Pampa Metals Completes First Phase of Geological Mapping at its Redondo-Veronica Copper Project in Chile

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VANCOUVER, March 23, 2021 - Pampa Metals Corp. (CSE:PM)(FSE:FIRA)(OTC PINK:PMMCF) ("Pampa Metals" or the "Company") is pleased to provide a technical update on progress at its Redondo-Veronica project in northern Chile, having completed a comprehensive geological mapping exercise.

Summary

Five (5) separate zones of hydrothermal alteration characteristic of porphyry copper deposits have been identified and mapped within the Redondo-Veronica property, all of which, subject to geophysical results, are likely to provide valid drill targets. All the areas of interest are large (2-4 sq. km), with 3 of the areas having been subject to very limited (1 or 2 holes) historic drilling of unknown provenance and results, and 1 priority area having no evidence of having been drill tested historically. The fifth area has been subject to a significant historic drilling campaign and has evidence of the presence of copper oxides.

Geophysical surveying at Redondo-Veronica, comprising 3D Vector IP (VIP) and Magnetotelluric (MT) measurements, is currently underway and advancing well. The electrical geophysical surveying will be followed by a drone magnetics survey, once the magnetic survey is completed on Pampa Metals' Arrieros property, further to the north.

Julian Bavin, CEO of Pampa Metals, commented: "The Company is advancing rapidly with its exploration program, with two projects at Arrieros and Redondo-Veronica substantially advanced, and with geological mapping currently underway at a third project at Cerro Buenos Aires. We are especially pleased with the results so far at Redondo-Veronica, where significant geological outcrop gives us a good idea of the prospectivity and targets to be followed up, while Arrieros still requires completion of the geophysical surveying over the property, which is largely devoid of geological outcrop. We are planning an initial drill program, likely to start at Redondo-Veronica, around the end of April, while we continue the exploration of other projects within Pampa Metals' portfolio."

Detailed Technical Report - Redondo-Veronica

Geological mapping at 1:5,000 scale of the 6,600-hectare Redonda-Veronica project, located along the Eocene-Oligocene (Domeyko) porphyry copper belt of northern Chile, has been completed generating a series of technical layers of information including lithology, hydrothermal alteration, structure, and mineralisation.

The project area comprises Carboniferous-Permian volcanic rocks, including lava flows, pyroclastic deposits, and domes, together with a cogenetic intrusive complex of granites, granodiorites, monzo-diorites, and diorites, which are geologically equivalent to those described at the Gabriela Mistral porphyry copper deposit to the north and those located on the west flank of the La Escondida porphyry copper district to the south. Additionally, the project is located along the Pampa Elvira Fault (PEF) of the Domeyko Fault System, which originates from the Escondida Fault some 20 km to the south.

Five centers of phyllic hydrothermal alteration, which are potentially indicative of porphyry copper style mineralisation, have been identified in the project area, all of which are spatially associated with the PEF that traverses the project area from northwest to southeast.

- Redondo NorEste occurs in the northeast corner of the property and to the east of the PEF, and comprises pervasive phyllic alteration of quartz-sericite-pyrite (QSP) type, associated with a series of northeast trending structures exhibiting high-sulfidation quartz-pyrophyllite-dickite alteration. This hydrothermal center is about 3 km N-S by 1.5 km E-W in size and includes 2 historic RC drill holes of unknown provenance and results, but remains open for delineating potential drill targets.
- Redondo Extremo Norte occurs in the extreme north of the property and to the east of the PEF, and is characterised by "D"-type quartz veinlets associated with phyllic alteration over an area of approximately 1.5 km by 1.5 km. This is considered to be indicative of a well-preserved porphyry copper system, and includes 1 historic RC drill hole of unknown provenance and results, and remains open for delineating potential drill targets.
- Redondo Sur occurs in the south of the property and to the east of the PEF, and hosts "D"-type quartz veinlets associated with phyllic alteration over an area of approximately 2 km by 2 km. This is also considered to be indicative of a well-preserved porphyry copper system, and includes 1 historic RC drill hole of unknown provenance and results, and remains open for delineating potential drill targets.
- Cerro Redondo Norte contains an area of historical exploration interest, with a number of drill platforms and evidence of completed RC drill holes of unknown provenance and results, over an area of approximately 800m x 800m, within a larger area of alteration some 2 km NE-SW by 1.5 km NW-SE in size. This area is located to the west of the PEF and although outcrop is poor, contains evidence indicative of porphyry copper systems including widespread phyllic alteration with "D" type quartz veinlets, NW and NE trending QSP structures, tourmaline flooding, and some evidence for the presence of "A" type quartz veinlets. Historic drill cuttings left at surface reveal the presence of pyrite and copper oxides.
- Redondo SurOeste: A fifth area of phyllic alteration corresponds to sericite-chlorite veinlets identified to the southwest of Cerro Redondo Norte, which have a spatial relationship with a poorly exposed zone of quartz "A" type veinlets with the presence of copper oxides oriented on a NE-SW trend. This area is provisionally interpreted as a northeast oriented porphyry system, approximately 1.8 km long by 1.2 km wide, located between two N-S branches of the Pampa Elvira Fault. The area of interest shows no evidence of historical drilling and is a priority for follow-up work.

Structural data collected from the project indicates that the property is located on a set of north-northwest trending structures of the Domeyko Fault System, composed in this case by the PEF and a series of sub-parallel structures to the west. Alteration zones identified to date are oriented northeast-southwest, which is similar to the mineralised porphyries at the La Escondida porphyry copper district to the south.

The combination of extensive hydrothermal alteration of porphyry copper type, together with an enhanced understanding of the principal structural controls on the property, suggest several targets for possible follow-up by exploration drilling. The geophysical surveys currently underway on the property will help to refine the specific priority targets to be drill tested.

Technical information in this news release has been approved by Mario Orrego G., geologist and a registered member of the Chilean Mining Commission and a qualified person as defined by National Instrument 43-101. Mr. Orrego is a consultant to the company.

Reference to existing or historic mines and projects, and the overall mineral potential of Chile, is for reference purposes only. The reader is cautioned that there is no evidence to date that comparable resources could be found on Pampa Metals' properties.

ABOUT PAMPA METALS

Pampa Metals is a Canadian company listed on the Canadian Stock Exchange (CSE: PM). Pampa Metals owns a 100% interest in an outstanding 59,000-hectare portfolio of eight projects prospective for copper and gold located along proven mineral belts in Chile, one of the world's top mining jurisdictions. The Company has a vision to create value for shareholders and all other stakeholders by making a major copper discovery along the prime mineral belts of Chile, using the best geological and technological methods. For more information, please visit Pampa Metals' website here www.pampametals.com.

ON BEHALF OF THE BOARD

Julian Bavin | Chief Executive Officer

INVESTORS CONTACT

Ioannis (Yannis) Tsitos | Director
investors@pampametals.com
www.pampametals.com

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FORWARD-LOOKING STATEMENT

This news release contains certain statements that may be deemed "forward-looking statements". All statements in this release, other than statements of historical fact, that address events or developments that Pampa Metals expects to occur, are forward-looking statements. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential", "indicate" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur. These include statements regarding our future exploration plans and results of existing plans. These statements are subject to various risks, including that results will not be as anticipated, or that timing may be impacted by restrictions on travel and work imposed due to the Covid-19 pandemic. Although Pampa Metals believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guaranteeing of future performance and actual results may differ materially from those in forward-looking statements.

Redondo-Veronica Project - Simplified Regional Geology and Location in Relation to Nearby Mines & Deposits

Redondo-Veronica Project - Simplified Property Geology & Hydrothermal Alteration & Showing Principal Areas of Interest

SOURCE: Pampa Metals Corp.

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