerged as a priority exploration target along the south margin of the west lobe of the intrusion. This area extends for approximately 4 km in an east west direction and includes a potential feeder structure, the Parisien Lake deformation zone. The target area is covered by the Company's 2020 magnetotelluric (MT) survey as well as previous airborne and ground electromagnetic and magnetic surveys and ground induced polarization (IP) surveys. A key observation for this target area is the strong coincidence of palladium mineralization, magnetic low anomalies, IP anomalies and MT anomalies. Recently, Grid's field crew collected an additional ~100 surface samples in the area to follow up on its August sampling program, which delivered one sample with 7.67 g/t Pd, 1.41 g/t Pt and 0.20 g/t Au (sample A0287231, previously reported). Other historical samples in the area have returned significant bas metal and palladium values (see Table 2) including local pods of semi-massive sulfide within the PLDZ, which contain variable proportions of chalcopyrite, pyrrhotite, pyrite and pentlandite. These sulfide-rich occurrences could be evidence of sulfide trapping in this potential feeder structure.

In order to further evaluate this large target area Grid will shortly complete 3 widely spaced drilled holes at approximately 200m centres and incorporate downhole EM geophysics to look for sulfide accumulations between the holes within the prospective area inside and adjacent to the PLDZ. The location of these drill holes reflects the strong coincidence of low magnetic signatures, resistivity lows, favourable structures and anomalous base and precious metal grades.

Table 2. Selected analyses for historical and recent surface samples of sulfide-rich pods in the PLDZ.

Sample No.	Easting (m)	Northing (m)	Cu (%)	Ni (%)	Co (%)	Pd (g/t)	Pt (g/t)	Au (g/t)	Source
A0287237	410359	5141797	0.05	1.80	0.10	1.56	0.38	0.03	GRDM 2020[1]
90DCP-353	410337	5141790	3.36	0.38	0.03	1.52	0.28	0.28	OGS 1995[2]
90DCP-347a	410767	5142011	0.55	0.43	0.20	1.52	0.50	0.10	OGS 1995[2]
90DCP-488	410327	5141781	5.63	0.17	0.01	2.18	0.48	0.55	OGS 1995[2]
90DCP-497	410367	5141791	14.50	0.48	0.03	2.30	0.17	0.07	OGS 1995[2]
90DCP-500	410367	5141791	3.93	0.29	0.02	1.60	0.19	0.14	OGS 1995[2]
91DCP-573	410340	5141791	0.55	0.11	0.22	3.76	0.68	0.55	OGS 1995[2]
91DCP-581	410402	5141796	0.13	0.91	0.26	2.00	0.50	0.09	OGS 1995[2]
91DCP-583	410402	5141796	0.53	0.30	0.02	2.48	0.20	0.13	OGS 1995[2]
91DCP-584	410402	5141796	0.65	1.63	0.09	2.03	0.22	0.03	OGS 1995[2]

Data Sources

[1] Grid Metals 2020 surface grab sample

[2] Ontario Geological Survey, Open File Report 5923

Palladium Occurrences at East Bull Lake: Evidence of a Large Mineralization Event

A remarkable aspect of the known palladium mineralization in the EBL Intrusion is its lateral and down-dip extent. Near surface and outcropping palladium mineralization is present along the southern margin of the intrusion, including the connecting dyke-like constriction between the east and west lobes, for approximately 20 km. Although most of the historical drilling on the property has involved shallow holes testing the margins of the intrusion, a few deeper holes have been drilled into the central portions of both the east and west lobes. Most of these deeper holes intersected the same style of palladium mineralization in the same geological package that is present along the southern margin of the intrusion, suggesting that the near surface mineralization has significant down-dip continuity. As an example, historical drilling completed by Atomic Energy of Canada Ltd. in the 1980s included two holes (EBL-1 and EBL-4) in the central part of the west lobe. Both holes encountered anomalous Pd mineralization in the lower stratigraphy as documented in Ontario Geological Survey Open File Report 5923 (1995). Based on these historical records and recent interpretations of the geological and geophysical characteristics of the known palladium mineralization on the Property, the Company speculates that a semi-continuous stratabound zone of anomalous palladium grade is present across the base of the intrusion. The mineralized envelope appears to have been fed by a network of feeder structures, including a series of faults developed along the contact between strongly magnetic Archean granitic rocks to the south and the southern margin of the EBL Intrusion to the north (Figure 2). Importantly, these potential feeders are typically flanked by strong magnetic low anomalies that could represent an alteration footprint associated with the mineralization process within the basal sections of the stratigraphy. Other interpreted feeders include several northwest-striking vertical faults (e.g., Sable River structure; Figure 2).

The persistence of anomalous palladium grades at EBL is typical of a large mineralization event. This event was also responsible for similar, widespread palladium mineralization seen in other EBL suite intrusions including the nearby Agnew Intrusion, located ~5 km east of the Property, and in the eastern part of the River Valley Intrusion, located ~140 km east of the Property. Similar lateral and vertical grade continuity is observed in the Critical Zone of the Bushveld Complex, South Africa, which hosts the large PGE resources contained in the Merensky and UG2 reef deposits.

Update on Nickel Portfolio

The Company owns the mineral rights for the exploration-stage Bannockburn nickel project in the Timmins District of northeastern Ontario and the more advanced Makwa-Mayville nickel-copper-PGE project in the Bird River region in southeastern Manitoba. The Company plans to initiate targeted corporate and exploration efforts on both projects. The Company has commissioned an NI 43-101 Technical Report on the Bannockburn property, which hosts several nickel-rich massive sulfide occurrences and a ~2 km long Mount Keith-type disseminated nickel sulfide target. This decision was motivated by the recent improvement in the long-term consensus price forecast for nickel that has been driven by an increasingly positive outlook for nickel demand related to an expected, significant expansion in the electric vehicle battery market.

Quality Assurance and Quality Control

Grid Metals applies best practice quality assurance and quality control ("QAQC") protocols on all of its exploration programs. For the current drilling program, core is logged and sampled at a core facility located in the town of Massey, Ontario - approximately 30 km south of the property. NQ-size drill core samples are cut into halves using a diamond saw. Standard sample intervals of 1.00 metre length are used unless a major geological, structural or mineralization boundary is encountered. Samples are bagged and tagged and driven by Company consultants to ALS Laboratories' sample preparation and analytical laboratory in Sudbury, Ontario. ALS analyzes each sample for Pd, Pt and Au using a lead collection fire assay on a 30 g pulp split and an ICP finish. Copper, Ni and Co are analyzed by ALS using a multi-acid digestion and an ICP finish. ALS also performs complete characterization whole-rock geochemical analyses on pulp rejects as directed by the Company, including the determination of major, minor and trace element abundances with research-grade accuracy and detection limits. The Company uses two PGE certified reference materials ("CRMs") and one analytical blank purchased from Canadian Resource Laboratories to monitor analytical accuracy and check for cross contamination between samples. One of the CRMs or the blank are inserted every tenth sample within a given batch. The analytical results for the two CRMs and the blank for the sample batches reported here did not show any significant bias compared to the certified values and the results fell within the acceptable limits of variability.

Dr. Dave Peck, P.Geo., has reviewed and approved the technical content of this release for purposes of National Instrument 43-101.

About Grid Metals Corp.

Grid Metals Corp. is an exploration and development Company that has a diversified portfolio of projects in the nickel-copper-platinum group metal sectors. These commodities are vital to the emerging battery metals, energy storage and automotive sectors. All of Grid's projects are located in secure North American mining jurisdictions. The Company is focused on timely advancement of its property portfolio through prudent exploration and development activities.

To find out more about Grid Metals Corp., please visit www.gridmetalscorp.com.

On Behalf of the Board of Grid Metals Corp.

Robin Dunbar - President, CEO & Director Telephone: 416-955-4773 Email: rd@gridmetalscorp.com
David Black - Investor Relations Email: info@gridmetalscorp.com

We seek safe harbour.

This news release contains forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995 and forward-looking information within the meaning of the Securities Act (Ontario) (together, "forward-looking statements"). Such forward-looking statements may include the Company's plans for its properties, the overall economic potential of its properties, the availability of adequate financing and involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements expressed or implied by such forward- looking statements to be materially different. Such factors include, among others, risks and uncertainties relating to potential political risk, uncertainty of production and capital costs estimates and the potential for unexpected costs and expenses, physical risks inherent in mining operations, metallurgical risk, currency fluctuations, fluctuations in the price of nickel, cobalt, copper and other metals, completion of economic evaluations, changes in project parameters as plans continue to be refined, the inability or failure to obtain adequate financing on a timely basis, and other risks and uncertainties, including those described in the Company's Management Discussion and Analysis for the most recent financial period and Material Change Reports filed with the Canadian Securities Administrators and available at www.sedar.com*.*

Neither the TSX Venture Exchange nor its Regulations Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this press release.

This news release does not constitute an offer of securities for sale in the United States. The securities being offered have not been, nor will they be, registered under the United States *Securities Act of 1933*, as amended, and such securities may not be offered or sold within the United States absent U.S. registration or an applicable exemption from U.S. registration requirements.

Figure 1. Completed 2020 Grid Metals drill holes in the west lobe of the East Bull Lake intrusion on total magnetic intensity background image. Also shown are the preliminary locations of three proposed holes in the Parisien Lake area targeting a coincident magnetic low anomaly and Pd- and base metal-rich surface mineralization.

Figure 2. Interpreted feeder structures and corresponding magnetic low anomalies on a background total magnetic intensity image. Also shown are historical and recent core and surface sample locations with symbols coded to palladium grade.

SOURCE: Grid Metals Corp.

View source version on accesswire.com:
https://www.accesswire.com/611452/Grid-Metals-Advances-Exploration-Program-at-East-Bull-Lake